



Metropolitan Transportation Authority

December 2024

MTA Board Action Items



MTA Board Meeting
Wednesday, 12/18/2024
9:00 AM - 12:00 PM ET
2 Broadway
20th Floor Boardroom
New York, NY 10004

1. PUBLIC COMMENT PERIOD

2. EXECUTIVE SESSION

3. PRESENTATION

4. APPROVAL OF MINUTES

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Joint Minutes of the

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

Regular Board Meeting Minutes

November 18th, 2024

9:00 a.m.

2 Broadway

New York, NY 10004

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

Hon. Janno Lieber, Chair & CEO

Hon. Andrew Albert

Hon. Norman Brown

Hon. Samuel Chu

Hon. Michael Fleischer

Hon. Daniel Garodnick

Hon. Marc Herbst

Hon. David Jones

Hon. Meera Joshi

Hon. Blanca Lopez

Hon. David Mack

Hon. Haeda B. Mihaltses

Hon. Dr. John-Ross Rizzo

Hon. Lisa Sorin

Hon. Vincent Tessitore, JR.

Hon. Midori Valdivia

Hon. Neal Zuckerman

The following alternate non-voting members were present:

Hon. Gerard Bringmann

Hon. Randolph Glucksman

Hon. John Samuelsen

Paige Graves, General Counsel, Laura Wiles, Chief of Staff, John McCarthy, Chief External Relations & Policy, Lisette Camilo, Chief Administrative Officer, Kevin Willens, Chief Financial Officer, Carl Hamann, Acting Chief Safety Officer, Demetrius Crichlow, President, NYCT, Frank Annicaro, Sr. Vice President, NYCT DOB /MTA Bus Company, Catherine Rinaldi, President, Metro-North Railroad, Rob Free, President, LIRR, Jamie Torres-Springer, President, MTA C&D, Michael Kemper, Chief Security Officer, Quemuel Arroyo, Chief Accessibility Officer, Shanifah Rieara, Senior Advisor for Communications and Policy/Chief Customer Officer attended the meeting.

The Board of the Metropolitan Transportation Authority also met as the Boards of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road Company, Metro-North Commuter Railroad Company, the MTA Construction and Development Company, the MTA Bus Company, and the First Mutual Transportation Assurance Company.

Unless otherwise indicated, these minutes reflect items on the agenda of the Board of the Metropolitan Transportation Authority, the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority, the Metropolitan Suburban Bus Authority, the Triborough Bridge and Tunnel Authority, the Long Island Rail Road Company, Metro-North Commuter Railroad Company, the MTA Construction and Development Company, and the First Mutual Transportation Assurance Company.

Chair Lieber called to order the November 2024 Board meeting.

A recorded audio public safety announcement was played.

1. PUBLIC SPEAKERS' SESSION.

The MTA Moderator announced that the following public speakers will speak either live virtually or in-person.

The MTA Moderator reminded public speakers of the rules of conduct and the two-minute speaking limit. The Moderator reminded speakers of the warning beep when 30 seconds remain to conclude their remarks. The Moderator advised that the public comments will be recorded, published to the MTA website, and available for MTA Board Members' review.

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

Christopher Sanders, private citizen
V. Mason, private citizen
David Kupferberg, Passengers United
Gian Pedulla, private citizen
Howard Birnbaum, private citizen
Tony Phillips, private citizen

Tim Elliot, BSID
Kate Slveyn, private citizen
Monical Bartaem, DIA
Jaqi Cohen, TSTC
Andy Pollack*, Passengers United
Michele Birnbaum, New Yorkers Against Congestion Pricing*
Aleta Dupree, Team Folds*
Abby Dziura, Riders Alliance*
Michael Ortiz, student*
Kathryn Freed, private citizen*
Ron Mitchell, private citizen*
Lucy Koteen, New Yorkers Against Congestion Pricing*
Congressman Jerrold Nadler, U.S. Representative
Catherine Collins, DIA
Rachael Fauss, Reinvent Albany
Carlo Scissura, New York Building Congress
Betsy Plum, Riders Alliance
Jean Ryan, DIA
Jason Anthony, LIRR ADA Task Force
McCann Purcell, Riders Alliance
Andrew Rein, Citizens Budget Commission
Krishta Fernandez, NYPIRG*
Kirby Sikes, NYPIRG*
Ralph Rahman, NYPIRG*
Edward Miller, NYPIRG/CUNY*
Susan Lee, New Yorkers Against Congestion Pricing
Leopold Hancock, NYPIRG*
Richard Chow, NYTWA*
Lisa Daglian, PCAC
Valerie Mason, New Yorkers Against Congestion Pricing
Debra Greif, NYCTRC & ACTA LIRR, Metro North ADA
Anna Humphrey, Center for Independence
Michael Magazine, FFFNYC
Jeremiah Gonzalez, Riders Alliance
Valerie Joseph, New Yorkers Against Congestion Pricing
Iris Kelley, DIA
Antonio, private citizen

Refer to the video recording of the meeting produced by the MTA and maintained in MTA records for the list of other speakers and the content of speakers' statements.

The MTA moderator announced the allotted time for public comment had been reached. Registered speakers were advised to join the separate live recording session or remain in the Zoom queue in order to provide comment.

General Counsel Paige Graves confirmed a quorum of the Board Members in attendance.

2. CHAIR LIEBER'S REMARKS.

Chair Lieber thanked public speakers for their engagement. Chair Lieber began his remarks with comments regarding the water situation in New York. The Chair acknowledged New York's recent dry autumn and highlighted the resulting impacts on the city's water situation, including brush fires. The Chair noted that Mayor Adams will conduct a briefing about how the city would address these challenges.

Chair Lieber spoke about the broader benefits of congestion pricing, including reducing traffic congestion resulting in more efficient commuting. Chair Lieber stressed the importance of focusing not only on drivers but also on the millions of transit riders and the business community. Chair Lieber noted support from the Citizens Budget Commission and the Real Estate Board of New York. Chair Lieber discussed the negative impacts of traffic, increased air pollution, noise and road rage induced accidents. Chair Lieber stated that media coverage of congestion pricing plan often neglects the broader public health consequences of traffic. He called for more balanced media coverage, coverage that also considered the safety of pedestrians, cyclist and resident living near busy traffic zones. In addition, the Chair highlighted the critical need to reduce emergency response times that could be reached by reduced congestion. Further, Chair Lieber addressed mass transit's role in New York's housing crisis, noting that the investment in transit infrastructure will support Transit-Oriented Development, a plan where housing is built near transit hubs in order to accommodate the growing population in New York.

Chair Lieber discussed the improvements in New York's public transit system, including better on-time performance on the commuter Rail Roads and increasing numbers of security cameras on the subway system. Chair Lieber noted the MTA has become more efficient in the post-COVID era with a budget that is lower in real terms despite expanding service.

Chair Lieber emphasized that New York's identity is closely tied to its mass transit system, as transit is not just a means of getting around but a vital public space that embodies the city's diversity. He noted that the continued investment in and expansion of transit services is crucial for preserving what makes New York unique. Chair Lieber expressed gratitude for Governor Hochul's leadership, whose support for congestion pricing and mass transit investment is vital. He also thanked the Board and advocates who have consistently fought for better transit solutions in the city.

3. FINANCIAL PLAN

Deputy Chief Financial Officer Jai Patel presented the 2025 Final Proposed Budget and November Financial Plan for 2025-2029 for Board information. Jai Patel reminded the Board no action is required at this meeting. Copies of the proposed budget and plan were distributed to Board members in the November Board materials. Following the presentation the Chair reminded the Board that action will take place next month. Chair Lieber remarked on MTA efforts to increase savings without cutting service. Chair Lieber invited Board discussion concerning the proposed budget and financial plan.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records, for details of the Deputy CFO Patel's presentation and Board members' comments and discussion.

4. CAPITAL PROJECT UPDATE

Chair Lieber asked C&D President Torres-Springer to update the Board on how the Phase In of the Central Business District Tolling Program will benefit construction and development projects.

President Torres-Springer reminded the Board that congestion pricing is more than 30% of the 2020-2024 capital plan and more than 50% of the remaining plan funding. President Torres-Springer described how the pause in congestion pricing revenue of \$16.5 billion, including Federal local match funding, caused C&D to focus on State of Good Repair projects while placing system improvement projects on hold. With the anticipated restoration of congestion pricing, President Torres-Springer announced Second Avenue Subway Phase 2 would be moving forward. The project is still on track to meet the planned revenue service date and will be moving immediately into the major stage of contracting for tunnel construction. The project has also identified \$1.3 billion in savings compared to the initial project plan estimate.

President Torres-Springer announced that all 23 subway ADA upgrades under the 2020-2024 capital plan, formerly paused under congestion pricing, would be moving forward. Six of the stations are already designed and will move forward immediately into procurement, including the 42nd-Bryant Park complex, two Bronx stations, two Queens stations, and one in Manhattan.

President Torres-Springer announced that the MTA would immediately exercise the option to purchase 270 electric buses and will proceed with the installation of charging infrastructure at 10 bus depots, keeping MTA on track for the 500 electric buses identified for purchase in the 2020-2024 capital plan.

President Torres-Springer announced the resumption of procurement of projects related to the safety of the Verrazano Narrows Bridge, including reconstruction of the bridge ramp and cable dehumidification. \$1.5 billion has been restored for new subway and railroad cars and locomotives. Congestion pricing will also fund the signal modernization on the A/C/B/D/F/M lines, including the addition of the Liberty line to Ozone Park. President Torres-Springer reported that C&D would immediately move forward with previously paused state of good repair projects including the reconstruction and ADA upgrade of Hollis station and critical railroad work.

President Torres-Springer noted that despite the pause, C&D has continued to progress certain state of good repair projects including the reconstruction of the second phase of the Park Avenue Viaduct. President Torres-Springer commended the dedication C&D of executives in continuing to progress projects despite the funding pause and acknowledged the Governor's commitment to support the full funding of the 2025-2029 capital plan. President Torres-Springer also reminded the Board of C&D's commitment and ability to be good stewards of congestion pricing funds and pointed to examples of how C&D has a record of building projects that are on or under budget and time.

In addition, Chair Lieber reminded the Board that one result of the Governor's action related to lifting the congestion pricing pause was it enabled the release of funds that will support additional operating bus services in the boroughs outside of Manhattan. Details on that additional service will be provided to the Board next month.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records, for details of C&D President Torres-Springer's update as well as Board Member comments and discussion.

5. CENTRAL BUSINESS DISTRICT TOLLING PROGRAM – PHASE IN

Chair Lieber called on Deputy Chief of Policy & External Relations and formerly Special Advisor to the Traffic Mobility Review Board, Juliette Michaelson, to describe the proposed Phase In feature of the Tolling Schedule.

Juliette Michaelson summarized the announcement of the multi-year phase in of the Toll Schedule and reminded the Board of the status of the CBDT Tolling Program. Juliette Michaelson, on behalf of the staff, thanked Board Members for their valuable input and time at all points in this process.

Chair Lieber echoed the sentiment and also thanked the incredible staff who worked on this effort. Chair Lieber asked for a motion to adopt and endorse the Phase In Feature and therein opened the floor for Board Member discussion.

Upon a motion duly made and seconded, the Board approved and endorsed the Central Business District Tolling Program Phase In Feature. Board Member David Mack opposed the action and was the single dissenting vote. The specifics are set forth in staff summaries and documentation filed with the meeting materials.

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

6. APPROVAL OF MINUTES

Upon motion duly made and seconded, the Board approved the Joint Minutes of the MTA and MTA Agencies Regular Board meeting held on October 30, 2024, as corrected.

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

7. COMMITTEE OF THE WHOLE

A. Procurement Items

Upon a motion duly made and seconded, the Board approved the procurement items listed below. The specifics are set forth in staff summaries and documentation filed with the meeting materials.

1. MTA C&D Procurement Item: Award of a modification to a contract with Boyce Technologies, Inc. (Contract No. A37628) to add a new Emergency Elevator 2-Way Communication System into New York City Transit's existing Emergency Booth Communications System.
2. MTA HQ for NYCT Procurement Item: Ratification of the contract for a boiler management software tool, in order to add 38 additional NYC Transit locations, enabling the MTA to remotely monitor and control boiler temperature.

3. Long Island Rail Road Procurement Item: Award of a contract for the estimated expenditure of \$1.3M for partial demolition of a building.
4. Real Estate Items: Four Transactional Actions for MTA Long Island Rail Road.

8. ADJOURNMENT

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 1:17 p.m.

Paige Graves
General Counsel and
Corporate Secretary
MTA


Susan Sarch
Vice President,
General Counsel and Corporate Secretary
Metro-North Railroad

David Farber
General Counsel and
Corporate Secretary
NYCT and MTA Bus

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

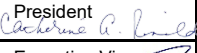



Paul L. Friman
General Counsel
and Corporate Secretary
TBTA

Evan Eisland
General Counsel and Corporate Secretary
MTA C&D

Subject NYSDOT Grant for Connecting Services	
Department Operations Planning and Analysis	
Department Head Name Sean Fahey	
Department Head Signature 	
Project Manager Name Donna Y Mason	Program Manager Name

Date November 25, 2024
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref#

Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm. Mtg.	12/16/24			
2	MTA Finance Mtg.	12/16/24			
3	MTA Board Mtg.	12/18/24			

Internal Approvals			
Order	Approval	Order	Approval
4	President 	2	VP & General Counsel 
1	Executive Vice President & COO 	3	MNR Financial Liaison 

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval

Narrative

PURPOSE:
To obtain MTA Board approval to enter into a contract to accept up to \$365,000 in a Congestion Mitigation/Air Quality (CMAQ) grant from the New York State Department of Transportation (NYSDOT) to support connecting services covering the period from January 1, 2025 through December 31, 2025.

DISCUSSION:
Metro-North has worked with NYSDOT to implement various projects to improve access to Metro-North stations. These projects, which include connecting buses (e.g., Hudson Link, Newburgh-Beacon Shuttle, Dutchess LOOP, HARTtransit, etc.), the Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry, create station access/egress and increase ridership and revenue for the Railroad, as well as reduce the number of single occupancy vehicles on the roads.


Over the past fifteen plus years, Metro-North has received over \$5 million from similar NYSDOT (CMAQ) grants. These funds have been used for a variety of operational and marketing activities: providing customer information (e.g., signage, kiosks, etc.); marketing/advertising to launch and support these services; for customer parking and miscellaneous operational improvements. Metro-North plans to use the funds from the new CMAQ grant in a similar fashion, working with our regional partners to maintain service quality and improve station access.

BUDGET IMPACT:
No budget impacts. These monies allow for projects that would not otherwise be implemented.




RECOMMENDATION:
That the MTA Board grant approval to enter into a contract to accept up to \$365,000 in a Congestion Mitigation/Air Quality (CMAQ) grant from the New York State Department of Transportation (NYSDOT) to support connecting services, covering the period from January 1, 2025 through December 31, 2025.

The legal name of MTA Metro-North Railroad is Metro-North Commuter Railroad Company

Staff Summary

Subject Eleventh Memorandum of Understanding (MOU) between MNR and City of Newburgh for Reimbursement of Ferry Landing/ Parking Lease	Date December 10, 2024
Department Operations Planning and Analysis	Vendor Name N/A
Department Head Name Sean Fahey	Contract Number N/A
Department Head Signature 	Contract Manager Name N/A
Project Manager Name Donna Mason	Table of Contents Ref#

Board Action					
Order	To	Date	Approval	Info	Other
1	M-N Comm. Mtg.	12/16/24			
2	MTA Board Mtg.	12/18/24			

Internal Approvals			
Order	Approval	Order	Approval
3	President 	2	General Counsel 
1	Executive Vice President & COO 		

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE: To obtain MTA Board approval for Metro-North to enter into an Eleventh Memorandum of Understanding (“Eleventh MOU”) with the City of Newburgh, New York (the City) for Metro-North to reimburse the City for lease payments for the parking and ferry landing facilities used by the Newburgh-Beacon Ferry for the period January 1, 2025 through December 31, 2025.

DISCUSSION: In August 2004, Metro-North and the City entered into an agreement concerning the mooring, docking, and use of facilities in Newburgh to be used for the Newburgh-Beacon Ferry. Under that agreement, the City leases from a private landowner the land and facilities for a ferry dock and 250-space parking facility for ferry riders. At the same time, the City and the New York State Department of Transportation (NYSDOT) entered into a contract by which NYSDOT reimbursed the City for the rent payments under the lease; that contract expired and was not renewed by NYSDOT. Under an MOU dated May 26, 2015, between Metro-North and the City, Metro-North reimbursed the City for lease payments from May through December 2015, at the monthly rate of \$21,278. A second MOU dated January 26, 2016 extended this agreement under the same terms, as did a third MOU, dated January 5, 2017. In October 2017, a fourth MOU dated January 2, 2019, extended Metro-North’s obligation to reimburse the lease payments under the existing terms through June 30, 2019. The City entered into a second new lease with another new owner (“Second New Lease”) for the term July 1, 2019 - December 31, 2020, with rent payments of \$21,916 per month. The City and Metro-North entered into a Fifth MOU on July 30, 2019, whereby Metro-North agreed to reimburse the City for the rent payments made by the City under the Second New Lease. The Second New Lease was extended for the period January 1, 2021 through June 30, 2021 (“Second New Lease Extension”) at the same rate of \$21,916 per month.

The City and Metro-North entered into a Sixth MOU dated January 1, 2021 whereby Metro-North agreed to reimburse the City for the rent payments made by the City under the Second New Lease Extension. The Second New Lease was extended for the period July 1, 2021 through December 31, 2021 at the same rate of \$21,916 per month, and the City and Metro-

The legal name of MTA Metro-North Railroad is Metro-North Commuter Railroad Company

Staff Summary

North entered into a Seventh MOU dated June 8, 2021, whereby Metro-North agreed to reimburse the City for the rent payments made by the City under this lease extension. The City extended the lease for the period January 1, 2022 through December 31, 2022, at the same rate of \$21,916 per month. The City and Metro-North entered into an Eighth MOU dated December 14, 2021 whereby Metro-North agreed to reimburse the City for the rent payments made by the City under this extension at the same rate of \$21,916 per month. The City extended the lease for the period January 1, 2023 through December 31, 2023, at the same rate of \$21,916 per month. The City and Metro-North entered into Ninth MOU dated December 22, 2022, whereby Metro-North agreed to reimburse the City for the rent payments made by the City under this extension at the same rate of \$21,916 per month. The City and Metro-North entered into Tenth MOU dated January 1, 2024 whereby Metro-North agreed to reimburse the City for the rent payments made by the City under this extension at the same rate of \$21,916 per month.

The City has negotiated a Second New Lease Sixth Extension for the period January 1, 2025 through December 31, 2025 at the same rate of \$21,916 per month. Under the proposed Eleventh MOU, Metro-North will reimburse the City for the same period of time as the Second New Lease Sixth Extension (January 1, 2025 through December 31, 2025) at the same rate of \$21,916 per month.

The Eleventh MOU also provides that the City and Metro-North will continue to work together in a diligent, cooperative and time sensitive manner to identify and make available alternative locations for the Ferry Service and parking facility, should the current site not be available in the future, as well as work together to identify possible other sources of funding. The Tenth MOU has been authorized and executed by the City.

The City does not have the resources to shoulder the expense of the ferry facility property lease. If Metro-North does not reimburse the City for the expense of leasing the ferry facility lands, the lease will terminate and the Newburgh-Beacon Ferry service will be interrupted.

NYS DOT has committed to provide Metro-North with Congestion Mitigation/Air Quality (“CMAQ”) funds, which may be used as reimbursement for assistance payments made to the City by Metro-North to fund the lease extension through December 31, 2025. Metro-North’s acceptance of these funds for various connecting services-related projects, including the Newburgh-Beacon Ferry is being presented to the Board this month, December 2024. Of the CMAQ funds, \$263,000 will be used annually to fund the reimbursement to the City upon proof of payment of the monthly lease cost.

BUDGET IMPACT: Metro-North applies for reimbursement from NYSDOT as the payments are made to the City of Newburgh. There is a zero net impact on the operating budget.

ALTERNATIVE: If Metro-North does not enter into this Eleventh MOU, then the City would terminate the lease agreement for the Newburgh-Beacon Ferry landing, parking facility, and mooring rights. The likely impact of this action would be interruption of the ferry service while a new site is identified, procured, and any required improvements are constructed.

RECOMMENDATION: That the MTA Board grant approval for MNR to enter into an Eleventh Memorandum of Understanding with the City of Newburgh regarding reimbursement of lease expenses paid by the City for land used for the Newburgh-Beacon Ferry landing and parking facility for the period January 1, 2025 through December 31, 2025.



Long Island Rail Road Procurements

Jacqueline Waddell, Acting Assistant Deputy Chief Procurement Officer – LIRR Procurement



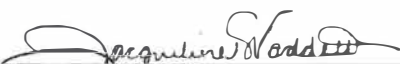
PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed estimated expenditure of \$787.6.

Subject Request for Authorization to Award Various Procurements

Department LIRR Procurement

Department Head Name Jacqueline Waddell

Department Head Signature


Project Manager Name Rose Davis






December 13, 2024

Department

Department Head Name

Department Head Signature

Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	12/16/24			
2	Board	12/18/24			

Internal Approvals			
	Approval		Approval
1	VP, General Counsel & Secretary 	4	SVP Operations 
2	Chief Rolling Stock Programs Officer 	5	President 
3	VP Capital Program Delivery & Oversight 	6	

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Long Island Rail Road Committee of these procurement actions.

DISCUSSION

LIRR proposes to award Noncompetitive procurements in the following categories: None

LIRR proposes to award Competitive procurements in the following categories:

	<u># of Actions</u>	<u>\$ Amount</u>
<u>Schedules Requiring Majority Vote:</u>		
Schedule I: Modifications to Purchase and Public Works Contracts	1	\$ 787.6 M
LIRR proposes to award Ratifications in the following categories: None		
TOTAL	1	\$ 787.6 M

COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C, and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

BUDGET IMPACT: The purchases/contracts will result in obligating funds in the amounts listed. Funds are available in the current 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

WHEREAS, in accordance with Sections 1265-a and 1209 of the Public Authorities Law and the All-Agency General Contract Procurement Guidelines, the Board authorizes the award of certain noncompetitive purchase and public work contracts, and the solicitation and award of requests for proposals regarding purchase and public work contracts; and

WHEREAS, in accordance with the All-Agency Service Contract Procurement Guidelines and General Contract Procurement Guidelines the Board authorizes the award of certain noncompetitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and

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

NOW, the Board resolves as follows:

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

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.

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

4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein and ratifies each action for which ratification is requested.

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

DECEMBER 2024

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

I. Modifications to Purchase and Public Work Contracts

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

- | | | |
|--|----------------------|--------------------------------------|
| 1. Siemens Mobility, Inc. | \$787,566,410 | <i>Staff Summary Attached</i> |
| 7 years | | |
| Contract # 244941.14 | | |
| Contract for Design, Manufacture, Test, and Delivery of New Dual-Mode Locomotives; Modification to exercise Option 3 in order to purchase up to 44 additional Dual-Mode Locomotives and related non-car items. | | |

Item Number: 1

Vendor Name (Location) Siemens Mobility, Inc. (Sacramento, California)
Description Design, Manufacture, Test, and Delivery of New Dual-Mode Locomotives – Option Election
Contract Term (including Options, if any) February 2021–January 2028
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Type: <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Department: Chief Rolling Stock Programs Officer, Craig Daly

Contract Number 244941	Modification # 14
Original Amount:	\$252,768,764
Prior Modifications	\$162,993,034
Current Amount:	\$415,761,798
This Request:	\$787,566,410
% of This Request to Current Amount:	89.0%
% of Modifications (including This Request) to Original Amount:	276.0%

Discussion:

Long Island Rail Road (“LIRR”) is requesting Board approval to exercise Option 3 of the contract awarded to Siemens Mobility, Inc. (“Siemens”) for the design, manufacturing, testing, and delivery of up to 44 dual-mode locomotives, including related non-car items such as special tools, portable test equipment, spare parts, bench test equipment, and training aids, in the total estimated amount of \$787,566,410. This modification will also cover the contract extension (February 2028–December 2034) to allow time for the delivery of cars and the continuation of all terms and conditions, including the warranty.

In December 2020, the Board authorized the award of competitively solicited Contract 244941 to Siemens for the design, manufacturing, testing, and delivery of 19 base-order locomotives including options for up to: 40 dual-mode locomotives for Metro-North Railroad (“MNR”); 20 dual-mode locomotives in an alternate configuration for Connecticut Department of Transportation (“CDOT”); 66 dual-mode locomotives in an alternate configuration for Long Island Rail Road; and 26 dual-mode locomotives in an alternate configuration for the New York State Department of Transportation. Option 1 was approved by the Board in December 2020 at the same time the base order quantity was approved. The Board approved Option 2 for six dual-mode locomotives for CDOT in June 2023.

The 44 dual-mode locomotives under this option are needed for the replacement of existing LIRR passenger diesel locomotives that are beyond their service life. These locomotives will provide improved reliable passenger service to the LIRR’s diesel branch customers and provide more operational flexibility. Additionally, they will also reduce the LIRR’s carbon footprint featuring engines that meet Tier 4 emission regulations as defined by the U.S. Environmental Protection Agency. These locomotives will provide eco-friendliness by cutting airborne emissions by more than 85 percent.

The pricing for option cars is subject to an adjustment formula resulting from changes in labor and material cost indices, currency exchange rates, and other agreed-upon factors included in the base contract. The option pricing was considered fair and reasonable at the time of the contract award (2021). Therefore, since Option 1 pricing has been escalated according to indices and adjusted to reflect currency changes already included in the base contract, the option price is considered fair and reasonable. The proposed escalated price was \$789,534,093 in advance negotiations. Negotiations, centering on LIRR-specific modifications, resulted in a reduction of \$1,967,683 for a final price of \$787,566,410.

Modifications have been made throughout this contract which, in some cases, impacted the cost of the Option locomotives. Additionally, specific modifications affecting the LIRR locomotives that differ from MNR are being addressed in this option election. Negotiations for these modifications were necessary for the modifications that impacted the LIRR locomotives.

Based on the current contract schedule and continuous production, the delivery of the 44 Dual-Mode Locomotives is scheduled to begin in 2027 and be completed in 2031 for an overall delivery period of 72 months from the Notice of Award.

Siemens has the experience, technical capability, resources, and facilities to perform the work required. The MTA’s Controller’s Office found that there is reasonable assurance Siemens has the financial resources to support performance under this Option. Metro North received the first two Siemens locomotives, which have successfully completed Phase 1 testing on schedule in Pueblo, Colorado. They are now in Phase 2 testing in the Metro-North environment and are expected to enter passenger service in early 2025.

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

Any cybersecurity requirements applicable to the scope of the contract as agreed upon by the parties will be included in the contract terms and conditions prior to award.

MBE/WBE/TVM

Because the base contract utilized Federal Transit Authority (“FTA”) funds, federal terms and conditions apply. Therefore, the FTA Transit Vehicle Manufacturer program applies. Siemens complies with this FTA program.

Impact on Funding

The 2020–2024 Capital Plan will fully fund five locomotives and 39 locomotives are contingent upon approval of the 2025–2029 Capital Plan.



Metro-North Railroad Procurements

Omar Messado, Assistant Deputy Chief Procurement Officer – MTA Office of the Chief Procurement Officer



PROCUREMENTS

The Procurement Agenda this month includes 2 actions for a proposed estimated expenditure of \$48.8M.

Subject	Request for Authorization to Award Various Procurements				
Department	MTA Procurement				
Department Head Name	Lisette Camilo				
Department Head Signature					
Project Manager Name	Rose Davis				
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	12/16/24			
2	Board	12/18/24			

December 12, 2024			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	President	X	<i>Catherine A. Lynch</i>
	SVP Operations Support	X	
	VP & General Counsel	X	<i>RS</i>

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Metro-North Committee of these procurement actions.

DISCUSSION

Metro-North proposes to award Noncompetitive procurements in the following categories:

Procurements Requiring Two Thirds Vote:

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule A: Noncompetitive Purchases and Public Work Contracts	1	\$ 4.5 M
SUBTOTAL	1	\$ 4.5 M

Metro-North proposes to award Competitive procurements in the following categories:

Procurements Requiring Majority Vote:

	<u># of Actions</u>	<u>\$ Amount</u>
Schedule G: Miscellaneous Service Contracts	1	\$ 44.3 M
SUBTOTAL	1	\$ 44.3 M

Metro-North proposes to award Ratifications in the following categories: None

TOTAL	2	\$ 48.8 M
--------------	----------	------------------

COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C, and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

BUDGET IMPACT: The purchases/contracts will result in obligating funds in the amounts listed. Funds are available in the current 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

WHEREAS, in accordance with Sections 1265-a and 1209 of the Public Authorities Law and the All-Agency General Contract Procurement Guidelines, the Board authorizes the award of certain noncompetitive purchase and public work contracts, and the solicitation and award of requests for proposals regarding purchase and public work contracts; and

WHEREAS, in accordance with the All-Agency Service Contract Procurement Guidelines and General Contract Procurement Guidelines the Board authorizes the award of certain noncompetitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and

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

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.
2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.
3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.
4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein and ratifies each action for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: (i) the miscellaneous procurement contracts set forth in Schedule E; (ii) the personal service contracts set forth in Schedule F; (iii) the miscellaneous service contracts set forth in Schedule G; (iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; (v) the contract modifications to purchase and public work contracts set forth in Schedule I; 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.

DECEMBER 2024

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Noncompetitive Purchase and Public Works Contracts

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

- | | | |
|--|--------------------------------|--------------------------------------|
| 1. BBM Railway Equipment, LLC | \$4,452,474 (estimated) | <i>Staff Summary Attached</i> |
| 3 years + two 1-year Options | | |
| Contract #MN249632 | | |
| Award of a contract for the preventative maintenance, inspection, repair and parts supply for Car Hoists and Truck Turntables. | | |

Schedule A: Noncompetitive Purchases and Public Work Contracts

Item Number:

Vendor Name (Location) BBM Railway Equipment, LLC (Youngstown, Ohio)	Contract Number MN249632	Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Description Inspection, Maintenance & Parts Supply of Car Hoists & Turntables	Total Amount: \$4,452,474 (estimate)	
Contract Term (including Options, if any): Three years with two 1-year options	MNR: \$809,348 LIRR: \$3,643,126	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive	Requesting Departments MNR: Maintenance of Equipment, Jeffrey Weston, CMO LIRR: Maintenance of Equipment, John Stolz, CMO	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source		

Discussion:

Metro-North Railroad (“MNR”), on behalf of itself and Long Island Rail Road (“LIRR”) (collectively, the “Railroads”), requests approval to award a three-year sole-source estimated quantity miscellaneous procurement contract for Preventative Maintenance, Inspection, Repair and Parts Supply for Car Hoists and Truck Turntables, manufactured by Macton Corporation (“Macton”), in the estimated amount of \$2,671,484 to BBM Railway Equipment, LLC (“BBM”). The Board is also requested to authorize the MNR Assistant Deputy Chief Procurement Officer to approve the exercise of two 1-year options in the total amount of \$1,780,990, pending the approval of funding.

This procurement was conducted as a joint-agency initiative to leverage the combined buying power of the Railroads. The multi-year contract assures the Railroads that BBM, as the original equipment manufacturer, will continue to maintain its tooling and manufacturing capabilities necessary to produce the parts, which are not available from other sources.

This equipment is vital to the Railroads’ railcar maintenance operations, which allows rail shop personnel to lift, turn, rotate, and otherwise move rail vehicles and truck assemblies for inspection and maintenance purposes. The mechanical operations are intricate in nature (e.g. control panels, hydraulics, drives, and other systems), which are necessary to ensure safe manual operation. The price structure provides the Railroads with inspections and scheduled maintenance at intervals to ensure functionality. Further, LIRR has an additional requirement for parts and material to support its management of inventory to conduct in-house repairs. The contract also provides the Railroads with emergency repair, when needed.

In early 2019, BBM acquired all of Macton’s machinery, inventory, and intellectual property rights.

In accordance with MTA All-Agency Procurement Guideline requirements, the Railroads advertised their intent to procure the services and items on a sole-source basis in the *New York State Contract Reporter* and *Journal News* and on the MTA website. No other firms expressed interest in participating in this procurement.

BBM submitted its initial pricing with fixed rates over three years totaling \$4,747,572 and included a one-time 5 percent escalation for option years 4 and 5. Through negotiations, MNR obtained reductions in pricing on a series of line items for parts and service and obtained fixed pricing for the entire contract duration, including the option years, resulting in a total cost savings of 6.2 percent or \$295,098.

The Cost Price unit’s comparison of the existing contract’s average annual rate to the new contract’s average annual rate, including option years 4 and 5, shows an increase of 1.9 percent which is below the historical annual average of the Producer Price Index of 3.9 percent. Based on this analysis, the revised pricing is deemed fair and reasonable.

As the incumbent, BBM continues to support the Railroads, and its performance has been satisfactory.

This contract has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, will be included in the contract terms and conditions.

Schedule A: Noncompetitive Purchases and Public Work Contracts

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

M/W/DBE Information

The MTA Department of Diversity and Civil Rights has assigned zero percent M/WBE goals on this contract, due to the lack of subcontracting opportunities and MWBE firms in the marketplace.

Impact on Funding

This procurement will be funded by each Railroad's Operating Budget.

Alternatives

None. The Railroads do not possess the resources to provide these services and parts in-house.

DECEMBER 2024

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

1. **Port Imperial Ferry Corp. d/b/a NY Waterway \$44,293,662 (not to exceed) *Staff Summary Attached***
4 years w/three 2-year Options
Contract #MN241812
Award of a contract for the provision of ferry and ancillary services for the Haverstraw-Ossining and Newburgh-Beacon routes.

Through negotiations, MNR secured a reduced hourly rate of \$834 for operating services, which is 1.4 percent less than the initially proposed rate, and \$36 for parking facility services which is 14.2 percent less than the initially proposed rate for the first year for both the Haverstraw-Ossining and Newburgh-Beacon routes. This represents a total cost savings of approximately 2.03 percent, or \$916,412 for the base and option years, compared to the original proposal. The Cost Price unit's comparison of the existing contract's average annual operating rate to the new contract's average annual operating rate, including options, shows an increase of 2.44 percent which is below the Consumer Price Index average of 3 percent over the past 10 years. Accordingly, the revised pricing is considered fair and reasonable.

The SC unanimously recommended award to NY Waterway based on its qualifications, significant resources, and ability to provide the best value to the MTA. As the incumbent, NY Waterway has historically provided this service, and their performance has been satisfactory.

This contract has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements have been included in the contract terms and conditions.

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

M/W/DBE Information

The MTA Department of Diversity and Civil Rights established a 22.5 percent DBE goal for this contract.

Impact on Funding

The ferry service will be funded by MNR's Operating Budget (23 percent), federal funding (39 percent), and NYS Department of Transportation (38 percent).

Alternatives

There are currently no alternatives for these services.

December 2024

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

I. Modifications to Purchase and Public Work Contracts

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

- | | | |
|---|------------------------|-------------------------------|
| 1. Kawasaki Rail Car, Inc. | \$1,266,247,247 | <i>Staff Summary Attached</i> |
| 10-year base + 2- Options for additional car purchases | | |
| Contract# R34211.112 | | |
| Modification to the contract to purchase 440 closed-end subway cars and 20 open-gangway subway cars for the “B” Division, and 75 cars for Staten Island Railway; in order to exercise Option 2 for the purchase of 435 additional subway cars (355 closed-end [R211A] cars and 80 Open Gangway, hard shell [R211T OG1] cars) and related non-car items. | | |

Schedule I: Modifications to Purchase and Public Work Contracts



Item 1

<p>Vendor Name (Location) Kawasaki Rail Car, Inc. (City, State)</p> <p>Description 440 new closed-end subway cars, 20 Open Gangway subway cars for the “B” Division, and 75 cars for Staten Island Railway</p> <p>Contract Term (including Options, if any) January 2018–April 2028</p> <p>Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a</p> <p>Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Noncompetitive</p> <p>Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification</p> <p>Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:</p> <p>Requesting Department: Department of Subways, Mandeep Lali</p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 70%;">Contract Number R34211</td> <td style="width: 30%;">AWO/Mod. #: 112</td> </tr> <tr> <td>Original Amount:</td> <td style="text-align: right;">\$ 1,444,997,948</td> </tr> <tr> <td>Prior Modifications</td> <td style="text-align: right;">\$ 1,808,319,020</td> </tr> <tr> <td>Prior Budgetary Increases:</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>Current Amount:</td> <td style="text-align: right;">\$ 3,253,316,968</td> </tr> <tr> <td>This request:</td> <td style="text-align: right;">\$ 1,266,247,247</td> </tr> <tr> <td>% of This Request to Current Amount:</td> <td style="text-align: right;">38.92%</td> </tr> <tr> <td>% of Modifications (including This Request) to Original Amount:</td> <td style="text-align: right;">212.77%</td> </tr> </table>	Contract Number R34211	AWO/Mod. #: 112	Original Amount:	\$ 1,444,997,948	Prior Modifications	\$ 1,808,319,020	Prior Budgetary Increases:	\$ 0	Current Amount:	\$ 3,253,316,968	This request:	\$ 1,266,247,247	% of This Request to Current Amount:	38.92%	% of Modifications (including This Request) to Original Amount:	212.77%
Contract Number R34211	AWO/Mod. #: 112																
Original Amount:	\$ 1,444,997,948																
Prior Modifications	\$ 1,808,319,020																
Prior Budgetary Increases:	\$ 0																
Current Amount:	\$ 3,253,316,968																
This request:	\$ 1,266,247,247																
% of This Request to Current Amount:	38.92%																
% of Modifications (including This Request) to Original Amount:	212.77%																

Discussion:

This modification is for the exercise of an option to purchase 435 additional subway cars and related non-car items such as spare parts, special tools, diagnostic test equipment, technical documentation and training for NYC Transit’s Department of Subways from Kawasaki Rail Car, Inc. (“Kawasaki”) in the estimated amount of \$1,266,247,247.

In January 2018, the Board authorized the award of Contract R34211 to Kawasaki Rail Car Inc., (KRC) to design, build and deliver 535 subway cars, comprised of 440 closed end cars (R211A), 20 Open Gangway (R211T) cars for NYC Transit “B” Division and 75 cars for Staten Island Railway, as well as related non-car items such as spare parts, special tools, diagnostic test equipment, technical documentation and training in the amount of \$1,444,997,948. The Contract includes two options, Option 1 for 640 cars and Option 2 for 333 or 437 cars. In November 2022, the Board authorized Option 1 to exercise an additional 640 closed end cars (R211A) as well as related non-car items such as spare parts, special tools, diagnostic test equipment, technical documentation and training in the amount of \$1,782,497,142.00. This action is to exercise Option 2 for 435 cars to be configured in five-car operating units. Configuring these cars in five-car units results in 435 cars instead of 437. (355 closed-end [R211A] cars and 80 Open Gangway, hard shell cars [R211T OG1] cars). Delivery of cars under Option 2 is anticipated to start in 2027 and be completed in 2028.

The cars to be purchased under Option 2 will replace R46 and R68 subway cars that run on the B division lines. These cars, like the cars in the base contract will be CBTC equipped and will facilitate the continued expansion of CBTC across the B division.

The pricing for option cars is subject to an adjustment formula resulting from changes in labor and material cost indices, currency exchange rates and other factors, already agreed upon and included in the base contract. The option pricing was considered fair and reasonable at the time of award of the contract in 2018. Therefore, Option 2 pricing has been escalated according to indices and adjusted to reflect currency changes already included in the base Contract.

Throughout the course of this Contract, modifications were made which in some instances impacted the cost of the option cars. These costs were reviewed by NYC Transit and are included in the cost of the cars.

Negotiations for this option were necessary based on changes to the original terms of the contract and centered around Kawasaki's requested increase in the advance payment, as well as aspects of the delivery schedule which differed from that which was originally proposed and agreed to as part of the base contract, as well as the scope changes to the Open Gangway cars. There was an allowance for an increase to the advance payment, from 5% to 10%, and interim progress payments as well as agreement on an adjusted delivery schedule. Further, additional credits against the price of this Option 2 were applied, the values for which were established at the time of award of the base contract as follows: a reduction in the amount of security for the performance bond, a reduction in the retained percentage as well as the allowance for Kawasaki to submit two invoices per month. The net adjusted price after negotiations and after all credits are applied and adjustments is \$1,266,247,247. This represents a \$75,440,745 savings from Kawasaki's original proposal of \$1,341,687,992. All advance payments will be collateralized. Based on the aforementioned negotiations and changes, the pricing is considered to be fair and reasonable.

The FTA has been notified of the advance payments as well as the security requirements for the performance of the work, to secure its concurrence.

KRC has the experience, technical capability, resources, and facilities to perform the work required. The Controller's Office found that there was reasonable assurance that KRC can perform the work under this option.

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

This contract was evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, any applicable cybersecurity requirements, to the extent required, have been included in the base contract terms and conditions.

MBE/WBE/TVM:

Because this Contract is FTA funded, the FTA Transit Vehicle Manufacturer (TVM) program applies. KRC complies with this FTA program.

IMPACT ON FUNDING:

This option is funded with local funds. This project is funded in the approved 2020 - 2024 Capital Program.

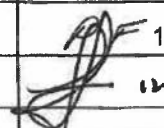
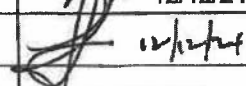


Bridges and Tunnels

Procurements December 2024



Subject Request for Authorization to Award Various Procurements					
Department MTA Procurement					
Department Head Name Louis Montanti					
Department Head Signature					
Project Manager Name Various					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	12/16/24			
2	Board	12/18/24			

December 12, 2024			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval	Order	Approval
	President		1/15 12/12/24
	Gen. Counsel & Corporate Secretary		 12/12/24
	MTA Deputy Chief Procurement Officer		 12/12/24

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
	Chief Financial Officer		Chief Technology Officer		Chief Health & Safety Officer		Chief BEO Officer
	Chief Security Officer		Chief Maintenance Officer		MTA Office of Civil Rights		

PURPOSE

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Bridges & Tunnels Committee of these procurement actions.

DISCUSSION

MTA B&T proposes to award Noncompetitive procurements in the following categories: None

MTA B&T proposes to award Competitive procurements in the following categories:

<u>Procurements Requiring Majority Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule H: Modification to Personal & Miscellaneous Service	1	\$ 2.1 M

MTA B&T proposes to award Ratifications in the following categories: None

TOTAL	1	\$ 2.1 M
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COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C, and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

BUDGET IMPACT: The purchases/contracts will result in obligating funds in the amounts listed. Funds are available in the current 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.)

The legal name of MTA Bridges and Tunnels is Triborough Bridge and Tunnel Authority.

BOARD RESOLUTION

WHEREAS, in accordance with Sections 1265-a and 1209 of the Public Authorities Law and the All-Agency General Contract Procurement Guidelines, the Board authorizes the award of certain noncompetitive purchase and public work contracts, and the solicitation and award of requests for proposals regarding purchase and public work contracts; and

WHEREAS, in accordance with the All-Agency Service Contract Procurement Guidelines and General Contract Procurement Guidelines the Board authorizes the award of certain noncompetitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and

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

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.
2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.
3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.
4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein and ratifies each action for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: (i) the miscellaneous procurement contracts set forth in Schedule E; (ii) the personal service contracts set forth in Schedule F; (iii) the miscellaneous service contracts set forth in Schedule G; (iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; (v) the contract modifications to purchase and public work contracts set forth in Schedule I; 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.

DECEMBER 2024

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

H. Modification to Personal Service & Miscellaneous Service Contracts
(Staff Summaries required for items estimated to be greater than \$1,000,000.)

1. Gannett Fleming Engineers and Architects, PC \$2,100,000 *Staff Summary Attached*
2 years
Contract # PSC-21-3047
Contract for project management office consultant services to provide services for the New York Customer Service Center contracts; Modification for a one-year extension.

Item Number:

Vendor Name (Location) Gannett Fleming Engineers and Architects, PC (New York, New York)	
Description: Project Management Office Consultant Services for the New York Customer Service Center Contracts	
Contract Term (Including Options, if any) March 22, 2022–March 21, 2024	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	
Procurement Type	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type	<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: Modification
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Department: Toll Management, Stephen Knapp SVP	

Contract Number	AWO/Mod. #
PSC-21-3047	3
Original Amount:	\$ 1,867,505
Prior Modifications:	\$ 1,591,385
Current Amount:	\$ 3,458,890
This Request:	\$2,100,000
% of This Request to Current Amount:	60.7%
% of Modifications (including This Request) to Original Amount:	197.7%

Discussion:

Bridges and Tunnels (“B&T”) is seeking Board approval to extend the personal service contract awarded to Gannett Fleming Engineers and Architects, PC (“GFE”) for one-year (December 31, 2024–December 31, 2025) for additional Project Management Office Consultant (“PMOC”) Services for the New York Customer Service Center (“NYCSC”) Contracts in the amount of \$2.1 million.

Pursuant to two competitively procured joint solicitations, B&T, the New York State Thruway Authority (“NYSTA”), and the Port Authority of New York and New Jersey (“PANYNJ”), (collectively, “the Authorities”), awarded three contracts for the following services: (1) NYCSC System and License Plate and Owner Identification Services (to Conduent State & Local Solutions, Inc.); (2) Customer Contact Center (to TTEC Government Solutions); and (3) Tag Distribution (to TransCore, Inc.). To assist in the oversight of these contracts, the Authorities required the PMOC services of a consultant to provide two Project Managers (“CPMs”) to work under the general direction of the Authorities’ project managers (“APMs”). PMOC services provided by the CPMs include: (1) coordinating interagency activities; (2) providing oversight of NYCSC contractors’ design and development activities; (3) reviewing and confirming that business rules, requirements, and documents prepared by contractors align with the executed contract documents; and (4) providing status reports on contractors’ adherence to project schedule.

In September of 2021, B&T issued a joint Request for Proposal (“RFP”) on behalf of the Authorities for PMOC Services. As a result of the RFP, the Authorities recommended GFE for contract award. The base contract was Board approved in January 2022 and awarded in March 2022 for two years in the amount of \$1,867,505. To date, there have been two amendments: No. 1 was for additional project management support services with additional funding in the amount of \$621,385; and No. 2, because of a delay to NYCSC contract, extended the period of performance (March 21, 2024–December 31, 2024) and added funding in the amount of \$970,000. The contractor, Conduent State & Local Solutions, Inc., will therefore reimburse the Authorities in full for the cost of Amendment No. 2.

The implementation of the NYCSC System is now scheduled to go live in early 2025. The Authorities have determined that the continuation of PMOC services with GFE will be required to help manage the new system after the go-live date.

GFE proposed a cost of \$2.3 million. After negotiations, a cost of \$2.1 million was agreed upon and is consistent with the Project Manager’s estimate and consistent with the existing rates of the contract. Based on the aforementioned, the value of this Amendment is considered fair and reasonable. GFE shall be compensated under the existing rates of the contract.

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

The contract awarded to GFE was evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. GFE has certified compliance with the MTA’s cybersecurity requirements.

Impact on Funding

Funding is available in the operating budget. B&T, PANYNJ, and NYSTA will equally share the cost under this contract, therefore B&T will be reimbursed two-thirds of the cost for this amendment by the other participating Authorities.

Contracts Department

Evan Eisland, Executive Vice President and General Counsel

**PROCUREMENT PACKAGE
DECEMBER 2024**

PROCUREMENTS

The Procurement Agenda this month includes 10 actions for a proposed expenditure of \$330.4 M.

Staff Summary

Subject Request Authorization for Several Procurement Actions					
Contracts Department Evan Eisland, Executive Vice President and General Counsel					
Board Action					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/16/24	X		
2	Board	12/18/24	X		

Date: December 12, 2024			
Internal Approvals			
	Approval		Approval
X	Deputy Chief Development Officer, Delivery	X	President
X	Deputy Chief Development Officer, Development	X	Executive Vice President & General Counsel

Purpose

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

Discussion

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

<u>Schedules Requiring Two-Thirds Vote</u>	<u># of Actions</u>	<u>\$</u>	<u>Amount</u>
C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)	4	\$	318,549,940
SUBTOTAL	4	\$	318,549,940

<u>Schedules Requiring Majority Vote</u>	<u># of Actions</u>	<u>\$</u>	<u>Amount</u>
F. Personal Service Contracts	1	\$	1,470,822
SUBTOTAL	1		1,470,822

MTA Construction & Development proposes to award Ratifications in the following category:

<u>Schedules Requiring Majority Vote</u>	<u># of Actions</u>	<u>\$</u>	<u>Amount</u>
K. Ratification of Completed Procurement Actions	5	\$	10,415,889
SUBTOTAL	5	\$	10,415,889
TOTAL	10	\$	330,436,651

Budget Impact

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

Recommendation

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

MTA Construction & Development

BOARD RESOLUTION

WHEREAS, in accordance with Sections 559, 2879, 1209 and 1265-a of the Public Authorities Law and the All Agency General Contract Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public works contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

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

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

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.
2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals and authorizes the solicitation of such proposals.
3. As to each request for proposals (for purchase and public work contracts set forth in Schedule C for which a recommendation is made to award the contract), the Board authorizes the execution of said contract.
4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein, and ratifies each action for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.
6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

DECEMBER 2024

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)
(Staff Summaries required for items requiring Board approval.)

1-2. **MLJTC2** **\$281,100,000** **Staff Summary Attached**
Contract A37806

Mid-American Elevator Co., Inc. **\$17,605,000** **Staff Summary Attached**
Contract No. 600000000035120

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build Services for ADA Upgrades – Package 6, which will provide for Americans with Disability Act and related improvements at five New York City Transit stations. Board approval is also requested to award a long-term elevator maintenance contract.

3. **BEI Holdings, Inc.** **\$983,035** **Staff Summary Attached**
Contract No. MN133778R

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build Services for Digital Audio Call Recording System, which will upgrade the hardware and software for Metro North Railroad’s Private Branch Exchange system.

4. **ExterNetworks, Inc.** **\$18,861,905** **Staff Summary Attached**
Contract No. MN187450

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for Design-Build Services for Radio System upgrades – Phase 1, which will replace Metro-North Railroad’s existing radio dispatch system.

Procurements Requiring Majority Vote:

F. Personal Service Contracts
(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M Competitive.)

5. **TUV Rheinland of North America, Inc.** **\$1,470,822** **Staff Summary Attached**
Contract No. D81491

MTA Construction & Development requests Board approval to award a publicly advertised and competitively solicited contract for an Independent Safety Assessor for the Signal System Modernization of the Rockaway Line Beach 105th Street Station Solid State Interlocking System.

Staff Summary

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

Item Number 1-2					
Department, Department Head Name: Delivery, William Montanile, Senior Vice President, Stations					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/16/24	X		
2	Board	12/18/24	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
1. MLJTC2	1. A37806
2. Mid-American Elevator Co., Inc.	2. 600000000035120
Description	
Design Build Services for ADA Upgrades -- Package 6	
Total Amount	
1. Design Build Contract	\$281,100,000
2. Long Term Elevator Maintenance Contract	\$17,605,000
3. Stipend	\$900,000
Contract Term (including Options, if any)	
1. A37758	1,360 Calendar Days
2. Maintenance Contract	15 years
Option(s) included in Total Amount?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Renewal?	<input checked="" type="checkbox"/> Yes** <input checked="" type="checkbox"/> No*
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input checked="" type="checkbox"/> Operating** <input checked="" type="checkbox"/> Capital* <input checked="" type="checkbox"/> Federal* <input type="checkbox"/> Other:	

*Design Build Contract **Maintenance Contract

ACTION REQUESTED

MTA Construction & Development (“C&D”) requests Board approval to award to MLJTC2, a joint venture between MLJ Contracting Corp. and TC Electric, LLC (“MLJTC2”), a publicly advertised and competitively solicited contract for Design-Build Services for ADA Upgrades -- Package 6 (the “Contract”). The Contract is in the amount of \$281,100,000 (inclusive of an option valued at \$1,977,000) and for a duration of 1,360 Calendar Days. Board approval is also requested to award a long-term elevator maintenance contract to Mid-American Elevator Co., Inc. (“Mid-American”) in the amount of \$17,605,000 and for a duration of 15 years. In accordance with MTA policy regarding the use of Design-Build contracts, and to enhance competition and defray proposal costs, this solicitation includes a stipend of \$300,000 to be paid to each of the three unsuccessful proposers for a total amount of \$900,000.

DISCUSSION

This Contract is one of a series of Americans with Disabilities Act (“ADA”) projects in support of the MTA’s commitment to make stations ADA accessible, providing for design-build services for ADA upgrades at five New York City Transit (“NYCT”) stations: Norwood Avenue Station (J, Z), Myrtle Avenue Station (J, M, Z), Avenue I Station (F), Burnside Avenue Station (4), and Middletown Road Station (6). The work consists of installing new ADA-compliant elevators and other ADA upgrades at each of these stations, and, at the Burnside Avenue station, platform component repairs and replacements to bring the station platforms to a state of good repair. The Contract includes an Option for work at Burnside Avenue Station to be funded by the New York City Department of Transportation, to improve pedestrian access and wayfinding to buses and crosswalks. C&D also seeks to engage the elevator manufacturer to provide long term maintenance of the elevators installed under this Contract, providing for all maintenance, repairs, tests and inspections, and emergency services required to ensure optimum performance and longevity of the elevators and ancillary equipment. To ensure long-term, optimum performance of the elevators, the procurement was structured to require continuity between the design and installation of the elevator equipment and their subsequent maintenance. Only the elevator manufacturer or installer is eligible for the award of the Maintenance Contract. The goal is to ensure that the Design-Builder works in concert with its elevator subcontractor to choose sufficiently robust equipment to not only withstand the rigors of the NYCT system, but to also take into consideration the elevator subcontractor’s ultimate responsibility under a performance-based, long-term Maintenance Contract. The

Maintenance Contract is for a fifteen-year term, commencing on achievement of Substantial Completion of the Contract, and includes two options, each to extend the maintenance period for an additional five years.

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

- Citnalta-Scalamandre Joint Venture, a joint venture between Citnalta Construction Corp. and Peter Scalamandre & Sons, Inc. (“CSJV”),
- ECCO III Enterprises, Inc. (“ECCO”),
- Forte Construction Corp (“Forte”), and
- MLJTC2.

In response to the RFP, CSJV, ECCO, Forte, and MLJTC2 all submitted technical and price proposals. CSJV, ECCO, Forte, and MLJTC2 all proposed Mid-American Elevator Co., Inc. as the elevator manufacturer and installer, and therefore, for the long-term elevator maintenance contract. The selection committee, consisting of representatives from C&D Delivery, Development and Contracts and NYC Transit Department of Subways – Division of Stations, reviewed the technical proposals and attended the oral presentations of each of the four teams. The selection committee evaluated the technical proposals using the following preestablished selection criteria: design and construction, schedule, elevator maintenance plan, management plan, experience, record of performance, safety and quality, diversity practices, and other relevant matters. After evaluating technical proposals, the selection committee opened the price proposals which were as follows: CSJV: \$366,972,415 inclusive of Option valued at \$3,508,000 (maintenance - \$17,605,000); ECCO: \$432,140,000 inclusive of Option valued at \$2,500,000 (maintenance \$17,605,000); Forte: \$314,669,000 inclusive of Option valued at \$962,700 (maintenance: \$17,605,000); and, MLJTC2: \$280,800,000 inclusive of Option valued at \$1,627,000 (maintenance: \$17,605,000).

The selection committee invited Forte and MLJTC2 to participate in negotiations. CSJV and ECCO were not invited to participate in negotiations because their price proposals were outside of the competitive range. Negotiations with Forte and MLJTC2 included detailed discussions of the proposers’ overall cost as well as proposed schedules and approach to the design and construction. Following negotiations, the two proposers were asked to submit Best and Final Offers (“BAFO”). As a result of scope clarifications received during negotiations, MLJTC2s BAFO included adjustments to certain items such as utility work, General Requirements and other project-wide costs. The BAFOs submitted by the proposers were as follows: Forte: \$305,600,000 inclusive of Option valued at \$1,620,000 (maintenance: \$17,605,000); and MLJTC2: \$281,100,000 inclusive of Option valued at \$1,977,000 (maintenance: \$17,605,000).

The selection committee unanimously recommended MLJTC2 for award of the Contract and Mid-American Elevator Co., Inc. for the award of the long-term elevator maintenance contract. In addition to providing the lowest competitive price, the selection committee determined that MLJTC2’s proposal offered the best value to the MTA when also considering the quality of its technical proposal. MLJTC2’s technical proposal demonstrates an ability to complete the work safely, on time, and within budget and provides a team of key personnel and major participants with qualifications and prior experience successfully completing work of similar scope and magnitude. MLJTC2’s BAFO of \$281,100,000 (inclusive of an option valued at \$1,977,000) and Mid-American’s Proposal of \$17,605,000 are deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB Information

The MTA Department of Diversity and Civil Rights has established a DBE goal of 22.5% for the Contract. MLJTC2 is committed to meet the required goal requirements. MLJTC2 has achieved its DBE/MBE/WBE/SDVOB goals on recently completed MTA contracts.

DDCR has established a 0% MBE/WBE/SDVOB goal for the Maintenance Contract due to the lack of MWBE/SDVOB firms in the marketplace. Mid-American has not completed any MTA contracts with goals, therefore, no assessment of its performance can be determined at this time.

IMPACT ON FUNDING

Funding for the Contract, and stipends for the two unsuccessful proposers, are included in the NYCT portion of the MTA’s 2020-2024 Capital Program. Funding for the Maintenance Contract is included in the NYCT operating budget.

ALTERNATIVES

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

Staff Summary

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

Item Number 3					
Department, Department Head Name: Delivery, MNR, Ziona Rubin, Vice President					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/16/24	X		
2	Board	12/18/24	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
BEI Holdings, Inc.	1000133778R
Description	
Design-Build Services for Digital Audio Call Recording System	
Total Amount	
\$ 983,035	
Contract Term (including Options, if any)	
270 Calendar Days	
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"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

ACTION/RECOMMENDATION

MTA Construction & Development (“C&D”) requests Board approval to award to BEI Holdings, Inc. (“BEI”) a publicly advertised and competitively solicited contract for Design-Build Services for Digital Audio Call Recording System (the “Contract”). The Contract is in the amount of \$983,035 and for a duration of 270 Calendar Days.

DISCUSSION

This Contract will provide for design-build services to upgrade the hardware and software for Metro North Railroad’s (“MNR”) Private Branch Exchange (“PBX”) system.

It is crucial for MNR to accurately record and monitor all service calls including safety-critical calls between the Rail Traffic Controller (RTC) and employees working on and around tracks to ensure regulatory compliance, including forensic evaluation, quality monitoring and training. This Contract will integrate a recording system into the PBX system that will locally record audio communications at MNR’s Operations Control Center (“OCC”), its back-up OCC and at key facilities throughout the Hudson, Harlem, and New Haven Lines, including shops, yards, and stations. It will also provide a feed to MNR’s Network Attached Storage Site for redundancy and archival purposes.

A one-step Request for Proposal (“RFP”) procurement process was conducted for this Contract. In response to the RFP, five proposers submitted technical and price proposals. Proposals were received from the following proposers:

- BEI,
- CRC Associates, Inc. (“CRC”),
- Dictation Sales & Services, Inc. doing business as Equature (“Equature”),
- ExterNetworks, Inc. (“ExterNetworks”), and
- Interaction Insight Corporation (“Interaction”).

The selection committee, consisting of representatives from C&D Delivery, Development, and Contracts, and MNR Communication and Signals, reviewed the technical proposals and held oral presentations with all five proposers. All proposals were evaluated against pre-established Threshold Criteria (addressing completeness, timeliness, capacity, responsibility, and financial capability) and Substantive Evaluation Criteria (addressing design and construction, schedule, management plan, experience, record of performance, safety and quality – record and plan, diversity compliance, and other relevant matters).

Revised proposals were requested from BEI, Equature, and Interaction to identify their proposed Engineer of Record and to address diversity goals as required in the RFP. Equature failed to identify an Engineer of Record. Accordingly, Equature's proposal was deemed non-responsive and eliminated from further consideration. The selection committee thereafter opened the price proposals of the remaining proposers, which were as follows: BEI: \$983,035,00; CRC: \$8,905,000,00; ExterNetworks: \$3,979,292,00; and Interaction: \$1,254,730.83.

Based upon its review of the technical and price proposals, and discussions during the oral presentations, the selection committee determined that BEI's proposal provided the best value to MTA, as it provided the lowest price, and proposed the shortest schedule – five months shorter than the maximum duration permitted under the Contract. BEI's capability to perform the Contract is bolstered by the fact that it previously worked successfully with Metro-North on its PBX system components. BEI's price proposal of \$983,035,00 is deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established an MBE goal of 15%, WBE goal of 15%, and SDVOB goal of 6% for the Contract. BEI is committed to meet the required goal requirements and its utilization plan is under review. BEI has not recently completed any MTA contracts with goals; therefore, no assessment of its performance can be determined at this time.

IMPACT ON FUNDING

Funding for the Contract is included in the MNR portion of the MTA's 2020-2024 Capital Program.

ALTERNATIVES

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

Staff Summary

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

Item Number 4					
Department, Department Head Name: Delivery, MNR, Ziona Rubin, Vice President					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/16/24	X		
2	Board	12/18/24	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
ExterNetworks, Inc.	1000187450
Description	
Design-Build Services for Radio System Upgrades- Phase 1	
Total Amount	
1. Design-Build Contract:	\$18,861,905
2. Stipend Payments:	\$40,000
Contract Term (including Options, if any)	
775 Calendar Days	
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"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

ACTION/RECOMMENDATION

MTA Construction & Development (“C&D”) requests Board approval to award to ExterNetworks, Inc. (“ExterNetworks”) a publicly advertised and competitively solicited contract for Design-Build services for Radio System upgrades – Phase 1 (the “Contract”). The Contract is in the amount of \$18,861,905 and for a duration of 775 Calendar Days. In accordance with MTA policy regarding the use of design-build contracts, and to enhance competition and defray proposal costs, the solicitation included a stipend of \$20,000 to be paid to each unsuccessful proposer whose proposal met defined proposal standards. Accordingly, approval is also requested to pay stipends totaling \$40,000 to the two unsuccessful proposers.

DISCUSSION

This Contract will provide for design-build services to replace Metro-North Railroad’s (“MNR”) existing radio dispatch console system in two control centers and upgrade radio and network communications equipment at approximately 80 field locations. The rail dispatch system enables rail traffic controllers to communicate with mobile train radios and wayside personnel.

MNR’s current system connects over 200 analog and IP phone lines and radio communication lines across 80 locations in New York and Connecticut and supports over 700 mobile train radios and 3,000 portable radios. The project replaces dispatch console hardware and software at Metro-North’s Operational Control Center in Grand Central Terminal and Emergency Control Center at 525 North Broadway, White Plains, and connects the current analog field radios to an upgraded digital system to enhance reliability and maintainability with minimal downtime.

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

- CRC Associates, Inc. (“CRC”),
- ExterNetworks,
- Verde Electric Corporation (“Verde”), and
- Wabtec Transportation Systems, LLC (“Wabtec”).

In response to the RFP, CRC, ExterNetworks, and Verde submitted technical and price proposals. Wabtec withdrew from participating in the RFP stating that, after review of the RFP Documents, the scope of work was outside of its expertise. The selection committee, consisting of representatives from C&D Delivery, Contracts and Development, and MNR Stations Operations & Services, reviewed the technical proposals and heard oral presentations by each of the remaining three proposers. The selection committee evaluated the technical proposals using the following preestablished selection criteria: design and construction, schedule, management plan, experience, record of performance, safety and quality, diversity practices, and other relevant matters.

The selection committee thereafter opened the price proposals which were as follows: CRC: \$38,800,000.00; ExterNetworks: \$29,698,320.00; Verde: \$38,648,678.79.

All three Proposers were invited in for scope clarifications to ensure all elements of the Work were understood. In parallel, C&D re-evaluated and de-scoped certain project elements which deleted the relocation of the radio systems room at Grand Central Terminal. Proposers were invited to submit revised technical and price proposals based on the reduced scope. The selection committee then opened the revised price proposals which were as follows: CRC: \$31,800,000.00; ExterNetworks: \$22,488,151.62; Verde: \$27,323,258.04.

After reviewing the price proposals, the selection committee invited ExterNetworks for negotiations. CRC and Verde were not invited to participate in negotiations as their price proposals were outside of the competitive range. Following negotiations, ExterNetworks submitted a Best and Final Offer (“BAFO”) in the amount of \$18,861,905.00.

The selection committee unanimously recommended ExterNetworks for award of the Contract. In addition to providing the lowest price, the selection committee determined that ExterNetworks proposal offered the best value to the MTA in light of the quality of its technical proposal and its overall price. ExterNetworks’ proposed solution contained a detailed cutover plan to ensure a seamless transition without downtime with a system that has an extensive history of reliable performance in other large transportation industries (specifically, airline and freight). ExterNetworks’ BAFO of \$18,861,905.00 is deemed to be fair and reasonable.

DBE/MBE/WBE/SDVOB INFORMATION

The MTA Department of Diversity and Civil Rights has established an MBE goal of 15%, WBE goal of 15%, and SDVOB goal of 6% for the Contract. ExterNetworks is committed to meet the required goal requirements and its utilization plan is under review. ExterNetworks has not recently completed any MTA contracts with goals; therefore, no assessment of its performance can be determined at this time.

IMPACT ON FUNDING

Funding for the Contract and stipends for the two unsuccessful proposers is included in the MNR portion of the MTA’s 2020-2024 Capital Program.

ALTERNATIVES

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

Staff Summary

Schedule F: Personal Service Contracts

Item Number	5				
Department, Department Head Name:					
Signals & Train Control, Sofia Georgiadis, Vice President					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	Capital Program Committee	12/16/24	X		
2	Board	12/18/24	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	Deputy Chief, Development	X	Executive Vice President & General Counsel		
X	Deputy Chief, Delivery	X	President		

SUMMARY INFORMATION	
Vendor Name	Contract Number
TUV Rheinland of North America, Inc	D81491
Description	
Independent Safety Assessor for the Signal System Modernization of the Rockaway Line Beach 105 th Street Station Solid State Interlocking System	
Total Amount	
\$1,470,821.27	
Contract Term (including Options, if any)	
44 months	
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"/> Noncompetitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

ACTION/RECOMMENDATION

MTA Construction & Development (“C&D”) requests Board approval to award a publicly advertised and competitively solicited contract to TUV Rheinland of North America, Inc (“TUV”) for an Independent Safety Assessor for the Signal System Modernization for the Rockaway Line Beach 105th Street Station Solid State Interlocking System (“the Contract”). The Contract is in the not-to-exceed amount of \$1,470,821.27 and for a duration of 44 months.

DISCUSSION

The existing conventional relay-based interlocking system is being replaced at New York City Transit’s (“NYCT”) Beach 105th Street Station with solid state interlocking technology under design-build contract C35327. In accordance with MTA’s Rail Safety Program Plan requirements, an Independent Safety Assessor must review each phase of the work to verify that all safety related requirements are met.

Selection was determined via a one-step qualifications-based procurement process required by the Brooks Act for federally-funded engineering services contracts. Under the Brooks Act, contracts are negotiated with the firm that is determined to be the most technically qualified by the selection committee based on established evaluation criteria. Price is not a consideration in the selection or ranking of the firm. A Request for Proposals was publicly advertised resulting in the submission of proposals from three firms:

- TUV,
- Battelle Memorial Institute (“Battelle”), and
- SYSTRA Engineering Inc. (“SYSTRA”).

The proposals were evaluated and scored by a selection committee, consisting of representatives from C&D Delivery, Signals & Train Control and Contracts, and NYCT Engineering, utilizing the following pre-established selection criteria: Experience and Availability of Project Team/Key Personnel, Management Approach, Technical Work Proposed and Plan of Approach, Qualifications of Firm and Experience in Relevant Areas, and Other Relevant Matters.

After reviewing technical proposals, the selection committee voted to shortlist Battelle and TUV for oral presentations. SYSTRA was not shortlisted for oral presentations because its technical proposal did not demonstrate its ability to manage project scope and schedule. Its quality assurance plan lacked sufficient detail and did not provide staffing with the requisite experience.

Upon conclusion of the oral presentations, the selection committee determined TUV to be the highest technically ranked and recommended TUV for negotiations. TUV presented a management approach with a defined schedule that ensures staffing availability consistent with the construction schedule. TUV's technical proposal and oral presentation also adequately addressed the scope of services, deliverables, and identified potential challenges with workable solutions.

TUV's initial cost proposal was \$1,285,034. Negotiations were conducted, focusing on the scope of work, adherence to the criteria timeline for deliverables, levels of effort, staffing, and fixed fee. Overhead rates were reviewed and adjusted pursuant to MTA Audit recommendations. Additional resources were included for hazard analyses, modeling and working group participation. After the negotiations concluded, TUV submitted a Best and Final Offer ("BAFO") in the amount of \$1,470,821.27.

The selection committee unanimously recommended TUV for award. The selection committee determined that TUV provided the best overall value to the MTA given the quality of TUV's technical proposal and final price. The firm and its proposed team have extensive experience performing similar work and TUV's technical proposal delineated a management approach that complements the construction schedule and mitigates system integration risks. Based on the foregoing, TUV's BAFO was determined to be fair and reasonable.

DBE INFORMATION

The MTA Department of Diversity and Civil Rights has established a Disadvantage Business Enterprise ("DBE") goal of 22.5% for the Contract. TUV has submitted a DBE utilization plan that exceeds the DBE goal requirement. TUV has not completed any MTA contract with goals; therefore, no assessment of its DBE performance can be determined at this time.

IMPACT ON FUNDING

Funding for the Contract is included in the NYCT portion of the MTA's 2020-2024 Capital Program.

ALTERNATIVES

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

DECEMBER 2024

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

K. Ratification of Completed Procurement Actions (Involving Schedule E – J)
 (Staff Summaries required for all items requiring Board approval.)

6-7. Walsh Construction Company II, LLC \$2,575,000 Staff Summary Attached
Contract C34838

MTA Construction and Development requests Board approval to ratify Modification Nos. 106 & 120. Modification 106 is for accessibility upgrades to the Relay Building A site at New York City Transit’s 207th Street Yard to be compliant with the Americans with Disabilities Act requirements. Modification 120 re-routes water and sewer lines to address differing site conditions and water pressure issues for Relay Building A.

8. FOS Development Corp. \$2,725,000 Staff Summary Attached
Contract C48703

MTA Construction and Development (“C&D”) requests that the Board ratify Modification No. 5 for additional structural steel repairs to 41 roof beams and five columns on Tracks E1 and E4 in the vicinity of New York City Transit’s Bergen Street Station.

9. John Civetta & Sons, Inc. \$1,540,000 Staff Summary Attached
Contract MN135846

MTA Construction and Development Company requests that the Board ratify Modification No. 40 to construct a dedicated exhaust system for the Unified Trash Facility at Grand Central Terminal.

10. Atkins-HNTB, JV \$3,575,889 Staff Summary Attached
Contract PS21002

MTA Construction and Development Company requests that the Board ratify Modification No. 6, adding additional services in support of the implementation of Communications Based Train Control on New York City Transit’s Fulton Street and Sixth Avenue & 63rd Street Lines and extending the period of performance by 12 months to March 31, 2025.

Staff Summary

Schedule K: Ratification of Completed Procurement Actions

Item Number: 6-7

Vendor Name (& Location) Walsh Construction Company II, LLC (Little Falls, New Jersey)	
Description Sandy Repair and Flood Mitigation at 207 th Street Yard, Perimeter Wall, Portal, Signals, Track and Power Work, 8 th Avenue Line (IND) Division in the Borough of Manhattan	
Contract Term (including Options, if any) September 4, 2018 – July 8, 2024	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Delivery, Mark Roche, Deputy Chief Development Officer	

Contract Number	AWO/Modification #
C34838	106 & 120
Original Amount:	\$ 383,564,083
Prior Modifications:	\$ 26,144,042.18
Prior Budgetary Increases:	\$ 6,057,333.58
Current Amount:	\$ 415,765,458.76
Modification No. 106	\$ 1,100,000
Modification No. 120	\$ 1,475,000
This Request	\$ 2,575,000
% of This Request to Current Amount:	0.62%
% of Modifications (including This Request) to Original Amount:	7.48%

DISCUSSION:

Contract C34838 (the “Contract”) is for Sandy repairs and flood mitigation at the 207th Street Yard (the “Yard”) in Manhattan. MTA Construction and Development (“C&D”) requests Board approval to ratify Modification Nos. 106 & 120. Modification 106 is for accessibility upgrades to the Relay Building A site to be compliant with the Americans with Disabilities Act (“ADA”) requirements. Modification 120 re-routes water and sewer lines to address differing site conditions and address water pressure issues.

Modification No. 106

The Contract did not include provisions to comply with certain ADA requirements for accessible routes including a walkway ramp and ADA-compliant driveway, parking, and passenger loading facilities in the area around Relay Building A. The absence of the site/ADA requirements from the Contract design is an in-house design error/omission. This oversight will be addressed with the in-house design teams to ensure that ADA requirements are incorporated into future designs. This modification also includes a credit for the typical site grading originally required in the Contract. In order to mitigate delays to the project from this modification, authorization was previously obtained to proceed with the work up to a not-to-exceed amount of \$300,000. The Contractor’s proposal was submitted in the net amount \$1,426,888.90. Negotiations were held and agreement was reached on the net amount of \$1,100,000, which is considered fair and reasonable.

Modification No. 120

The Contract provides for installation of an 8” gravity sewer line for Relay Building A as well as connections for a 6” fire suppression line and a 3” domestic water line. During excavation for the sewer line, interferences were encountered with an existing 12” water line and underground equipment and utilities which made it necessary to reroute the sewer line. This modification provides for the rerouting of the sewer line. In addition, during the course of the work the project team discovered that the pressure in the existing 12” water line was insufficient for the new fire suppression and domestic water lines. Accordingly, the modification provides for a new water service connection from a 20” water main located at 9th Avenue which will resolve the pressure issue. In order to mitigate delays to the project from this modification, authorization was previously obtained to commence work up to a not-to-exceed amount of \$1,500,000. The Contractor’s proposal was submitted in the net amount of \$1,632,420.14. Negotiations were held and agreement was reached on the net amount of \$1,475,000, which is considered fair and reasonable.

Delays in the project schedule caused by these Modifications have already been addressed by an extension of time being issued pursuant to another modification.

Staff Summary

Schedule K: Ratification of Completed Procurement Actions

Item Number: 8

Vendor Name (& Location) FOS Development Corp. (Woodside, New York)
Description Line Structure Component Repair Program, Eastern Parkway Line (IRT), in the Borough of Brooklyn
Contract Term (including Options, if any) June 18, 2020 – October 18, 2023
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: Delivery, Mark Roche, Deputy Chief Development Officer

Contract Number C48703	AWO/Modification # 5
Original Amount:	\$ 33,205,427
Prior Modifications:	\$ 1,470,519
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 34,675,946
This Request	\$ 2,725,000
% of This Request to Current Amount:	7.86%
% of Modifications (including This Request) to Original Amount:	12.64%

DISCUSSION:

This Contract provides for concrete and steel repairs in the Eastern Parkway IRT Line tunnel, between the Borough Hall and Franklin Avenue Stations in Brooklyn. MTA Construction and Development (“C&D”) requests that the Board ratify Modification No. 5 for additional structural steel repairs to 41 roof beams and five columns on Tracks E1 and E4 in the vicinity of Bergen Street Station.

The Contract work includes steel repairs, replacement of beams and columns, concrete spall repairs, and crack and leak repairs on ceilings and walls of the tunnel and in work areas at the Hoyt St./Nevins St. Stations, Bergen St. Station, and Eastern Parkway-Brooklyn Museum Station. In the course of performing the Contract work, roof beams and columns beyond those identified in the Contract as requiring repair were identified as exhibiting severe deterioration, including holes, corrosion and evidence of section loss.

This modification provides for additional steel repairs to 41 roof beams and 5 columns, including removing concrete encasement from steel members, installing steel plates, painting repaired steel and replacing concrete encasements. The repairs were performed during scheduled General Orders and were completed within the Contract’s duration. The Contract is 100% complete and Substantial Completion was declared on October 18, 2023.

The Contractor submitted a proposal in the amount of \$2,757,092.04. Negotiations were held and agreement was reached on a lump sum cost of \$2,725,000, which is considered fair and reasonable.

Staff Summary

Schedule K: Ratification of Completed Procurement Actions

Item Number: 9

Vendor Name (& Location) John Civetta & Sons, Inc. (Bronx, New York)
Description Construction Services for Grand Central Terminal and East Side Access Unified Trash Facility
Contract Term (including Options, if any) September 2, 2020 – March 2, 2022
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: Delivery, Mark Roche, Deputy Chief Development Officer

Contract Number	AWO/Modification #
MN135846	40
Original Amount:	\$ 24,321,500.00
Prior Modifications:	\$ 2,894,839.61
Prior Budgetary Increases:	\$ 3,415,531.33
Current Amount:	\$ 27,216,339.61
This Request	\$ 1,540,000
% of This Request to Current Amount:	6%
% of Modifications (including This Request) to Original Amount:	18%

DISCUSSION:

The Contract provides for the repurposing of Grand Central Terminal’s (“GCT”) Track No. 115 to build the Unified Trash Facility (“UTF”). MTA Construction and Development Company (“C&D”) requests that the Board ratify Modification No. 40 to construct a dedicated exhaust system for the UTF.

The UTF will support the waste management needs of both the Grand Central Madison and Grand Central Terminal facilities. As originally planned in the Contract, the UTF was to connect to the Grand Central Madison ventilation system and to provide exhaust for the UTF through the Grand Central Madison ventilation system. However, the Grand Central Madison ventilation system was not designed to support the full-time exhaust required to exhaust trash air from the UTF and cannot fulfill that function while providing ventilation for the rest of the facility. For that reason, a separate exhaust system for UTF is required.

This modification will provide for a dedicated exhaust system for the UTF, including re-routing and extending the ducts to tie into the exhaust ducts of the MetLife Building through GCT’s southwest shaft, installation of an exhaust fan and variable frequency drive, and all associated track wall demolition, electrical & mechanical work, and testing. The Contractor submitted a cost proposal in the amount of \$1,670,190. Negotiations resulted in agreement of a lump sum price of \$1,540,000, which is considered fair and reasonable.

The lead time for the required 40 HP variable frequency drive and 40 HP exhaust fan is approximately 18 weeks. To ensure the new ventilation system is operating at peak efficiency as soon as possible and to mitigate impact to Final Completion, authorization was obtained on November 14, 2024, to allow the Contractor to commence work up to a not-to-exceed amount of \$500,000.

Staff Summary

Schedule K: Ratification of Completed Procurement Actions

Item Number: 10

Vendor Name (& Location) Atkins-HNTB, JV (New York, New York)
Description General Engineering Services for NYC Transit Communications Based Train Control
Contract Term (including Options, if any) April 1, 2022 – March 31, 2024
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Dept/Div & Dept/Div Head Name: Delivery, Mark Roche, Deputy Chief Development Officer

Contract Number PS21002	AWO/Modification # 6
Original Amount:	\$ 18,154,956
Prior Modifications:	\$ 5,833,309.77
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 23,988,265.77
This Request:	\$ 3,575,889
% of This Request to Current Amount:	14.9%
% of Modifications (including This Request) to Original Amount:	51.8%

DISCUSSION:

The Contract provides for general engineering consultant (“GEC”) services to assist the MTA in the implementation of its Communications Based Train Control (“CBTC”) program for New York City Transit (“NYCT”) subway service. MTA Construction and Development (“C&D”) requests that the Board ratify Modification No. 6, an amount not-to-exceed \$3,575,889, to add additional services and extend the period of performance by 12 months to March 31, 2025.

The Contract work includes design, engineering and procurement support, and program administration services in support of the expansion CBTC to the Fulton Street Line (IND, B-Division), the Sixth Avenue & 63rd Street Line (IND, B-Division), and the Crosstown Line (IND, B-Division). This modification will add support for modifications to existing contracts to equip MTA’s R211, R179 and R160 class subway trains with the 5G Data Communication System equipment required for CBTC operation. Additionally, the modification provides for continuation of reliability and availability monitoring and analysis of the current CBTC systems, and ongoing design support for the Interoperability Interface Specification subgroup. This modification also provides additional funding in the amount of \$330,000 for an early incentive payment earned by the consultant for completion of preliminary design and contract documents in connection with the contract for the Sixth Avenue & 63rd Street Line. In order to continue with necessary work and prevent schedule delays, authorization was obtained from the President of MTA C&D to continue to provide the required GEC support up to the not-to-exceed amount of \$618,000.

The consultant submitted its cost proposal in the amount of \$2,401,740. Following negotiations, Atkins-HNTB JV submitted a Best and Final Offer (“BAFO”) of \$3,575,888.68 (comprised of a total amount not-to-exceed \$3,245,888.68 for additional GEC support and \$330,000 for the early incentive payment earned), which is considered fair and reasonable.

MTA 2025 BUDGET AND 2025-2028 FINANCIAL PLAN ADOPTION MATERIALS

**MTA Finance Committee
MTA Board Meeting**

**December 16, 2024
December 18, 2024**




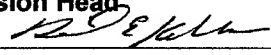
MTA 2025 Budget and 2025-2028 Financial Plan Adoption Materials

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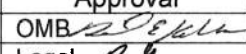

**I. Staff Summary MTA Consolidated
2025 Budget and 2025-2028
Financial Plan**

Staff Summary

Subject MTA 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer
Department Head Signature 
Project Manager/Division Head David Keller, OMB 

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/16			
2	Board	12/18			

Internal Approvals			
Order	Approval	Order	Approval
1	OMB 		
2	Legal 		
3	Chair/CEO		

Purpose:

The purpose of this staff summary is to secure MTA Board (i) adoption of the accompanying 2025 Final Proposed Budget and the Four-Year Financial Plan 2025-2028 (“November Plan” or “Plan”), which includes approving the 2024 November Forecast and Plan Adjustments (items below the baseline), and (ii) authorization of Budget and Plan adjustments, including MTA policy actions, as set forth below in this Staff Summary.

Discussion:

This document summarizes the **November Plan**, which was presented for information purposes to the MTA Board at its meeting held on November 18, 2024, and projects ending cash balances of \$0 annually for 2024 through 2026, with deficits of \$378 million in 2027 and \$419 million in 2028 (see attachment A). This is an improvement in the Plan deficit of \$100 million from the 2024 July Financial Plan.

Operating efficiencies over the Plan period are expected to generate \$2.6 billion through 2028 directly impacting MTA finances, meeting the MTA annual \$500 million savings target from Operating Efficiencies as of 2025.

The Plan reflects collection of toll revenue from Central Business District Tolling Program (CBDTP) will commence in January 2025. This Plan also includes the operating budget fiscal impacts from CBDTP, including operating maintenance, debt service for infrastructure, and actions to mitigate identified adverse impacts – all allowable under State Law to be covered by CBDTP toll revenues. A multi-year financial plan will be presented in 2025.

The Plan continues to reflect additional farebox and toll revenue from biennial 4 percent yield increases, which are proposed for August 2025 and March 2027.

While the Plan presents balanced budgets through 2026, and reduced deficits for 2027 and 2028, based on sound budgeting and assumptions, there are risks, including:

- **Dedicated tax receipts.** An economic slowdown or recession could have a significant impact on the level of dedicated tax receipts received by MTA. Real estate related tax receipts continue to decline related to fewer real estate transactions both in the residential and commercial markets.
- **Casino revenue.** The approval, awarding, and commencement of operations of downstate casinos is uncertain in both outcome and timing, which risks the \$500 million assumed to be received by MTA in 2026 and 2027, and the \$600 million assumed for 2028.

- **Continued paid ridership recovery.** Progress in reducing fare evasion is critical to balancing the financial plan. The potential cost for 5 percent lower recovery is estimated at \$325 million per year.
- **Paratransit reimbursement.** The financial plan assumes the extension of legislation requiring the city of New York to fund 80% of the net paratransit operating expenses. The potential impact of reverting to 50% reimbursement is estimated at \$200 million growing to \$250 million per year.
- **MTA operating efficiencies.** Agencies have been implementing initiatives that achieve savings in excess of \$400 million annually and have identified actions that bring the total annual savings to \$500 million annually. These actions need to be fully implemented, and the savings sustained.
- **Approval and funding for 2025-2029 Capital Program.** Funding for the next five-year capital program is needed for MTA to continue its investment in critical state of good repair projects for safe and reliable service. Securing substantial new federal, state and city funding will be required. Over-reliance on MTA debt as a capital funding source could increase debt service costs beyond what is included in the financial plan and put pressure on fares and/or service levels.

Recommendation:

It is recommended that the Board:

- Adopt the 2025 Final Proposed Budget and Four-Year Financial Plan 2025-2028 (November Plan), which includes approving the 2024 November Forecast and Plan Adjustments (items below the baseline). The approval of this Plan will supersede prior Board Plan approvals for this period. Note that the projected 2025 and 2027 fare and toll rate increase proposals will require separate Board actions in advance of those dates.
- Authorize MTA staff to initiate administrative procedures that are required for the consideration, but not implementation, of fare and toll changes consistent with the financial plan. Administrative procedures include any required notices and conducting any required hearings. Only after required public notices and public hearings have been held will specific proposed fare and toll changes be submitted to the Board for approval. This approval is a standard provision that has been included in prior budget adoption materials.
- Authorize the Chief Financial Officer or his designee to apply funds consistent with the approved budget and financial plan which targets operating deficits directly, debt savings, retiree health expenses and/or pension costs.
- Authorize staff, under the guidance and direction of the Chair/CEO, Chief Financial Officer, or their designees to take actions to implement the policy actions set forth in the Plan.
- Authorize technical adjustments to MTA budgets and forecasts of a non-material nature in the 2025 February Plan.
- Authorize adjustment of MTA budgets and forecasts to reflect labor settlements approved from time to time by the Board.
- Authorize staff, under the guidance and direction of the Chairman/CEO, the Chief Financial Officer, or their designees (including the MTA Treasurer), to take additional budget and cash management actions, as has been done in past budgets, to draw on the general reserve and/or make budget adjustments to respond to unexpected expenses or revenue/subsidy shortfalls, and other actions described below:

Advance of Bridges and Tunnels Operating Surplus

The Board is requested to authorize Bridges and Tunnels to advance to MTA and MTA New York City Transit, to the extent funds are available, all or part of the estimated operating surplus for the year 2024.

Uses of MTA MRT-2 Corporate Account Monies

Unlike many other forms of intergovernmental aid, these subsidy monies, by statute, can be allocated at the Board's discretion. It is recommended that the Board authorize that these funds be used as set forth in the Plan, authorize staff to administer these funds in a manner consistent with the Plan, and to temporarily help stabilize cash-flow requirements. As in the past, the advance of funds to the MTA and its affiliates and subsidiaries to stabilize cash-flow requirements may be made, provided they are repaid prior to the end of the fiscal year in which made.

Uses of Payroll Mobility Tax (and Replacement Funds) and MTA Aid

Like the MRT-2 Corporate Account moneys, these subsidy monies, by statute, can be allocated at the Board's discretion. It is recommended that the Board authorize that the revenues from the PMT (and Replacement Funds) be released as needed: (i) for pledged revenues by MTA to secure and be applied to the payment of bonds to be issued in the future, to fund capital projects of MTA, its subsidiaries, and MTA New York City Transit and its subsidiary and (ii) to pay capital costs, including debt service of MTA, its subsidiaries, and MTA New York City Transit and its subsidiary. It is further recommended that the Board authorize that subject to the provisions of any such pledge, or in the event there is no such pledge, the PMT Revenues be used by MTA to pay for costs, including operating and capital costs of MTA, its subsidiaries and MTA New York City Transit and its subsidiary.

Further, it is recommended that the Board authorize that the revenues in the MTA Aid Trust Account (derived from four fees and taxes imposed in the Metropolitan Commuter Transportation District – a supplemental motor vehicle license fee, a supplemental motor vehicle registration fee, a tax on medallion taxicab rides, and a supplemental tax on passenger car rentals) be released as needed and used as pledged revenues by MTA or pledged to the Triborough Bridge and Tunnel Authority to secure debt of MTA Bridges and Tunnels. Further, subject to the provisions of such pledge, or in the event there is no such pledge, the Board authorizes the release of these funds to be used by MTA for the payment of operating and capital costs of the MTA and its subsidiaries, and MTA New York City Transit, and its subsidiary.

Inter-Agency Loans

The Board is requested to authorize staff acting under Section 1266 (6-a) of the Public Authorities Law, to enter into inter-agency loan agreements among the MTA and its affiliates and subsidiaries. This authorization would allow the temporary movement of funds among agencies to meet cash flow requirements for operating or capital purposes resulting from a mismatch between the receipt of subsidies and other monies and cash flow needs. The statute requires that any such inter-agency loans be repaid no later than the end of the next succeeding calendar year.

Use of Stabilization Reserve: Provision for Prompt Payment of Contractual Obligations

In 1996, the Board approved the establishment of a Stabilization Reserve, to be held by the MTA Treasurer (the "Treasurer"), to stabilize MTA Agencies' cash flow requirements. The fund consists of two accounts, the MTA New York City Transit Account (the "Transit Account") and the MTA Commuter Railroad Account (the "Commuter Railroad Account"). The Board is requested to authorize the use of any balances in such accounts, plus any amounts authorized to be transferred to such accounts, to meet the cash flow requirements of MTA New York City Transit, MTA Long Island Rail Road and MTA Metro-North Railroad, and to authorize New York City Transit to pay to the Treasurer for deposit in the Transit Account such amounts as it deems necessary to accomplish the purpose thereof, consistent with this Plan; and the Treasurer to pay into the Commuter Railroad Account, such amounts as are deemed necessary to accomplish the

purpose thereof, consistent with this Plan. The Treasurer, upon request of New York City Transit, shall pay to MTA New York City Transit such amounts as are necessary to meet cash flow requirements of MTA New York City Transit and shall transfer from the Commuter Railroad Account such amounts as are necessary to meet the cash flow requirements of MTA Long Island Rail Road and MTA Metro-North Railroad. The Treasurer shall also use such funds as from time to time may be necessary or convenient to timely make debt service payments on MTA bonds.

Attachment A

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2025 - 2028
MTA Consolidated Accrued Statement of Operations By Category

(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenues						
Farebox Revenue	\$4,658	\$4,966	\$5,157	\$5,282	\$5,364	\$5,428
Toll Revenue	2,419	2,576	2,583	2,611	2,637	2,654
Other Revenue	881	3,314	966	1,034	1,078	1,124
Capital and Other Reimbursements	0	0	0	0	0	0
Total Revenues	\$7,958	\$10,856	\$8,706	\$8,926	\$9,078	\$9,206
Operating Expenses						
Labor:						
Payroll	\$5,820	\$6,071	\$6,475	\$6,616	\$6,763	\$6,915
Overtime	1,152	1,105	866	882	906	920
Health and Welfare	1,581	1,791	1,998	2,144	2,296	2,463
OPEB Current Payments	827	880	945	1,022	1,105	1,195
Pension	1,363	1,449	1,597	1,684	1,753	1,794
Other Fringe Benefits	1,059	1,096	1,123	1,174	1,240	1,296
Reimbursable Overhead	(474)	(520)	(528)	(525)	(510)	(520)
Total Labor Expenses	\$11,328	\$11,872	\$12,476	\$12,996	\$13,552	\$14,064
Non-Labor:						
Electric Power	\$510	\$544	\$583	\$623	\$634	\$657
Fuel	226	212	212	219	217	221
Insurance	32	11	19	16	20	31
Claims	394	404	421	434	448	462
Paratransit Service Contracts	517	614	617	649	683	729
Maintenance and Other Operating Contracts	908	1,099	1,030	981	1,001	1,044
Professional Services Contracts	631	756	784	783	805	754
Materials and Supplies	641	642	675	736	842	897
Other Business Expenses	314	324	326	330	338	365
Total Non-Labor Expenses	\$4,174	\$4,608	\$4,666	\$4,772	\$4,989	\$5,160
Other Expense Adjustments:						
Other	(\$16)	\$19	\$13	\$13	\$14	\$14
General Reserve	185	195	200	205	220	225
Total Other Expense Adjustments	\$169	\$214	\$213	\$218	\$234	\$239
Total Expenses Before Non-Cash Liability Adjs.	\$15,671	\$16,694	\$17,355	\$17,986	\$18,774	\$19,463
Non-Cash Liability Adjustments:						
Depreciation	\$3,549	\$3,664	\$3,642	\$3,647	\$3,699	\$3,760
GASB 49 Environmental Remediation	51	6	6	6	6	6
GASB 68 Pension Expense Adjustment	170	(260)	(220)	(272)	(202)	(427)
GASB 75 OPEB Expense Adjustment	591	768	779	796	807	819
GASB 87 Lease Adjustment	20	14	12	12	12	12
GASB 96 SBITA Adjustment	(2)	(3)	(3)	(3)	(3)	(3)
Total Non-Cash Liability Adjustments	\$4,378	\$4,190	\$4,217	\$4,186	\$4,320	\$4,168
Total Expenses After Non-Cash Liability Adjs.	\$20,049	\$20,884	\$21,571	\$22,171	\$23,094	\$23,630
Debt Service:						
Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$4,378)	(\$4,190)	(\$4,217)	(\$4,186)	(\$4,320)	(\$4,168)
Debt Service	2,631	2,891	2,522	2,956	3,263	3,501
Total Expenses with Debt Service	\$18,302	\$19,585	\$19,876	\$20,942	\$22,037	\$22,963
Subsidies:						
Dedicated Taxes & State and Local Subsidies	\$8,887	\$9,831	\$10,096	\$11,093	\$11,524	\$11,843
Net Surplus/(Deficit) After Subsidies and Debt Service	(\$1,457)	\$1,103	(\$1,074)	(\$923)	(\$1,435)	(\$1,914)
Other Adjustments:						
Conversion to Cash Basis: GASB Account	\$0	\$0	\$0	\$0	\$0	\$0
Conversion to Cash Basis: All Other	1,457	(1,353)	814	423	497	878
Cash Balance Before Prior-Year Carryover	\$0	(\$250)	(\$260)	(\$500)	(\$938)	(\$1,035)
Other Adjustments:						
Below the Line Adjustments	\$0	\$250	\$260	\$500	\$559	\$616
Prior Year Carryover Balance	0	0	0	0	0	0
Net Cash Balance	\$0	\$0	\$0	\$0	(\$379)	(\$419)

Attachment A

**METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2025 - 2028
Plan Adjustments**
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Balance Before Prior-Year Carryover	\$0	(\$250)	(\$260)	(\$500)	(\$938)	(\$1,035)
Fare and Toll Increases:						
<i>Fare/Toll Increase, August 2025 (4% Yield)</i>		\$0	\$126	\$302	\$307	\$311
<i>Subsidy Impacts - Fare/Toll Increase, August 2025</i>		0	(6)	(12)	(8)	(9)
<i>Fare/Toll Increase, March 2027 (4% Yield)</i>		0	0	0	273	324
<i>Subsidy Impacts- Fare/Toll Increase, March 2027</i>		0	0	0	(13)	(10)
Subtotal		\$0	\$120	\$291	\$559	\$616
 <i>FEMA COVID Reimbursement</i>		<u>250</u>	<u>140</u>	<u>210</u>	<u>0</u>	<u>0</u>
Subtotal		\$250	\$140	\$210	\$0	\$0
 TOTAL ADJUSTMENTS		\$250	\$260	\$500	\$559	\$616
 <i>Prior Year Carryover Balance</i>	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Surplus/(Deficit)	\$0	\$0	\$0	\$0	(\$379)	(\$419)

II. Agencies' Staff Summaries 2025 Budget and 2025-2028 Financial Plan

Bridges and Tunnels

Staff Summary

Subject MTA B&T 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer <i>KW</i>
Department Head Signature <i>Kevin Willens</i>
Project Manager/Division Head David Keller, OMB <i>D Keller</i>

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	B&T Comm.	12/16		X	
2	Finance Comm.	12/16	X		
3	Board	12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB <i>D Keller</i>		
2	Financial Liaison		<i>C. John Hartman</i>
3	B&T President		<i>[Signature]</i>

Purpose:

To secure MTA Board adoption of the MTA Bridges and Tunnels' (B&T) 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028.

Discussion:

The 2025 Final Proposed Budget, which is consistent with information presented to the Board in November 2024, provides funding to maintain MTA's commitment to delivering safe, secure, and reliable transportation and first-class customer service. B&T projections do not include MTA consolidated below-the-line adjustments, including the estimated impacts of projected toll increases, which are presented as part of MTA consolidated materials.

Operating efficiency initiatives have been identified to generate savings that increase income by \$10 million for B&T annually beginning in 2025, driven primarily by the re-alignment of administrative budgets, reductions in non-labor expenses, reduced E-ZPass tag costs, and a reduction of vacant positions due to Open Road Tolling.

The Plan reflects collection of toll revenue from Central Business District Tolling Program (CBDTP) will commence in January 2025. This Plan also includes the operating budget fiscal impacts from CBDTP, including operating maintenance, debt service for infrastructure, and actions to mitigate identified adverse impacts – all allowable under State Law to be covered by CBDTP toll revenues. A multi-year financial plan will be presented with the 2025 July Plan.

2024 November Forecast- Baseline

The 2024 November Forecast projects \$2,616.6 million in non-reimbursable revenues, of which \$2,576.2 million is from Toll Revenue. Total non-reimbursable expenses before depreciation and other post-employment benefits are projected to be \$502.5 million, consisting of \$227.9 million in labor expenses and \$274.5 million in non-labor expenses. Total Support to Mass Transit is projected to be \$1,701.8 million. Reimbursable revenue and expenses are both forecast at \$30.8 million. Total end-of-year positions are budgeted at 1,153, including 1,066 non-reimbursable positions and 87 reimbursable positions.

2025 Final Proposed Budget- Baseline

The 2025 Final Proposed Budget projects nearly \$2,611.7 million in non-reimbursable revenues, of which \$2,583.4 million is from Toll Revenue. Total non-reimbursable expenses before depreciation and other post-employment benefits are projected to be \$521.5 million, consisting of \$244.6 million in labor expenses and \$276.9 million in non-labor expenses. Total Support to Mass Transit is projected to be \$1,543.8 million. Reimbursable revenue and expenses are both forecast at \$31.0 million. Total end-of-year positions are currently budgeted at 1,045 including 984 non-reimbursable positions and 61 reimbursable positions.

Impact on Funding

The 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan 2025-2028, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028 for MTA Bridges and Tunnels.

MTA BRIDGES AND TUNNELS
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenue						
Toll Revenue	\$2,418.755	\$2,576.221	\$2,583.402	\$2,610.788	\$2,636.652	\$2,654.148
Other Operating Revenue	28.234	27.099	27.099	27.099	27.099	27.099
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	12.369	13.240	1.240	1.240	1.240	1.240
Total Revenues	\$2,459.358	\$2,616.560	\$2,611.741	\$2,639.127	\$2,664.991	\$2,682.487
Operating Expense						
Labor:						
Payroll	\$103.824	\$98.357	\$102.968	\$105.219	\$107.515	\$109.875
Overtime	27.084	31.024	32.223	32.906	33.695	34.391
Health and Welfare	26.889	27.129	30.666	32.153	34.446	36.884
OPEB Current Payments	32.215	35.920	38.111	40.436	42.903	45.520
Pension	26.937	28.450	31.156	35.821	37.015	38.828
Other Fringe Benefits	16.988	15.580	18.005	17.852	18.539	19.247
Reimbursable Overhead	(8.139)	(8.523)	(8.523)	(8.523)	(8.523)	(8.523)
Total Labor Expenses	\$225.798	\$227.937	\$244.607	\$255.864	\$265.589	\$276.221
Non-Labor:						
Electric Power	\$3.673	\$4.428	\$5.527	\$6.215	\$6.333	\$6.462
Fuel	2.159	2.007	1.861	1.759	1.741	1.792
Insurance	18.202	11.211	13.699	14.626	15.864	17.363
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	152.247	162.359	166.910	164.495	166.815	169.345
Professional Services Contracts	23.380	30.897	27.130	28.844	29.450	30.116
Materials and Supplies	2.925	3.162	2.712	2.782	2.841	2.906
Other Business Expenses	54.231	60.460	59.069	59.095	59.116	59.139
Total Non-Labor Expenses	\$256.816	\$274.523	\$276.907	\$277.817	\$282.160	\$287.124
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$482.615	\$502.461	\$521.514	\$533.681	\$547.749	\$563.345
Depreciation	\$212.272	\$226.229	\$220.350	\$224.836	\$228.617	\$232.770
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	(17.709)	(20.335)	(22.445)	(26.813)	(27.608)	(29.023)
GASB 75 OPEB Expense Adjustment	14.865	18.593	17.161	16.627	16.022	15.320
GASB 87 Lease Adjustment	5.616	5.616	5.616	5.616	5.616	5.616
GASB 96 SBITA Adjustment	0.002	0.002	0.002	0.002	0.002	0.002
Total Non-Cash Liability Adjustments	\$215.046	\$230.106	\$220.684	\$220.269	\$222.650	\$224.686
Total Expenses After Depreciation and GASB Adjs.	\$697.661	\$732.566	\$742.198	\$753.949	\$770.399	\$788.031
Less: Depreciation	\$212.272	\$226.229	\$220.350	\$224.836	\$228.617	\$232.770
GASB 68 Pension Expense Adj.	(17.709)	(20.335)	(22.445)	(26.813)	(27.608)	(29.023)
GASB 75 OPEB Expense Adj	14.865	18.593	17.161	16.627	16.022	15.320
GASB 87 Lease Adjustment	5.616	5.616	5.616	5.616	5.616	5.616
GASB 96 SBITA Adjustment	0.002	0.002	0.002	0.002	0.002	0.002
Total Expenses	\$482.615	\$502.461	\$521.514	\$533.681	\$547.749	\$563.345
Net Surplus/(Deficit)	\$1,976.744	\$2,114.099	\$2,090.227	\$2,105.446	\$2,117.242	\$2,119.143

MTA BRIDGES AND TUNNELS
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	19.257	30.838	30.958	31.101	31.225	31.335
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$19.257	\$30.838	\$30.958	\$31.101	\$31.225	\$31.335
Operating Expense						
Labor:						
Payroll	\$6.385	\$13.525	\$13.603	\$13.684	\$13.768	\$13.832
Overtime	1.008	1.039	1.039	1.060	1.060	1.060
Health and Welfare	1.532	2.801	2.816	2.831	2.846	2.862
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	1.460	3.406	3.424	3.443	3.462	3.481
Other Fringe Benefits	0.733	1.545	1.552	1.560	1.568	1.576
Reimbursable Overhead	8.139	8.523	8.523	8.523	8.523	8.523
Total Labor Expenses	\$19.257	\$30.838	\$30.958	\$31.101	\$31.225	\$31.335
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$19.257	\$30.838	\$30.958	\$31.101	\$31.225	\$31.335
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable / Reimbursable						
Page 1 of 2						
Operating Revenue						
Toll Revenue	\$2,418.755	\$2,576.221	\$2,583.402	\$2,610.788	\$2,636.652	\$2,654.148
Other Operating Revenue	28.234	27.099	27.099	27.099	27.099	27.099
Capital and Other Reimbursements	19.257	30.838	30.958	31.101	31.225	31.335
Investment Income	12.369	13.240	1.240	1.240	1.240	1.240
Total Revenues	\$2,478.616	\$2,647.398	\$2,642.699	\$2,670.228	\$2,696.217	\$2,713.822
Operating Expense						
Labor:						
Payroll	\$110.209	\$111.882	\$116.572	\$118.903	\$121.281	\$123.707
Overtime	28.091	32.063	33.262	33.966	34.755	35.451
Health and Welfare	28.421	29.930	33.482	34.984	37.292	39.745
OPEB Current Payments	32.215	35.920	38.111	40.436	42.903	45.520
Pension	28.397	31.856	34.580	39.264	40.477	42.310
Other Fringe Benefits	17.722	17.125	19.557	19.412	20.107	20.823
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$245.055	\$258.776	\$275.564	\$286.965	\$296.816	\$307.556
Non-Labor:						
Electric Power	\$3.673	\$4.428	\$5.527	\$6.215	\$6.333	\$6.462
Fuel	2.159	2.007	1.881	1.759	1.741	1.792
Insurance	18.202	11.211	13.699	14.626	15.864	17.363
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	152.247	162.359	166.910	164.495	168.815	169.345
Professional Services Contracts	23.380	30.897	27.130	28.844	29.450	30.116
Materials and Supplies	2.925	3.162	2.712	2.782	2.841	2.906
Other Business Expenses	54.231	60.460	59.069	59.095	59.116	59.139
Total Non-Labor Expenses	\$256.816	\$274.523	\$276.907	\$277.817	\$282.160	\$287.124
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$501.872	\$533.299	\$552.472	\$564.782	\$578.975	\$594.679
Depreciation	\$212.272	\$226.229	\$220.350	\$224.836	\$228.617	\$232.770
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	(17.709)	(20.335)	(22.445)	(26.813)	(27.608)	(29.023)
GASB 75 OPEB Expense Adjustment	14.865	18.593	17.161	16.627	16.022	15.320
GASB 87 Lease Adjustment	5.616	5.616	5.616	5.616	5.616	5.616
GASB 96 SBITA Adjustment	0.002	0.002	0.002	0.002	0.002	0.002
Total Non-Cash Liability Adjustments	\$215.046	\$230.106	\$220.684	\$220.269	\$222.650	\$224.686
Total Expenses After Depreciation and GASB Adjs.	\$716.918	\$763.404	\$773.156	\$785.050	\$801.625	\$819.365
Less: Depreciation	\$212.272	\$226.229	\$220.350	\$224.836	\$228.617	\$232.770
GASB 68 Pension Expense Adj.	(17.709)	(20.335)	(22.445)	(26.813)	(27.608)	(29.023)
GASB 75 OPEB Expense Adj	14.865	18.593	17.161	16.627	16.022	15.320
GASB 87 Lease Adjustment	5.616	5.616	5.616	5.616	5.616	5.616
GASB 96 SBITA Adjustment	0.002	0.002	0.002	0.002	0.002	0.002
Total Expenses	\$501.872	\$533.299	\$552.472	\$564.782	\$578.975	\$594.679
Net Surplus/(Deficit)	\$1,976.744	\$2,114.099	\$2,090.227	\$2,105.446	\$2,117.242	\$2,119.143

MTA BRIDGES AND TUNNELS
November Financial Plan 2025 - 2028
Accrual Statement of Operations by Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable / Reimbursable						
Page 2 of 2						
Net Surplus/(Deficit)	\$1,976.744	\$2,114.099	\$2,090.227	\$2,105.446	\$2,117.242	\$2,119.143
<u>Deductions from Income:</u>						
Less: Capitalized Assets	\$15.114	\$29.141	\$23.213	\$23.833	\$24.360	\$24.936
B&T Capital Reserves & Prepaid Exp.	0.296	0.000	0.000	0.000	0.000	0.000
GASB 45 Reserves	0.000	0.000	0.000	0.000	0.000	0.000
Adjusted Net Surplus/(Deficit)	\$1,961.334	\$2,084.959	\$2,067.014	\$2,081.613	\$2,092.882	\$2,094.207
Less: Debt Service	\$669.919	\$621.165	\$739.159	\$813.797	\$869.519	\$961.744
Less: Contribution to the Capital Program	0.000	0.000	0.000	0.000	0.000	0.000
Income Available for Distribution	\$1,291.415	\$1,463.794	\$1,327.855	\$1,267.816	\$1,223.363	\$1,132.463
<u>Distributable To:</u>						
MTA - Investment Income	\$12.369	\$13.240	\$1.240	\$1.240	\$1.240	\$1.240
MTA - Distributable Income	679.394	758.199	691.040	659.087	637.229	594.354
NYCT - Distributable Income	599.651	692.354	635.575	607.490	584.893	536.868
Total Distributable Income	\$1,291.415	\$1,463.794	\$1,327.855	\$1,267.816	\$1,223.363	\$1,132.463
<u>Actual Cash Transfers:</u>						
MTA - Investment Income - Prior Year	\$3.718	\$12.369	\$13.240	\$1.240	\$1.240	\$1.240
MTA - Cash Surplus Transfer	670.246	791.103	697.756	662.282	639.415	598.642
NYCT - Cash Surplus Transfer	585.974	719.291	641.253	610.298	587.153	541.671
Total Cash Transfers	\$1,259.937	\$1,522.763	\$1,352.249	\$1,273.820	\$1,227.808	\$1,141.553
SUPPORT TO MASS TRANSIT:						
Total Revenue	\$2,478.616	\$2,647.398	\$2,642.699	\$2,670.228	\$2,696.217	\$2,713.822
Total Expenses Before Non-Cash Liability Adjs.	501.872	533.299	552.472	564.782	578.975	594.679
Net Operating Income	\$1,976.744	\$2,114.099	\$2,090.227	\$2,105.446	\$2,117.242	\$2,119.143
<u>Deductions from Operating Income:</u>						
B&T Debt Service	\$379.855	\$383.126	\$523.248	\$606.738	\$660.436	\$739.370
Contribution to the Capital Program	0.000	0.000	0.000	0.000	0.000	0.000
Capitalized Assets	15.114	29.141	23.213	23.833	24.360	24.936
B&T Capital Reserves	0.296	0.000	0.000	0.000	0.000	0.000
GASB Reserves	0.000	0.000	0.000	0.000	0.000	0.000
Total Deductions from Operating Income	\$395.264	\$412.267	\$546.461	\$630.571	\$684.795	\$764.305
Total Support to Mass Transit	\$1,581.479	\$1,701.832	\$1,543.766	\$1,474.876	\$1,432.446	\$1,354.837

MTA BRIDGES AND TUNNELS
November Financial Plan 2025 - 2028
Traffic Volume (Utilization) and Toll Revenue
(in millions)

	Actual	November Forecast	Final Proposed Budget	2026	2027	2028
	2023	2024	2025			

TRAFFIC VOLUME

Total Traffic Volume

335.120	338.655	339.600	343.200	346.600	348.900
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TOLL REVENUE

Toll Revenue

\$2,418.755	\$2,576.221	\$2,583.402	\$2,610.788	\$2,636.652	\$2,654.148
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MTA BRIDGES & TUNNELS
November Financial Plan 2025-2028
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-time/Full-time Equivalents

FUNCTION/DEPARTMENT	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Executive	11	17	17	17	17	17
Law ⁽¹⁾	5	12	5	5	5	5
Budget & Finance	10	17	12	12	12	12
Administration	26	38	26	26	26	26
EEO	0	1	0	0	0	0
Total Administration	52	85	60	60	60	60
Operations						
Revenue Management	73	63	63	63	63	63
Central Business District Tolling Program	10	0	0	0	0	0
Operations (Non-Security)	35	54	54	54	54	54
Total Operations	118	117	117	117	117	117
Maintenance						
Maintenance	199	205	205	205	205	205
Operations - Maintainers	152	183	183	183	183	183
Total Maintenance	351	388	388	388	388	388
Engineering/Capital						
Engineering & Construction	99	123	97	97	97	97
Health & Safety	7	9	9	9	9	9
Law ⁽¹⁾	9	18	6	6	6	6
Planning & Budget Capital	6	8	6	6	6	6
Total Engineering/Capital	121	158	118	118	118	118
Public Safety						
Operations (Security)	364	360	317	317	317	317
Internal Security - Operations	29	45	45	45	45	45
Total Public Safety	393	405	362	362	362	362
Total Positions	1,035	1,153	1,045	1,045	1,045	1,045
<i>Non-Reimbursable</i>	965	1,066	984	984	984	984
<i>Reimbursable</i>	70	87	61	61	61	61
<i>Total Full-Time</i>	1,035	1,153	1,045	1,045	1,045	1,045
<i>Total Full-Time Equivalents</i>	0	0	0	0	0	0

(1) Includes Legal and Procurement staff.
(2) Includes Controller and Operating Budget staff
(3) Includes Human Resources and Administration staff.

MTA BRIDGES AND TUNNELS
November Financial Plan 2025 - 2028
Total Positions
By Function and Occupational Group

FUNCTION / OCCUPATIONAL GROUP	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Managers/Supervisors	13	32	20	20	20	20
Professional/Technical/Clerical	39	53	40	40	40	40
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	52	85	60	60	60	60
Operations						
Managers/Supervisors	34	62	62	62	62	62
Professional/Technical/Clerical	84	55	55	55	55	55
Operational Hourlies (1)	0	0	0	0	0	0
Total Operations Headcount	118	117	117	117	117	117
Maintenance						
Managers/Supervisors	20	27	27	27	27	27
Professional/Technical/Clerical	9	11	11	11	11	11
Operational Hourlies (2)	322	350	350	350	350	350
Total Maintenance Headcount	351	388	388	388	388	388
Engineering / Capital						
Managers/Supervisors	24	34	23	23	23	23
Professional/Technical/Clerical	97	124	95	95	95	95
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	121	158	118	118	118	118
Public Safety						
Managers/Supervisors	110	117	117	117	117	117
Professional/Technical/Clerical	25	36	36	36	36	36
Operational Hourlies (3)	258	252	209	209	209	209
Total Public Safety Headcount	393	405	362	362	362	362
Total Positions						
Managers/Supervisors	201	272	249	249	249	249
Professional/Technical/ Clerical	254	279	237	237	237	237
Operational Hourlies	580	602	559	559	559	559
Total Positions	1,035	1,153	1,045	1,045	1,045	1,045

(1) Represents Bridge and Tunnel Officers. These positions are paid annually, not hourly.

(2) Represents maintenance personnel. These positions are paid annually, not hourly.

(3) Represents Bridge and Tunnel Officers performing public safety. These positions are paid annually, not hourly.

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Construction & Development

Staff Summary

Subject MTA C&D 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer <i>KW</i>
Department Head Signature <i>Kevin Willens</i>
Project Manager/Division Head David Keller, OMB <i>DK</i>

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	CP Comm.	12/16		X	
2	Finance Comm.	12/16	X		
3	Board	12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB <i>DK</i>		
2	C&D - VP of Financial Operations		<i>Asiatron</i>
3	C&D President		<i>DK</i>

Purpose:

To secure MTA Board adoption of the MTA Construction & Development (MTA C&D) 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028.

Discussion:

The 2025 Final Proposed Budget, which is consistent with information presented to the Board in November 2024, provides funding to maintain MTA Construction & Development (MTA C&D) commitment to rebuild, improve, and expand the MTA's extensive network of subway, bus, commuter rail, bridge, and tunnel infrastructure. MTA C&D identifies, prioritizes, develops, and builds the capital infrastructure projects needed to renew and enhance the MTA's extensive assets. Together, these projects constitute the MTA's Capital Program which aims to ensure that MTA's assets continue to perform and provide our customers with the safe, fast, and reliable service they depend on and improve access for all users.

The Financial Plan contains MTA C&D's operational costs to support Transit Oriented Development (TOD), Broadband Wireless, Transit Advertising & Media, Planning, as well as Capital Program Management functions. In addition, Reimbursable expenses reflect primarily work performed in support of the MTA Capital Program, major property development agreements including Webster Ave Clinton, Fordham Landing ZFA, Harlem River Lift Bridge, Gun Hill Ground Lease, 40 Quay Street, 110 William Street, One 57th East, Wakefield, Tarrytown as well as "pass-through" charges for TOD, Transit Advertising & Media, Broadband Wireless & Planning. MTA C&D projections do not include the estimated impacts of MTA consolidated below-the-line adjustments, which are presented as part of MTA consolidated materials.

2024 November Forecast - Baseline

The 2024 November Forecast reflects non-reimbursable expenses before depreciation of \$4.3 million in labor expenses and \$0.1 million in non-labor expenses which are offset with inter-agency chargebacks, resulting in a net zero baseline total. Reimbursable expenses before depreciation of \$136.6 million consist of labor expenses of \$85.6 million and non-labor expenses of \$51.0 million.

In 2024, total positions will remain constant at 255. Non-reimbursable positions are 21 in 2024, consisting of departments for Capital Program Management, Transit Oriented Development, Planning, Special Project Development, and Transit Advertising & Media, and reimbursable positions are 234, consisting of departments

for Administration, Engineering & Capital, East Side Access, Second Avenue Subway, OMNY, Penn Station Access, LIRR 3rd Track and the LIRR Concourse Train Hall.

2025 Final Proposed Budget - Baseline

The 2025 Final Proposed Budget reflects non-reimbursable expenses before depreciation of \$5.9 million in labor expenses and \$0.1 million in non-labor expenses, which are offset with the interagency chargebacks resulting in a net zero baseline total.

Reimbursable expenses before depreciation are \$223.3 million, with reimbursable labor expenses of \$155.3 million and non-labor expenses of \$68.0 million. Reimbursable expenses are higher than the July Financial Plan by \$115.7 million, primarily driven by the additional approved positions and alignment of the 468 positions which contributes to an increase in labor expense.

The baseline cash deficit reflecting both non-reimbursable and reimbursable expenses is projected to be \$0.0 million.

In 2025, with the ongoing effort to align budgeted positions to responsible agencies, **MTA Construction & Development** has incorporated a total of 468 positions, which includes new additional approved headcount of 50 positions and budgeted positions transferred from MTA New York City Transit (324 positions), MTA Bridges & Tunnels (37 positions), MTA Long Island Rail Road (6 positions) and MTA Metro-North (51 positions).

Impact on Funding

The 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan 2025-2028, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget and the Four-Year Financial Plan for 2025-2028 for MTA Construction & Development.

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Operating Expense						
Labor:						
Payroll	\$2.824	\$3.156	\$3.793	\$3.975	\$4.121	\$4.250
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.336	0.484	0.874	0.936	0.995	1.048
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.294	0.392	0.906	0.950	0.985	1.016
Other Fringe Benefits	0.192	0.251	0.357	0.376	0.391	0.405
Reimbursable Overhead	0.000	(4.283)	(5.930)	(6.237)	(6.491)	(6.718)
Total Labor Expenses	\$3.646	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.005	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.117	0.000	0.000	0.000
Professional Services Contracts	(2.952)	(0.102)	(0.185)	(0.044)	(0.046)	(0.047)
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.012	0.102	0.063	0.044	0.046	0.047
Total Non-Labor Expenses	(\$2.940)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$0.706	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation						
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$0.706	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	(\$0.706)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	1.430	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	93.621	136.562	223.268	221.082	228.355	234.186
Total Revenues	\$95.051	\$136.562	\$223.268	\$221.082	\$228.355	\$234.186
Operating Expense						
Labor:						
Payroll	\$52.608	\$62.354	\$95.763	\$100.283	\$103.882	\$107.060
Overtime	0.003	0.003	0.000	0.000	0.000	0.000
Health and Welfare	5.469	9.030	22.044	23.595	25.065	26.386
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	3.831	5.020	22.485	23.546	24.391	25.137
Other Fringe Benefits	3.742	4.927	9.043	9.512	9.881	10.222
Reimbursable Overhead	0.000	4.283	5.930	6.237	6.491	6.718
Total Labor Expenses	\$65.654	\$85.619	\$155.266	\$163.173	\$169.710	\$175.523
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.002	0.006	0.006	0.006	0.006	0.006
Insurance	0.000	0.038	0.042	0.046	0.051	0.057
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	3.961	4.990	4.475	4.209	4.347	4.490
Professional Services Contracts	23.254	44.253	60.984	51.461	52.018	51.855
Materials and Supplies	0.001	0.014	0.115	0.066	0.067	0.067
Other Business Expenses	0.749	1.643	2.380	2.122	2.156	2.188
Total Non-Labor Expenses	\$27.967	\$50.943	\$68.002	\$57.909	\$58.645	\$58.663
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$93.621	\$136.562	\$223.268	\$221.082	\$228.355	\$234.186
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$1.430	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
<u>Non-Reimbursable / Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	1.430	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	93.621	136.562	223.268	221.082	228.355	234.186
Total Revenues	\$95.051	\$136.562	\$223.268	\$221.082	\$228.355	\$234.186
Operating Expense						
<u>Labor:</u>						
Payroll	\$55.433	\$65.510	\$99.555	\$104.258	\$108.003	\$111.310
Overtime	0.003	0.003	0.000	0.000	0.000	0.000
Health and Welfare	5.805	9.515	22.918	24.531	26.060	27.434
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	4.125	5.412	23.392	24.496	25.376	26.153
Other Fringe Benefits	3.934	5.178	9.400	9.888	10.272	10.626
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$69.300	\$85.619	\$155.266	\$163.173	\$169.710	\$175.523
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.002	0.006	0.011	0.006	0.006	0.006
Insurance	0.000	0.038	0.042	0.046	0.051	0.057
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	3.961	4.990	4.592	4.209	4.347	4.490
Professional Services Contracts	20.302	44.151	60.799	51.417	51.972	51.808
Materials and Supplies	0.001	0.014	0.115	0.066	0.067	0.067
Other Business Expenses	0.761	1.745	2.443	2.166	2.202	2.235
Total Non-Labor Expenses	\$25.027	\$50.943	\$68.002	\$57.909	\$58.645	\$58.663
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$94.327	\$136.562	\$223.268	\$221.082	\$228.355	\$234.186
Depreciation						
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$94.327	\$136.562	\$223.268	\$221.082	\$228.355	\$234.186
Net Surplus/(Deficit)	\$0.724	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
<u>Cash Receipts and Expenditures</u>						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	1.430	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	17.116	136.562	223.268	221.082	228.355	234.186
Total Receipts	\$18.546	\$136.562	\$223.268	\$221.082	\$228.355	\$234.186
Expenditures						
<u>Labor:</u>						
Payroll	\$62.004	\$65.510	\$99.555	\$104.258	\$108.003	\$111.310
Overtime	0.000	0.003	0.000	0.000	0.000	0.000
Health and Welfare	7.138	9.515	22.918	24.531	26.060	27.434
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	3.892	5.412	23.392	24.496	25.376	26.153
Other Fringe Benefits	4.364	5.178	9.400	9.888	10.272	10.626
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$77.399	\$85.619	\$155.266	\$163.173	\$169.710	\$175.523
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.002	0.006	0.011	0.006	0.006	0.006
Insurance	0.000	0.038	0.042	0.046	0.051	0.057
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.152	4.990	4.592	4.209	4.347	4.490
Professional Services Contracts	21.391	44.151	60.799	51.417	51.972	51.808
Materials and Supplies	0.001	0.014	0.115	0.066	0.067	0.067
Other Business Expenses	0.625	1.745	2.443	2.166	2.202	2.235
Total Non-Labor Expenditures	\$22.171	\$50.943	\$68.002	\$57.909	\$58.645	\$58.663
<u>Other Expenditure Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$99.570	\$136.562	\$223.268	\$221.082	\$228.355	\$234.186
Net Cash Balance	(\$81.024)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2025 - 2028
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Flow Adjustments						
Receipts						
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	(76.505)	0.000	0.000	0.000	0.000	0.000
Total Receipts	(\$76.505)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
Labor:						
Payroll	(\$6.572)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.003	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(1.333)	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.232	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	(0.430)	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$8.099)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Electric Power	\$0.000	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	3.809	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	(1.089)	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.136	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$2.856	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expenditure Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	(\$5.244)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	(\$81.749)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation						
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments	(\$81.749)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2025-2028
Total Positions by Function and Department
Non-Reimbursable/ Reimbursable and Full-Time Positions/Full-Time Equivalents

Function/Department	2023 Actual	2024 November Forecast	2025 Final Proposed Budget	2026	2027	2028
Non-Reimbursable						
Capital Program Management		5				
Dir. Of Facilities and Support						
Office Services						
Transit Oriented Development	10	3	14	14	14	14
Real Estate Operations						
Deputy CDO, Planning	2	4	2	2	2	2
Spec. Project Develop/Planning		4				
Transit Advertising & Media	8	5	10	10	10	10
GCT Development						
Total Non-Reimbursable	20	21	26	26	26	26
Reimbursable						
Administration						
MTA C&D	86	42	476	476	476	476
Engineering/Capital						
MTA C&D	480	114	204	204	204	204
East Side Access	8	13				
Security Program	10					
Second Avenue Subway		8				
Lower Manhattan Projects						
OMNY	9	45	3	3	3	3
7 Line Extension						
Penn Station Access	7	6				
LIRR 3rd Track		1				
Canarsie Line Reconstruction						
LIRR Concourse Train Hall	1	5				
Total Engineering/Capital	515	192	207	207	207	207
Total Baseline Positions	621	255	709	709	709	709
<i>Non-Reimbursable</i>	20	21	26	26	26	26
<i>Reimbursable</i>	601	234	683	683	683	683
Total Full-Time	621	255	709	709	709	709
Total Full-Time Equivalents	621	255	709	709	709	709

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2025 - 2028
Total Positions
By Function and Occupational Group

FUNCTION / OCCUPATIONAL GROUP	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Managers/Supervisors	97	53	473	473	473	473
Professional/Technical/Clerical	9	10	14	14	14	14
Operational Hourlies	0	0	9	9	9	9
Total Administration Headcount	106	63	496	496	496	496
Operations						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Operations Headcount	0	0	0	0	0	0
Maintenance						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Maintenance Headcount	0	0	0	0	0	0
Engineering / Capital						
Managers/Supervisors	0	0	124	124	124	124
Professional/Technical/Clerical	515	192	77	77	77	77
Operational Hourlies	0	0	12	12	12	12
Total Engineering Headcount	515	192	213	213	213	213
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	97	53	597	597	597	597
Professional/Technical/ Clerical	524	202	91	91	91	91
Operational Hourlies	0	0	21	21	21	21
Total Positions	621	255	709	709	709	709

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Long Island Rail Road

Staff Summary

Subject MTA LIRR 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer <i>KW</i>
Department Head Signature <i>Kevin Willens</i>
Project Manager/Division Head David Keller, OMB <i>D Keller</i>

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	LIRR Comm.	12/16		X	
2	Finance Comm.	12/16	X		
3	Board	12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB <i>D Keller</i>		
2	Financial Liaison <i>[Signature]</i>		
3	LIRR President <i>[Signature]</i>		

Purpose:

To secure MTA Board adoption of the MTA Long Island Rail Road's (LIRR) 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025–2028.

Discussion:

The 2025 Final Proposed Budget, which is consistent with information presented to the Board in November 2024 provides funding to maintain the LIRR's commitment to delivering safe, secure, and reliable transportation and first-class customer service. The LIRR projections do not include MTA consolidated below-the-line adjustments including the estimated impacts of projected fare increases which are presented as part of MTA consolidated materials.

The 2025 Final Proposed Budget reflects an additional \$10 million of annual operating savings. The initiatives are as follows:

- **Material and Inventory Control Management-** Reliability Centered Maintenance (RCM) savings primarily related to strategic replacement of the M7 Communication Control Unit and Logic Control Unit as opposed to a fleetwide upgrade (\$36 million over the Plan period).
- **Management Oversight of Operating Contracts-** Better alignment of third-party services to optimize contracts related to asphalt paving, transformer re-gasketing overhead door repairs, and fiber optic network maintenance (\$4 million over the Plan period).

2024 November Forecast – Baseline

The 2024 Non-Reimbursable November Forecast reflects revenues totaling \$700.2 million, including \$654.8 million in Farebox Revenue and \$45.4 million in Other Operating Revenue. Total Operating Expense projections of \$2,531.8 million consist of labor costs of \$1,412.7 million, non-labor costs of \$499.8 million and non-cash liability adjustments of \$619.4 million. The cash budget incorporates \$1,191.5 million in cash receipts and \$2,433.9 million in cash expenditures which results in a baseline cash requirement of \$1,242.4 million. Total Reimbursable expense projections of \$444.6 million are fully offset by capital reimbursements. Total end-of-year authorized positions are projected at 7,940 and include 6,856 Non-Reimbursable positions and 1,084 Reimbursable positions.

Staff Summary

2025 Final Proposed Budget – Baseline

The 2025 Non-Reimbursable Final Proposed Budget reflects revenues totaling \$715.5 million, including \$678.1 million in Farebox Revenue and \$37.4 million in Other Operating Revenue. Total Operating Expense projections of \$2,674.2 million consist of labor costs of \$1,558.9 million, non-labor costs of \$515.2 million and non-cash liability adjustments of \$600.0 million. The cash budget incorporates \$1,116.1 million in cash receipts and \$2,233.8 million in cash expenditures which results in a baseline cash requirement of \$1,117.7 million. Total Reimbursable expense projections of \$413.8 million are fully offset by capital reimbursements. Total end-of-year authorized positions are projected at 8,084 and include 6,951 Non-Reimbursable positions and 1,133 Reimbursable positions.

Impact on Funding

The 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan 2025–2028, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget and the Four-Year Financial Plan for 2025–2028 for the MTA Long Island Rail Road.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$568.951	\$654.841	\$678.089	\$680.959	\$683.357	\$685.963
Other Operating Revenue	34.779	45.355	37.362	38.687	38.928	39.672
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$603.730	\$700.196	\$715.450	\$719.646	\$722.285	\$725.635
Operating Expense						
Labor:						
Payroll	\$656.937	\$691.026	\$752.044	\$769.966	\$802.525	\$815.870
Overtime	171.228	158.852	159.898	158.561	163.797	163.435
Health and Welfare	149.693	170.678	203.564	220.178	242.091	258.263
OPEB Current Payments	71.393	78.540	84.609	89.903	95.528	101.499
Pension	182.121	178.502	197.587	207.763	212.738	210.558
Other Fringe Benefits	178.066	184.205	192.946	195.208	203.209	206.968
Reimbursable Overhead	(43.424)	(49.115)	(31.707)	(32.703)	(33.477)	(34.145)
Total Labor Expenses	\$1,366.015	\$1,412.689	\$1,558.940	\$1,608.877	\$1,686.413	\$1,722.447
Non-Labor:						
Electric Power	\$103.352	\$106.642	\$113.950	\$119.648	\$121.338	\$124.432
Fuel	29.873	27.114	25.444	25.579	25.506	25.989
Insurance	24.950	29.303	30.312	30.814	32.717	35.343
Claims	12.554	4.744	3.937	3.937	3.937	3.937
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	95.448	112.663	128.535	120.287	125.104	152.267
Professional Services Contracts	46.075	60.811	51.904	48.835	48.387	49.801
Materials and Supplies	137.214	130.807	135.435	169.606	263.728	291.012
Other Business Expenses	25.656	27.696	25.690	25.454	25.797	25.762
Total Non-Labor Expenses	\$475.122	\$499.780	\$515.207	\$544.159	\$646.514	\$708.542
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$1,841.138	\$1,912.469	\$2,074.147	\$2,153.036	\$2,332.927	\$2,430.989
Depreciation	\$550.555	\$563.758	\$535.641	\$540.997	\$546.406	\$551.870
GASB 49 Environmental Remediation	12.793	2.000	2.000	2.000	2.000	2.000
GASB 68 Pension Expense Adjustment	64.430	(4.300)	5.280	(23.940)	7.800	(89.920)
GASB 75 OPEB Expense Adjustment	(14.834)	56.000	57.120	58.262	59.428	60.616
GASB 87 Lease Adjustment	0.168	1.276	(0.620)	(0.620)	(0.620)	(0.620)
GASB 96 SBITA Adjustment	0.650	0.623	0.600	0.600	0.600	0.600
Total Non-Cash Liability Adjustments	\$613.762	\$619.358	\$600.021	\$577.299	\$615.614	\$524.546
Total Expenses	\$2,454.900	\$2,531.826	\$2,674.168	\$2,730.335	\$2,948.541	\$2,955.535
Net Surplus/(Deficit)	(\$1,851.170)	(\$1,831.631)	(\$1,958.718)	(\$2,010.689)	(\$2,226.255)	(\$2,229.900)
Cash Conversion Adjustments						
Depreciation	\$550.555	\$563.758	\$535.641	\$540.997	\$546.406	\$551.870
Operating/Capital	(5.956)	(10.138)	(22.389)	(14.839)	(13.946)	(13.888)
Other Cash Adjustments	296.667	35.617	327.740	50.909	87.940	(12.211)
Total Cash Conversion Adjustments	\$841.266	\$589.237	\$840.992	\$577.067	\$620.401	\$525.770
Net Cash Surplus/(Deficit)	(\$1,009.904)	(\$1,242.394)	(\$1,117.726)	(\$1,433.622)	(\$1,605.855)	(\$1,704.130)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	393.110	444.593	413.831	414.988	421.130	427.162
Total Revenues	\$393.110	\$444.593	\$413.831	\$414.988	\$421.130	\$427.162
Operating Expense						
Labor:						
Payroll	\$118.770	\$140.314	\$147.481	\$149.526	\$151.928	\$153.891
Overtime	46.845	50.954	40.142	41.454	41.872	42.709
Health and Welfare	29.379	35.878	33.749	34.392	34.936	35.428
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	47.173	54.498	54.833	55.877	56.762	57.562
Other Fringe Benefits	31.408	37.202	34.511	35.168	35.725	36.228
Reimbursable Overhead	43.424	49.115	31.707	32.703	33.477	34.145
Total Labor Expenses	\$316.998	\$367.960	\$342.423	\$349.119	\$354.699	\$359.964
Non-Labor:						
Electric Power	\$0.347	\$0.326	\$0.360	\$0.360	\$0.360	\$0.360
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	5.786	8.204	8.627	9.807	10.002	10.138
Claims	0.000	0.100	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	26.338	26.579	14.727	14.898	15.042	15.192
Professional Services Contracts	6.429	4.121	1.245	0.763	0.778	0.794
Materials and Supplies	36.675	36.489	45.983	39.564	39.765	40.224
Other Business Expenses	0.537	0.813	0.468	0.477	0.484	0.491
Total Non-Labor Expenses	\$76.112	\$76.633	\$71.409	\$65.869	\$66.431	\$67.199
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$393.110	\$444.593	\$413.831	\$414.988	\$421.130	\$427.162
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable / Reimbursable						
Operating Revenue						
Farebox Revenue	\$568,951	\$654,841	\$678,089	\$680,959	\$683,357	\$685,963
Other Operating Revenue	34,779	45,355	37,362	38,687	38,928	39,672
Capital and Other Reimbursements	393,110	444,593	413,831	414,988	421,130	427,162
Total Revenues	\$996,840	\$1,144,788	\$1,129,282	\$1,134,634	\$1,143,416	\$1,152,797
Operating Expense						
Labor:						
Payroll	\$775,706	\$831,340	\$899,524	\$919,492	\$954,453	\$969,760
Overtime	218,073	209,806	200,040	200,015	205,669	206,144
Health and Welfare	179,072	206,556	237,313	254,570	277,027	293,691
OPEB Current Payments	71,393	78,540	84,609	89,903	95,528	101,499
Pension	229,294	233,000	252,420	263,640	269,500	268,120
Other Fringe Benefits	209,474	221,407	227,457	230,376	238,934	243,196
Reimbursable Overhead	0,000	0,000	0,000	0,000	0,000	0,000
Total Labor Expenses	\$1,683,013	\$1,780,648	\$1,901,363	\$1,957,997	\$2,041,112	\$2,082,411
Non-Labor:						
Electric Power	\$103,699	\$106,968	\$114,310	\$120,008	\$121,698	\$124,792
Fuel	29,873	27,114	25,444	25,579	25,506	25,989
Insurance	30,736	37,507	38,939	40,620	42,719	45,482
Claims	12,554	4,844	3,937	3,937	3,937	3,937
Paratransit Service Contracts	0,000	0,000	0,000	0,000	0,000	0,000
Maintenance and Other Operating Contracts	121,786	139,242	143,261	135,185	140,146	167,459
Professional Services Contracts	52,504	64,932	53,149	49,598	49,165	50,595
Materials and Supplies	173,890	167,296	181,417	209,170	303,492	331,235
Other Business Expenses	26,193	28,509	26,158	25,930	26,281	26,253
Total Non-Labor Expenses	\$551,234	\$576,413	\$586,616	\$610,028	\$712,945	\$775,741
Other Expense Adjustments:						
Other Expense Adjustments	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Other Expense Adjustments	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Expenses Before Depreciation and GASB Adjs.	\$2,234,247	\$2,357,061	\$2,487,979	\$2,568,024	\$2,754,057	\$2,858,152
Depreciation	\$550,555	\$563,758	\$535,641	\$540,997	\$546,406	\$551,870
GASB 49 Environmental Remediation	12,793	2,000	2,000	2,000	2,000	2,000
GASB 68 Pension Expense Adjustment	64,430	(4,300)	5,280	(23,940)	7,800	(89,920)
GASB 75 OPEB Expense Adjustment	(14,834)	56,000	57,120	58,262	59,428	60,616
GASB 87 Lease Adjustment	0,168	1,276	(0,620)	(0,620)	(0,620)	(0,620)
GASB 96 SBITA Adjustment	0,650	0,623	0,600	0,600	0,600	0,600
Total Non-Cash Liability Adjustments	\$613,762	\$619,358	\$600,021	\$577,299	\$615,614	\$524,546
Total Expenses	\$2,848,010	\$2,976,419	\$3,087,999	\$3,145,323	\$3,369,671	\$3,382,697
Net Surplus/(Deficit)	(\$1,851,170)	(\$1,831,631)	(\$1,958,718)	(\$2,010,689)	(\$2,226,255)	(\$2,229,900)
Cash Conversion Adjustments						
Depreciation	\$550,555	\$563,758	\$535,641	\$540,997	\$546,406	\$551,870
Operating/Capital	(5,956)	(10,138)	(22,389)	(14,839)	(13,946)	(13,888)
Other Cash Adjustments	296,667	35,617	327,740	50,909	87,940	(12,211)
Total Cash Conversion Adjustments	\$841,266	\$589,237	\$840,992	\$577,067	\$620,401	\$525,770
Net Cash Surplus/(Deficit)	(\$1,009,904)	(\$1,242,394)	(\$1,117,726)	(\$1,433,622)	(\$1,605,855)	(\$1,704,130)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$573.710	\$662.615	\$687.313	\$690.183	\$692.581	\$695.187
Other Operating Revenue	474.762	94.913	37.866	39.202	39.453	40.210
Capital and Other Reimbursements	366.102	433.957	390.938	399.634	406.659	412.736
Total Receipts	\$1,414.574	\$1,191.485	\$1,116.117	\$1,129.019	\$1,138.694	\$1,148.133
Expenditures						
Labor:						
Payroll	\$794.836	\$845.278	\$893.183	\$913.006	\$947.819	\$962.975
Overtime	216.112	213.410	200.040	200.015	205.669	206.144
Health and Welfare	176.793	206.556	237.313	254.570	277.027	293.691
OPEB Current Payments	71.736	78.540	84.609	89.903	95.528	101.499
Pension	446.872	237.510	0.000	263.640	269.500	268.120
Other Fringe Benefits	202.734	235.537	226.457	229.376	237.934	242.196
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,909.084	\$1,816.831	\$1,641.601	\$1,950.510	\$2,033.478	\$2,074.625
Non-Labor:						
Electric Power	\$93.466	\$115.394	\$114.310	\$120.008	\$121.698	\$124.792
Fuel	30.646	27.347	25.444	25.579	25.506	25.989
Insurance	34.105	34.437	38.466	40.095	42.155	45.057
Claims	2.677	4.973	1.929	1.929	1.929	1.929
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	122.819	157.521	143.261	135.185	140.146	167.459
Professional Services Contracts	29.362	51.695	40.149	36.598	36.165	37.595
Materials and Supplies	172.367	188.356	190.546	214.763	305.076	336.379
Other Business Expenses	22.573	28.100	28.913	28.750	29.171	29.215
Total Non-Labor Expenditures	\$508.015	\$607.823	\$583.018	\$602.907	\$701.847	\$768.415
Other Expenditure Adjustments:						
Other	\$7.378	\$9.224	\$9.224	\$9.224	\$9.224	\$9.224
Total Other Expense Adjustments	\$7.378	\$9.224	\$9.224	\$9.224	\$9.224	\$9.224
Total Expenditures	\$2,424.478	\$2,433.878	\$2,233.843	\$2,562.641	\$2,744.549	\$2,852.263
Net Cash Balance	(\$1,009.904)	(\$1,242.394)	(\$1,117.726)	(\$1,433.622)	(\$1,605.855)	(\$1,704.130)
Cash Timing and Availability Adjustment	(21.090)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Net Cash Balance after Cash Timing & Availability Adj	(\$1,030.994)	(\$1,242.394)	(\$1,117.726)	(\$1,433.622)	(\$1,605.855)	(\$1,704.130)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2025 - 2028
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$4.759	\$7.774	\$9.224	\$9.224	\$9.224	\$9.224
Other Operating Revenue	439.983	49.558	0.505	0.515	0.525	0.538
Capital and Other Reimbursements	(27.008)	(10.635)	(22.893)	(15.354)	(14.471)	(14.426)
Total Receipts	\$417.734	\$46.697	(\$13.165)	(\$5.615)	(\$4.722)	(\$4.664)
Expenditures						
Labor:						
Payroll	(\$19.130)	(\$13.938)	\$6.341	\$6.486	\$6.634	\$6.786
Overtime	1.961	(3.604)	0.000	0.000	0.000	0.000
Health and Welfare	2.279	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	(0.342)	0.000	0.000	0.000	0.000	0.000
Pension	(217.578)	(4.510)	252.420	0.000	0.000	0.000
Other Fringe Benefits	6.740	(14.130)	1.000	1.000	1.000	1.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$226.071)	(\$36.183)	\$259.761	\$7.486	\$7.634	\$7.786
Non-Labor:						
Electric Power	\$10.232	(\$8.426)	0.000	\$0.000	\$0.000	\$0.000
Fuel	(0.773)	(0.233)	0.000	0.000	0.000	0.000
Insurance	(3.369)	3.070	0.474	0.525	0.564	0.424
Claims	9.877	(0.130)	2.008	2.008	2.008	2.008
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(1.033)	(18.278)	0.000	0.000	0.000	0.000
Professional Services Contracts	23.142	13.237	13.000	13.000	13.000	13.000
Materials and Supplies	1.522	(21.060)	(9.128)	(5.592)	(1.584)	(5.144)
Other Business Expenses	3.620	0.409	(2.755)	(2.820)	(2.890)	(2.962)
Total Non-Labor Expenditures	\$43.219	(\$31.411)	\$3.599	\$7.121	\$11.098	\$7.327
Other Expenditure Adjustments:						
Other Expense Adjustments	(\$7.378)	(\$9.224)	(\$9.224)	(\$9.224)	(\$9.224)	(\$9.224)
Total Other Expenditure Adjustments	(\$7.378)	(\$9.224)	(\$9.224)	(\$9.224)	(\$9.224)	(\$9.224)
Total Expenditures	(\$190.230)	(\$76.817)	\$254.136	\$5.383	\$9.509	\$5.888
Total Cash Conversion Adjustments before Depreciation	\$227.504	(\$30.121)	\$240.971	(\$0.232)	\$4.787	\$1.224
Depreciation	\$550.555	\$563.758	\$535.641	\$540.997	\$546.406	\$551.870
GASB 49 Environmental Remediation	12.793	2.000	2.000	2.000	2.000	2.000
GASB 68 Pension Expense Adjustment	64.430	(4.300)	5.280	(23.940)	7.800	(89.920)
GASB 75 OPEB Expense Adjustment	(14.834)	56.000	57.120	58.262	59.428	60.616
GASB 87 Lease Adjustment	0.168	1.276	(0.620)	(0.620)	(0.620)	(0.620)
GASB 96 SBITA Adjustment	0.650	0.623	0.600	0.600	0.600	0.600
Total Non-Cash Liability Adjustments	\$613.762	\$619.358	\$600.021	\$577.299	\$615.614	\$524.546
Cash Timing and Availability Adjustment	(21.090)	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$820.176	\$589.237	\$840.992	\$577.067	\$620.401	\$525.770

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2025 - 2028
Ridership (Utilization) and Revenue
(in millions)

Actual	November Forecast	Final Proposed Budget	2026	2027	2028
2023	2024	2025			

RIDERSHIP

<i>Total Commutation</i>	25.716	28.373	29.261	29.397	29.513	29.512
<i>Total Non-Commutation</i>	39.523	47.364	49.024	49.232	49.406	49.594
Total Ridership	65.239	75.737	78.285	78.629	78.919	79.106

FAREBOX REVENUE

Baseline Total Farebox Revenue	\$568.951	\$654.841	\$678.089	\$680.959	\$683.357	\$685.963
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MTA LONG ISLAND RAIL ROAD
November Financial Plan 2025-2028
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2023 Actual	2024 November Forecast	2025 Final Proposed Budget	2026	2027	2028
Administration						
President	4	13	15	15	15	15
Market Dev & Mailroom	14	14	14	14	14	14
Security	13	14	14	13	13	13
Safety	45	55	55	55	55	55
Training	69	72	72	67	67	67
Rolling Stock Programs	10	17	17	17	17	17
VP Ops Support & Org Res	0	4	4	4	4	4
Communications	56	57	53	53	53	53
Labor Relations	13	15	13	13	13	13
Diversity	1	3	2	2	2	2
Legal	24	32	25	25	25	25
Procurement & Matl Mgmt	135	148	144	145	145	145
Finance	55	60	58	58	58	58
People	32	42	37	37	37	37
Security Pass Office	0	3	3	3	3	3
Total Administration	471	549	526	521	521	521
Operations						
Service Planning	29	28	28	28	22	22
Sr Vice President - Operations	3	3	3	3	3	3
Enterprise Asset Management	9	9	9	9	9	9
Transportation	2,276	2,266	2,265	2,265	2,378	2,377
Stations	551	539	538	536	536	536
Total Operations	2,868	2,845	2,843	2,841	2,948	2,947
Maintenance						
Sr. Vice President - Engineering	0	1	1	1	1	1
Maintenance of Way	2,141	2,179	2,249	2,238	2,276	2,276
Maintenance of Equipment	2,150	2,134	2,239	2,303	2,376	2,376
Railroad Program Support	41	52	52	52	52	52
Total Maintenance	4,332	4,366	4,541	4,594	4,705	4,705
Engineering/Capital						
Special Projects	36	46	46	47	47	47
Construction & Development	86	134	128	128	128	128
Total Engineering/Capital	122	180	174	175	175	175
Total Baseline Positions	7,793	7,940	8,084	8,131	8,349	8,348
<i>Non-Reimbursable</i>	6,887	6,856	6,951	7,134	7,359	7,359
<i>Reimbursable</i>	907	1,084	1,133	997	990	989
Total Full-Time	7,793	7,940	8,084	8,131	8,349	8,348
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2025 - 2028
Total Positions
By Function and Occupational Group

FUNCTION / OCCUPATIONAL GROUP	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Managers/Supervisors	225	272	258	254	254	254
Professional/Technical/Clerical	142	165	155	154	154	154
Operational Hourlies	104	112	113	113	113	113
Total Administration Headcount	471	549	526	521	521	521
Operations						
Managers/Supervisors	371	395	393	391	386	385
Professional/Technical/Clerical	153	148	148	148	147	147
Operational Hourlies	2,344	2,302	2,302	2,302	2,415	2,415
Total Operations Headcount	2,868	2,845	2,843	2,841	2,948	2,947
Maintenance						
Managers/Supervisors	919	1,041	1,040	1,002	1,017	997
Professional/Technical/Clerical	240	265	261	281	286	286
Operational Hourlies	3,173	3,060	3,241	3,311	3,402	3,422
Total Maintenance Headcount	4,332	4,366	4,541	4,594	4,705	4,705
Engineering / Capital						
Managers/Supervisors	108	122	116	117	117	117
Professional/Technical/Clerical	14	58	58	58	58	58
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	122	180	174	175	175	175
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	1,623	1,830	1,807	1,764	1,774	1,753
Professional/Technical/ Clerical	549	636	622	641	645	645
Operational Hourlies	5,621	5,474	5,656	5,726	5,930	5,950
Total Positions	7,793	7,940	8,084	8,131	8,349	8,348

Note: The 2023 Actuals reflected above are revised from the 2024 July Plan. This reflects several departments being transferred to a different Function.

MTA Grand Central Madison Operating Company (GCMOC)

Staff Summary

Subject GCMOC 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer <i>KW</i>
Department Head Signature <i>Kevin Willens</i>
Project Manager/Division Head David Keller, OMB <i>D Keller</i>

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/16	X		
2	Board	12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB <i>D Keller</i>		
2	Financial Liaison <i>EW</i>		
3	GCMOC President		<i>[Signature]</i>

Purpose:

To secure MTA Board adoption of the MTA Grand Central Madison Operating Company (GCMOC) 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025–2028.

Discussion:

The 2025 Final Proposed Budget which is consistent with information presented to the Board in November 2024 provides funding to maintain Grand Central Madison, a train concourse below Grand Central Terminal (GCT) servicing the LIRR-operated section of GCT.

This entity is responsible for maintenance of the facility and concourse which includes cleaning the concourse and public-facing areas (excluding platform level), elevator/escalator maintenance, HVAC, chiller and steam plants, pump stations, sewers, tunnel drainage, fire/life safety systems, power systems, access control and intrusion detection systems, etc. Other operating and financial aspects of Grand Central Madison are captured in the LIRR, Metro-North and MTA HQ financial plans.

2024 November Forecast – Baseline

The 2024 Non-Reimbursable November Forecast reflects Other Operating Revenues totaling \$(0.2) million. Total Operating Expense projections of \$309.2 million consist of labor costs of \$1.4 million, non-labor costs of \$101.4 million and non-cash liability adjustments of \$206.5 million. The cash budget incorporates \$(0.2) million in cash receipts and \$128.6 million in cash expenditures which results in a baseline cash requirement of \$128.7 million. Total end-of-year authorized positions are projected at 10 positions.

2025 Final Proposed Budget – Baseline

The 2025 Non-Reimbursable Final Proposed Budget reflects Other Operating Revenues totaling \$(0.1) million. Total Operating Expense projections of \$295.6 million consist of labor costs of \$2.1 million, non-labor costs of \$92.9 million and non-cash liability adjustments of \$200.6 million. The cash budget incorporates \$(0.1) million in cash receipts and \$95.0 million in cash expenditures which results in a baseline cash requirement of \$95.1 million. Total end-of-year authorized positions are projected at 10 positions.

Impact on Funding

The 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan 2025–2028 which are presented in the attached tables are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget and the Four-Year Financial Plan for 2025–2028 for the Grand Central Madison Operating Company.

MTA GRAND CENTRAL MADISON OPERATING COMPANY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.433	(0.162)	(0.074)	(0.282)	0.601	2.179
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$0.433	(\$0.162)	(\$0.074)	(\$0.282)	\$0.601	\$2.179
Operating Expense						
Labor:						
Payroll	\$0.548	\$0.904	\$1.498	\$1.528	\$1.560	\$1.584
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.126	0.347	0.356	0.365	0.375
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.277	0.325	0.266	0.271	0.277	0.282
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$0.825	\$1.355	\$2.111	\$2.155	\$2.201	\$2.241
Non-Labor:						
Electric Power	\$3.583	\$3.993	\$4.563	\$4.945	\$5.122	\$5.404
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	77.122	93.887	87.753	90.252	92.823	95.468
Professional Services Contracts	2.829	3.489	0.604	0.507	0.509	0.511
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.001	0.003	0.009	0.009	0.009	0.010
Total Non-Labor Expenses	\$83.534	\$101.371	\$92.929	\$95.713	\$98.463	\$101.393
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$84.359	\$102.727	\$95.040	\$97.868	\$100.665	\$103.634
Depreciation						
Depreciation	\$104.379	\$206.510	\$200.608	\$200.608	\$200.608	\$200.608
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$104.379	\$206.510	\$200.608	\$200.608	\$200.608	\$200.608
Total Expenses	\$188.738	\$309.236	\$295.648	\$298.476	\$301.273	\$304.242
Net Surplus/(Deficit)	(\$188.305)	(\$309.398)	(\$295.722)	(\$298.759)	(\$300.672)	(\$302.063)

MTA GRAND CENTRAL MADISON OPERATING COMPANY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Operating Expense						
Labor:						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA GRAND CENTRAL MADISON OPERATING COMPANY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
<u>Non-Reimbursable / Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.433	(0.162)	(0.074)	(0.282)	0.601	2.179
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$0.433	(\$0.162)	(\$0.074)	(\$0.282)	\$0.601	\$2.179
Operating Expense						
<u>Labor:</u>						
Payroll	\$0.548	\$0.904	\$1.498	\$1.528	\$1.560	\$1.584
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.126	0.347	0.356	0.365	0.375
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.277	0.325	0.266	0.271	0.277	0.282
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$0.825	\$1.355	\$2.111	\$2.155	\$2.201	\$2.241
<u>Non-Labor:</u>						
Electric Power	\$3.583	\$3.993	\$4.563	\$4.945	\$5.122	\$5.404
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	77.122	93.887	87.753	90.252	92.823	95.468
Professional Services Contracts	2.829	3.489	0.604	0.507	0.509	0.511
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.001	0.003	0.009	0.009	0.009	0.010
Total Non-Labor Expenses	\$83.534	\$101.371	\$92.929	\$95.713	\$98.463	\$101.393
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$84.359	\$102.727	\$95.040	\$97.868	\$100.665	\$103.634
Depreciation	\$104.379	\$206.510	\$200.608	\$200.608	\$200.608	\$200.608
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$104.379	\$206.510	\$200.608	\$200.608	\$200.608	\$200.608
Total Expenses	\$188.738	\$309.236	\$295.648	\$298.476	\$301.273	\$304.242
Net Surplus/(Deficit)	(\$188.305)	(\$309.398)	(\$295.722)	(\$298.759)	(\$300.672)	(\$302.063)

MTA GRAND CENTRAL MADISON OPERATING COMPANY
November Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
<u>Cash Receipts and Expenditures</u>						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.147	(0.162)	(0.074)	(0.282)	0.601	2.179
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$0.147	(\$0.162)	(\$0.074)	(\$0.282)	\$0.601	\$2.179
Expenditures						
<u>Labor:</u>						
Payroll	\$0.453	\$0.992	\$1.498	\$1.528	\$1.560	\$1.584
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.126	0.347	0.356	0.365	0.375
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.088	0.360	0.266	0.271	0.277	0.282
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$0.541	\$1.478	\$2.111	\$2.155	\$2.201	\$2.241
<u>Non-Labor:</u>						
Electric Power	\$2.901	\$3.993	\$4.563	\$4.945	\$5.122	\$5.404
Fuel	0.000	0.362	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	63.477	113.884	87.753	90.252	92.823	95.468
Professional Services Contracts	0.423	5.892	0.604	0.507	0.509	0.511
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	(2.879)	2.956	0.009	0.009	0.009	0.010
Total Non-Labor Expenditures	\$63.921	\$127.086	\$92.929	\$95.713	\$98.463	\$101.393
<u>Other Expenditure Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$64.463	\$128.565	\$95.040	\$97.868	\$100.665	\$103.634
Net Cash Balance	(\$64.316)	(\$128.727)	(\$95.113)	(\$98.150)	(\$100.064)	(\$101.455)

MTA GRAND CENTRAL MADISON OPERATING COMPANY
November Financial Plan 2025 - 2028
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	(0.286)	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Receipts	(\$0.286)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
Labor:						
Payroll	\$0.095	(\$0.088)	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.189	(0.035)	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$0.284	(\$0.123)	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Electric Power	\$0.682	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	(0.362)	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	13.645	(19.997)	0.000	0.000	0.000	0.000
Professional Services Contracts	2.406	(2.403)	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	2.881	(2.953)	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$19.613	(\$25.715)	\$0.000	\$0.000	\$0.000	\$0.000
Other Expenditure Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$19.896	(\$25.838)	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$19.610	(\$25.838)	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation	\$104.379	\$206.510	\$200.608	\$200.608	\$200.608	\$200.608
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$104.379	\$206.510	\$200.608	\$200.608	\$200.608	\$200.608
Total Cash Conversion Adjustments	\$123.989	\$180.672	\$200.608	\$200.608	\$200.608	\$200.608

MTA Grand Central Madison Operating Company
November Financial Plan 2025-2028
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2023 Actual	2024 November Forecast	2025 Final Proposed Budget	2026	2027	2028
Administration						
President	2	10	10	10	10	10
<i>Total Administration</i>	2	10	10	10	10	10
Total Baseline Positions	2	10	10	10	10	10

MTA GRAND CENTRAL MADISON OPERATING COMPANY
November Financial Plan 2025 - 2028
Total Positions
By Function and Occupational Group

FUNCTION / OCCUPATIONAL GROUP	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Managers/Supervisors	2	4	4	4	4	4
Professional/Technical/Clerical	0	6	6	6	6	6
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	2	10	10	10	10	10
Operations						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Operations Headcount	0	0	0	0	0	0
Maintenance						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Maintenance Headcount	0	0	0	0	0	0
Engineering / Capital						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	0	0	0	0	0	0
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	2	4	4	4	4	4
Professional/Technical/ Clerical	0	6	6	6	6	6
Operational Hourlies	0	0	0	0	0	0
Total Positions	2	10	10	10	10	10

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Metro-North Railroad

Staff Summary

Subject MTA MNR 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer <i>KW</i>
Department Head Signature <i>Kevin Willens</i>
Project Manager/Division Head David Keller, OMB <i>D Keller</i>

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Comm.	12/16		X	
2	Finance Comm.	12/16	X		
3	Board	12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB <i>D Keller</i>		
2	Financial Liaison <i>SW</i>		
3	MNR President: <i>[Signature]</i>		

Purpose:

To secure MTA Board adoption of the MTA Metro-North Railroad's 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028.

Discussion:

The 2025 Final Proposed Budget, which is consistent with information presented to the Board in November 2024, provides funding to maintain Metro-North Railroad's commitment to delivering safe, secure, reliable transportation, and first-class customer service. The MNR projections do not include MTA consolidated below-the-line adjustments which are presented as part of MTA consolidated materials.

The 2025 Final Proposed Budget reflects an additional \$10 million of annual operating savings beginning in 2025, primarily by management oversight to keep paid headcount growth aligned at or below budgeted headcount as well as improved management of overtime spending.

The 2025 Final Proposed Budget reflects the following new initiative:

- *Metro-North Penn Station Access (PSA)* - This project is an extension of Metro-North Railroad's New Haven Line (NHL) into Penn Station, along with four new accessible stations in the Bronx. To allow for sufficient time to train new train crews, operations managers, and maintenance staff, hiring is planned to start in 2025, with service expected to commence in November 2027.

2024 November Forecast-Baseline

The 2024 Non-Reimbursable Forecast reflects revenues totaling \$657.8 million, including \$620.5 million of farebox revenue and \$37.3 million in other operating revenue. Total operating expense projections of \$2,022.2 million consist of labor costs of \$1,125.1 million, non-labor costs of \$456.0 million and non-cash liability adjustments of \$441.2 million. After including cash adjustments of \$340.2 million, the projected net cash deficit is \$1,024.3 million, of which \$771.7 million represents the MTA share and \$252.6 million is the CDOT share. Total reimbursable expense projections of \$284.2 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 6,802 and include 6,196 non-reimbursable positions and 606 reimbursable positions.

2025 Final Proposed Budget-Baseline

The 2025 Final Proposed Non-Reimbursable Budget reflects revenues totaling \$685.3 million. Farebox revenue of \$647.5 million reflects revised ridership recovery projections based on regional economic changes. Other operating revenue of \$37.8 million reflects Grand Central Terminal net retail revenues, advertising, and outlying station & parking revenue. Total operating expense projections of \$2,107.7 million consist of labor costs of \$1,157.3 million, non-labor costs of \$487.3 million and non-cash liability adjustments of \$463.1 million. After including cash adjustments of \$502.3 million, the projected net cash deficit is \$920.1 million, of which \$655.7 million represents the MTA share and \$264.5 million the CDOT share. Total reimbursable expense projections of \$313.0 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 6,890 and include 6,162 non-reimbursable positions and 728 reimbursable positions.

Impact on Funding

The 2024 November Forecast, the 2025 Final Proposed Budget and the Four-Year Financial Plan for 2025-2028, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028 for MTA Metro-North Railroad.

MTA METRO-NORTH RAILROAD
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$558.352	\$620.501	\$647.455	\$650.197	\$652.488	\$657.554
Other Operating Revenue	79.389	37.315	37.834	50.040	60.175	60.560
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$637.741	\$657.816	\$685.289	\$700.237	\$712.663	\$718.114
Operating Expense						
Labor:						
Payroll	\$592.477	\$628.804	\$663.851	\$676.674	\$700.444	\$719.584
Overtime	105.726	92.437	87.185	89.026	93.838	95.753
Health and Welfare	129.079	148.547	154.514	170.937	188.861	204.282
OPEB Current Payments	48.253	53.134	54.000	55.000	56.000	57.000
Pension	126.697	133.872	142.846	144.339	146.920	144.758
Other Fringe Benefits	138.452	147.762	152.880	155.526	160.730	164.747
Reimbursable Overhead	(78.283)	(79.486)	(97.999)	(100.636)	(96.747)	(99.079)
Total Labor Expenses	\$1,062.401	\$1,125.069	\$1,157.277	\$1,190.867	\$1,250.046	\$1,287.045
Non-Labor:						
Electric Power	\$85.571	\$81.211	\$89.595	\$92.799	\$93.065	\$94.671
Fuel	27.402	24.330	21.268	21.336	21.079	21.985
Insurance	19.084	20.771	21.102	22.494	24.089	25.812
Claims	4.403	5.687	1.000	1.000	1.000	1.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	133.510	140.246	143.088	141.093	141.460	144.760
Professional Services Contracts	44.035	49.590	57.881	56.705	55.600	56.050
Materials and Supplies	115.068	103.888	122.716	144.808	160.460	169.962
Other Business Expenses	31.364	30.239	30.685	30.850	31.028	49.462
Total Non-Labor Expenses	\$460.437	\$455.963	\$487.336	\$511.084	\$527.781	\$563.702
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$1,522.838	\$1,581.032	\$1,644.613	\$1,701.951	\$1,777.828	\$1,850.746
Depreciation	\$344.591	\$330.146	\$333.714	\$345.351	\$370.862	\$404.066
GASB 49 Environmental Remediation	4.635	4.000	4.000	4.000	4.000	4.000
GASB 68 Pension Expense Adjustment	58.310	18.760	33.780	19.590	41.450	(26.200)
GASB 75 OPEB Expense Adjustment	36.251	86.261	89.543	92.859	96.225	99.783
GASB 87 Lease Adjustment	1.374	1.374	1.374	1.374	1.374	1.374
GASB 96 SBITA Adjustment	0.678	0.678	0.678	0.678	0.678	0.678
Total Non-Cash Liability Adjustments	\$445.838	\$441.219	\$463.089	\$463.852	\$514.588	\$483.700
Total Expenses	\$1,968.676	\$2,022.251	\$2,107.702	\$2,165.803	\$2,292.416	\$2,334.447
Net Surplus/(Deficit)	(\$1,330.935)	(\$1,364.435)	(\$1,422.413)	(\$1,465.566)	(\$1,579.753)	(\$1,616.333)
Cash Conversion Adjustments						
Depreciation	\$344.591	\$330.146	\$333.714	\$345.351	\$370.862	\$404.066
Operating/Capital	(28.831)	(36.121)	(44.156)	(35.538)	(27.985)	(24.522)
Other Cash Adjustments	231.954	46.126	212.727	96.800	145.778	80.415
Total Cash Conversion Adjustments	\$547.713	\$340.151	\$502.286	\$406.613	\$488.654	\$459.958
Net Cash Surplus/(Deficit)	(\$783.222)	(\$1,024.284)	(\$920.128)	(\$1,058.953)	(\$1,091.099)	(\$1,156.375)

MTA METRO-NORTH RAILROAD
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
MNR - MTA	115.742	126.145	145.484	142.042	142.623	158.756
MNR - CDOT	100.537	139.647	155.484	165.598	172.062	103.909
MNR - Other	<u>18.483</u>	<u>18.374</u>	<u>12.062</u>	<u>10.842</u>	<u>12.248</u>	<u>16.742</u>
Capital and Other Reimbursements	234.761	284.167	313.030	318.482	326.933	279.407
Total Revenues	\$234.761	\$284.167	\$313.030	\$318.482	\$326.933	\$279.407
Operating Expense						
Labor						
Payroll	\$42.500	\$47.961	\$67.037	\$68.765	\$64.569	\$67.757
Overtime	28.812	32.906	27.874	30.487	30.324	33.543
Health and Welfare	19.212	21.939	27.395	28.542	27.446	29.010
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	12.020	12.676	15.524	16.153	15.343	16.320
Other Fringe Benefits	12.751	13.811	16.955	17.654	16.852	17.871
Reimbursable Overhead	75.545	78.230	97.718	100.406	96.520	98.849
Total Labor Expenses	\$190.840	\$207.525	\$252.503	\$262.007	\$251.055	\$263.351
Non-Labor						
Electric Power	\$0.245	\$0.014	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	1.105	0.681	0.708	0.790	0.712	0.541
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	13.734	19.102	23.102	10.546	7.827	7.477
Professional Services Contracts	4.889	35.413	25.000	31.916	53.460	0.000
Materials and Supplies	23.631	21.303	11.717	13.224	13.879	8.039
Other Business Expenses	0.318	0.130	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$43.921	\$76.642	\$60.527	\$56.476	\$75.878	\$16.056
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$234.761	\$284.167	\$313.030	\$318.482	\$326.933	\$279.407
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA METRO-NORTH RAILROAD
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable / Reimbursable						
Operating Revenue						
Farebox Revenue	\$558,352	\$620,501	\$647,455	\$650,197	\$652,488	\$657,554
Other Operating Revenue	79,389	37,315	37,834	50,040	60,175	60,560
MNR - MTA	115,742	126,145	145,484	142,042	142,623	158,756
MNR - CDOT	100,537	139,647	155,484	165,598	172,062	103,909
MNR - Other	18,483	18,374	12,062	10,842	12,248	16,742
Capital and Other Reimbursements	234,761	284,167	313,030	318,482	326,933	279,407
Total Revenues	\$872,502	\$941,983	\$998,319	\$1,016,719	\$1,039,596	\$997,521
Operating Expense						
Labor:						
Payroll	\$634,977	\$676,765	\$730,887	\$745,439	\$765,013	\$787,341
Overtime	134,538	125,343	115,058	119,513	124,162	129,296
Health and Welfare	148,291	170,486	181,910	199,478	216,307	233,293
OPEB Current Payments	48,253	53,134	54,000	55,000	56,000	57,000
Pension	138,717	146,548	158,370	160,492	162,264	161,078
Other Fringe Benefits	151,203	161,574	169,835	173,181	177,582	182,619
Reimbursable Overhead	(2,738)	(1,256)	(0,281)	(0,229)	(0,227)	(0,230)
Total Labor Expenses	\$1,253,241	\$1,332,594	\$1,409,781	\$1,452,874	\$1,501,101	\$1,550,395
Non-Labor:						
Electric Power	\$85,816	\$81,224	\$89,595	\$92,799	\$93,065	\$94,671
Fuel	27,402	24,330	21,268	21,336	21,079	21,985
Insurance	20,189	21,452	21,810	23,284	24,802	26,353
Claims	4,403	5,687	1,000	1,000	1,000	1,000
Paratransit Service Contracts	0,000	0,000	0,000	0,000	0,000	0,000
Maintenance and Other Operating Contracts	147,244	159,348	166,191	151,639	149,287	152,237
Professional Services Contracts	48,924	85,003	82,881	88,621	109,080	56,050
Materials and Supplies	138,699	125,191	134,433	158,031	174,339	178,001
Other Business Expenses	31,682	30,368	30,685	30,850	31,028	49,462
Total Non-Labor Expenses	\$504,359	\$532,605	\$547,862	\$567,560	\$603,660	\$579,758
Other Expense Adjustments:						
Other Expense Adjustments	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Other Expense Adjustments	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Expenses Before Depreciation and GASB Adjs.	\$1,757,599	\$1,865,199	\$1,957,643	\$2,020,434	\$2,104,761	\$2,130,153
Depreciation	\$344,591	\$330,146	\$333,714	\$345,351	\$370,862	\$404,066
GASB 49 Environmental Remediation	4,635	4,000	4,000	4,000	4,000	4,000
GASB 68 Pension Expense Adjustment	58,310	18,760	33,780	19,590	41,450	(26,200)
GASB 75 OPEB Expense Adjustment	36,251	86,261	89,543	92,859	96,225	99,783
GASB 87 Lease Adjustment	1,374	1,374	1,374	1,374	1,374	1,374
GASB 96 SBITA Adjustment	0,678	0,678	0,678	0,678	0,678	0,678
Total Non-Cash Liability Adjustments	\$445,838	\$441,219	\$463,089	\$463,852	\$514,588	\$483,700
Total Expenses	\$2,203,437	\$2,306,418	\$2,420,732	\$2,484,286	\$2,619,349	\$2,613,854
Net Surplus/(Deficit)	(\$1,330,935)	(\$1,364,435)	(\$1,422,413)	(\$1,465,566)	(\$1,579,753)	(\$1,616,333)
Cash Conversion Adjustments						
Depreciation	\$344,591	\$330,146	\$333,714	\$345,351	\$370,862	\$404,066
Operating/Capital	(28,831)	(36,121)	(44,156)	(35,538)	(27,985)	(24,522)
Other Cash Adjustments	231,954	46,126	212,727	96,800	145,778	80,415
Total Cash Conversion Adjustments	\$547,713	\$340,151	\$502,286	\$406,613	\$488,654	\$459,958
Net Cash Surplus/(Deficit)	(\$783,222)	(\$1,024,284)	(\$920,128)	(\$1,058,953)	(\$1,091,099)	(\$1,156,375)

MTA METRO-NORTH RAILROAD
November Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$537.970	\$601.578	\$627.755	\$630.075	\$632.008	\$636.692
Other Operating Revenue	356.191	131.384	81.443	94.702	106.329	88.817
MNR - MTA	<u>141.704</u>	<u>126.145</u>	<u>145.484</u>	<u>142.042</u>	<u>142.623</u>	<u>158.756</u>
MNR - CDOT	<u>108.080</u>	<u>139.647</u>	<u>155.484</u>	<u>165.598</u>	<u>172.062</u>	<u>103.909</u>
MNR - Other	<u>13.556</u>	<u>18.374</u>	<u>12.062</u>	<u>10.842</u>	<u>12.248</u>	<u>16.742</u>
Capital and Other Reimbursements	263.340	284.167	313.030	318.482	326.933	279.407
Total Receipts	\$1,157.501	\$1,017.129	\$1,022.228	\$1,043.259	\$1,065.270	\$1,004.916
Expenditures						
Labor:						
Payroll	\$619.435	\$685.022	\$754.590	\$745.696	\$751.238	\$777.443
Overtime	134.885	130.250	123.993	121.902	123.847	128.898
Health and Welfare	169.000	184.654	195.512	213.332	230.332	247.627
OPEB Current Payments	48.594	53.134	54.000	55.000	56.000	57.000
Pension	278.778	139.002	2.863	159.360	158.861	156.389
Other Fringe Benefits	156.149	163.762	173.802	170.809	171.800	177.734
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	(0.635)	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,406.841	\$1,355.188	\$1,304.760	\$1,466.099	\$1,492.078	\$1,545.091
Non-Labor:						
Electric Power	\$94.235	\$83.599	\$91.963	\$93.365	\$93.270	\$94.876
Fuel	29.589	24.330	21.268	21.336	21.079	21.985
Insurance	21.774	32.584	22.809	23.527	25.077	27.452
Claims	4.261	0.212	7.272	1.146	1.146	1.146
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	130.226	218.316	192.960	162.843	161.805	162.099
Professional Services Contracts	44.470	131.627	91.159	93.323	113.060	56.050
Materials and Supplies	147.548	141.212	154.453	162.678	178.285	180.099
Other Business Expenses	61.779	54.344	55.711	77.895	70.569	72.494
Total Non-Labor Expenditures	\$533.882	\$686.225	\$637.595	\$636.113	\$664.291	\$616.200
Other Expenditure Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$1,940.723	\$2,041.413	\$1,942.356	\$2,102.212	\$2,156.368	\$2,161.291
Net Cash Balance	(\$783.222)	(\$1,024.284)	(\$920.128)	(\$1,058.953)	(\$1,091.099)	(\$1,156.375)
Subsidies						
MTA	\$656.725	\$771.681	\$655.659	\$784.929	\$801.893	\$856.378
CDOT	<u>269.078</u>	<u>252.602</u>	<u>264.469</u>	<u>274.025</u>	<u>289.205</u>	<u>299.997</u>
Total Subsidies	\$925.803	\$1,024.284	\$920.128	\$1,058.953	\$1,091.099	\$1,156.375

MTA METRO-NORTH RAILROAD
November Financial Plan 2025 - 2028
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Flow Adjustments						
Receipts						
Farebox Revenue	(\$20.382)	(\$18.923)	(\$19.700)	(\$20.122)	(\$20.480)	(\$20.861)
Other Operating Revenue	276.802	94.069	43.609	44.661	46.154	28.257
MNR - MTA	25.962	0.000	0.000	0.000	0.000	0.000
MNR - CDOT	7.543	0.000	0.000	0.000	0.000	0.000
MNR - Other	(4.927)	0.000	0.000	0.000	0.000	0.000
Total Capital and Other Reimbursements	\$28.579	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Receipts	\$284.999	\$75.146	\$23.909	\$24.540	\$25.673	\$7.395
Expenditures						
Labor:						
Payroll	\$15.542	(\$8.256)	(\$23.703)	(\$0.257)	\$13.775	\$9.898
Overtime	(0.347)	(4.907)	(8.935)	(2.389)	0.315	0.397
Health and Welfare	(20.709)	(14.168)	(13.602)	(13.854)	(14.025)	(14.334)
OPEB Current Payments	(0.341)	0.000	0.000	0.000	0.000	0.000
Pension	(140.061)	7.546	155.507	1.132	3.403	4.689
Other Fringe Benefits	(4.946)	(2.188)	(3.967)	2.371	5.782	4.884
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	(2.738)	(0.621)	(0.281)	(0.229)	(0.227)	(0.230)
Total Labor Expenditures	(\$153.800)	(\$22.594)	\$105.020	(\$13.226)	\$9.024	\$5.304
Non-Labor:						
Electric Power	(\$8.419)	(\$2.375)	(2.368)	(\$0.566)	(\$0.205)	(\$0.205)
Fuel	(2.187)	0.000	0.000	0.000	0.000	0.000
Insurance	(1.585)	(11.132)	(0.999)	(0.244)	(0.275)	(1.099)
Claims	0.142	5.475	(6.272)	(0.146)	(0.146)	(0.146)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	17.018	(58.968)	(26.770)	(11.205)	(12.517)	(9.862)
Professional Services Contracts	4.454	(46.624)	(8.278)	(4.702)	(4.000)	0.000
Materials and Supplies	(8.849)	(16.021)	(20.020)	(4.646)	(3.946)	(2.098)
Other Business Expenses	(30.097)	(23.976)	(25.026)	(47.045)	(39.541)	(23.032)
Total Non-Labor Expenditures	(\$29.523)	(\$153.620)	(\$89.733)	(\$68.553)	(\$60.631)	(\$36.442)
Other Expenditure Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	(\$183.124)	(\$176.214)	\$15.287	(\$81.779)	(\$51.607)	(\$31.138)
Total Cash Conversion Adjustments before Depreciation	\$101.875	(\$101.068)	\$39.197	(\$57.239)	(\$25.934)	(\$23.743)
Depreciation	\$344.591	\$330.146	\$333.714	\$345.351	\$370.862	\$404.066
GASB 49 Environmental Remediation	4.635	4.000	4.000	4.000	4.000	4.000
GASB 68 Pension Expense Adjustment	58.310	18.760	33.780	19.590	41.450	(26.200)
GASB 75 OPEB Expense Adjustment	36.251	86.261	89.543	92.859	96.225	99.783
GASB 87 Lease Adjustment	1.374	1.374	1.374	1.374	1.374	1.374
GASB 96 SBITA Adjustment	0.678	0.678	0.678	0.678	0.678	0.678
Total Non-Cash Liability Adjustments	\$445.838	\$441.219	\$463.089	\$463.852	\$514.588	\$483.700
Total Cash Conversion Adjustments	\$547.713	\$340.151	\$502.286	\$406.613	\$488.654	\$459.958

MTA METRO-NORTH RAILROAD
November Financial Plan 2025 - 2028
Ridership (Utilization) and Revenue
(in millions)

	Actual	November Forecast	Final Proposed Budget	2026	2027	2028
	2023	2024	2025			

RIDERSHIP

<i>Harlem Line Ridership - Commutation</i>	7.791	8.523	8.850	8.890	8.861	8.982
<i>Harlem Line Ridership - Non-Commutation</i>	<u>10.529</u>	<u>11.677</u>	<u>12.204</u>	<u>12.256</u>	<u>12.299</u>	<u>12.346</u>
Total Harlem Line	18.320	20.200	21.055	21.146	21.161	21.328
<i>Hudson Line Ridership - Commutation</i>	4.288	4.732	4.929	4.952	4.936	5.002
<i>Hudson Line Ridership - Non-Commutation</i>	<u>7.818</u>	<u>8.831</u>	<u>9.221</u>	<u>9.260</u>	<u>9.292</u>	<u>9.328</u>
Total Hudson Line	12.106	13.563	14.150	14.211	14.228	14.330
<i>New Haven Line Ridership - Commutation</i>	10.343	11.790	12.234	12.291	12.249	12.416
<i>New Haven Line Ridership - Non-Commutation</i>	<u>18.358</u>	<u>20.414</u>	<u>21.314</u>	<u>21.404</u>	<u>21.479</u>	<u>21.561</u>
Total New Haven Line	28.700	32.203	33.548	33.695	33.729	33.977
<i>Penn Station Access Line Ridership - Commutation</i>	0.000	0.000	0.000	0.000	0.000	0.150
<i>Penn Station Access Line Ridership - Non-Commutation</i>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.279</u>
Total Penn Station Access Line	0.000	0.000	0.000	0.000	0.000	0.429
Total Commutation Ridership	22.422	25.045	26.014	26.133	26.047	26.551
Total Non-Commutation Ridership	<u>36.705</u>	<u>40.922</u>	<u>42.739</u>	<u>42.920</u>	<u>43.071</u>	<u>43.514</u>
Total East of Hudson Ridership	59.127	65.966	68.753	69.052	69.118	70.064
West of Hudson Ridership	1.015	1.055	1.001	1.005	1.007	1.013
Total Ridership	60.141	67.021	69.753	70.057	70.124	71.077

FAREBOX REVENUE

<i>Harlem Line - Commutation Revenue</i>	51.071	52.735	55.005	55.238	55.432	55.644
<i>Harlem Line - Non-Commutation Revenue</i>	<u>100.166</u>	<u>112.385</u>	<u>117.461</u>	<u>117.958</u>	<u>118.374</u>	<u>118.826</u>
Total Harlem Line Revenue	\$151.236	\$165.120	\$172.465	\$173.196	\$173.806	\$174.469
<i>Hudson Line - Commutation Revenue</i>	33.786	35.176	36.704	36.859	36.989	37.130
<i>Hudson Line - Non-Commutation Revenue</i>	<u>92.098</u>	<u>103.691</u>	<u>108.308</u>	<u>108.767</u>	<u>109.150</u>	<u>109.566</u>
Total Hudson Line Revenue	\$125.874	\$138.866	\$145.012	\$145.626	\$146.139	\$146.697
<i>New Haven Line - Commutation Revenue</i>	71.155	76.091	79.335	79.671	79.952	80.257
<i>New Haven Line - Non-Commutation Revenue</i>	<u>199.989</u>	<u>230.272</u>	<u>240.431</u>	<u>241.449</u>	<u>242.300</u>	<u>243.225</u>
Total New Haven Line Revenue	\$271.144	\$306.363	\$319.766	\$321.121	\$322.252	\$323.482
<i>Penn Station Access Line Ridership - Commutation</i>	0.000	0.000	0.000	0.000	0.000	0.150
<i>Penn Station Access Line Ridership - Non-Commutation</i>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.279</u>
Total Penn Station Access Line	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.429
Total Commutation Revenue	\$156.011	\$164.002	\$171.044	\$171.768	\$172.373	\$173.181
Total Non-Commutation Revenue	<u>392.243</u>	<u>446.347</u>	<u>466.200</u>	<u>468.174</u>	<u>469.824</u>	<u>471.895</u>
Total East of Hudson Revenue	\$548.254	\$610.349	\$637.244	\$639.942	\$642.198	\$647.224
West of Hudson Revenue	\$10.098	\$10.152	\$10.211	\$10.255	\$10.291	\$10.330
Total Farebox Revenue	\$558.352	\$620.501	\$647.455	\$650.197	\$652.488	\$657.554

Notes: West of Hudson total ridership is both Pascack Valley and Port Jervis lines.

MTA METRO-NORTH RAILROAD
November Financial Plan 2025 - 2028
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

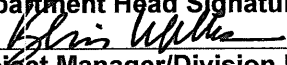

FUNCTION/DEPARTMENT	2023 Actual	2024	2025	2026	2027	2028
		November Forecast	Final Proposed Budget			
Administration						
President	4	5	5	5	5	5
Security	23	19	19	19	19	19
Safety	76	84	88	88	88	88
Training	87	98	98	98	98	98
Rolling Stock Programs	9	10	10	10	10	10
Ops Support and Org Resiliency	22	26	26	26	26	26
Communications	40	45	45	45	45	45
Labor Relations	13	11	11	11	11	11
Diversity	5	5	5	5	5	5
Legal	17	16	16	16	16	16
Procurement & Material Management	108	120	120	120	120	120
Public Safety & Security	8	11	11	11	11	11
Finance	66	72	72	72	72	72
People	37	40	40	40	40	40
Total Administration	514	562	566	566	566	566
Operations						
Operations Support	23	34	35	35	35	35
Performance Analysis	10	10	10	10	10	10
Service Planning	23	24	24	24	24	24
Enterprise Asset Management	16	24	24	24	24	24
Transportation	1,697	1,783	1,787	1,787	1,787	1,787
Stations	396	398	398	398	398	398
Penn Station Access	0	0	9	80	153	231
Total Operations	2,165	2,273	2,287	2,358	2,431	2,509
Maintenance						
Maintenance of Way	2,134	2,254	2,349	2,349	2,349	2,349
Maintenance of Equipment	1,573	1,656	1,671	1,671	1,671	1,671
Metro-North West	32	32	32	32	32	32
Corporate	0	(50)	(90)	(90)	(90)	(90)
Total Maintenance	3,740	3,892	3,962	3,962	3,962	3,962
Engineering/Capital						
Construction & Development	79	75	75	75	75	75
Total Engineering/Capital	79	75	75	75	75	75
Total Positions	6,498	6,802	6,890	6,961	7,034	7,112
<i>Non-Reimbursable</i>	6,072	6,196	6,162	6,264	6,339	6,380
<i>Reimbursable</i>	426	606	728	697	695	732
<i>Total Full-Time</i>	6,497	6,801	6,889	6,960	7,033	7,111
<i>Total Full-Time-Equivalents</i>	1	1	1	1	1	1

MTA METRO-NORTH RAILROAD
November Financial Plan 2025 - 2028
Total Positions
By Function and Occupational Group

FUNCTION / OCCUPATIONAL GROUP	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Managers/Supervisors	157	175	176	176	176	176
Professional/Technical/Clerical	357	387	390	390	390	390
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	514	562	566	566	566	566
Operations						
Managers/Supervisors	277	307	314	323	334	341
Professional/Technical/Clerical	235	251	258	260	271	288
Operational Hourlies	1,653	1,715	1,715	1,775	1,826	1,880
Total Operations Headcount	2,165	2,273	2,287	2,358	2,431	2,509
Maintenance						
Managers/Supervisors	693	726	724	724	724	724
Professional/Technical/Clerical	398	427	451	451	451	451
Operational Hourlies	2,649	2,739	2,787	2,787	2,787	2,787
Total Maintenance Headcount	3,740	3,892	3,962	3,962	3,962	3,962
Engineering / Capital						
Managers/Supervisors	43	37	37	37	37	37
Professional/Technical/Clerical	36	38	38	38	38	38
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	79	75	75	75	75	75
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	1,170	1,245	1,251	1,260	1,271	1,278
Professional/Technical/ Clerical	1,026	1,103	1,137	1,139	1,150	1,167
Operational Hourlies	4,301	4,454	4,502	4,562	4,613	4,667
Total Positions	6,498	6,802	6,890	6,961	7,034	7,112

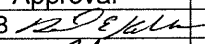


MTA Headquarters

Staff Summary

Subject MTA Headquarters 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer
Department Head Signature 
Project Manager/Division Head David Keller, OMB 

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/16	X		
2	Board	12/18	X		

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

Purpose:

To secure MTA Board adoption of the MTA Headquarters (MTAHQ) 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028.

Discussion:

The 2025 Final Proposed Budget, which is consistent with information presented to the Board in November 2024, provides sufficient funding to maintain the current MTAHQ commitment to support the overall MTA mission by providing policy, financial guidance, administrative services, and oversight to the Operating Agencies, and a safe and secure system for customers, employees and those doing business with the MTA.

Operating efficiency initiatives have been identified to generate savings that decrease expenses by \$12.5 million annually beginning in 2025 (\$50.0 million over the Plan period), primarily by reduced overtime due to improved MTAPD scheduling and deployment, reductions in vacant headcount due to found efficiencies, non-labor expenses mainly in professional services and the streamlining of IT expenses.

This Plan continues to support high-priority initiatives that began in previous plans that are aimed at increasing efficiency, safety, communication, and the customer experience throughout the system including:

- Real Estate state of good repair project work.
- Information Technology (IT) initiatives and upgrades to support business and Agency needs.

2024 November Forecast – Baseline

The 2024 November Forecast includes non-reimbursable operating revenues of \$51.0 million and expenses before depreciation and other post-employment benefits of \$1,165.2 million, consisting of \$633.5 million in labor expenses and \$531.7 million in non-labor expenses. Depreciation and GASB adjustments total \$130.2 million. Including these non-cash items, the resulting baseline deficit is \$1,244.3 million.

Reimbursements are projected to be \$163.6 million, consisting of labor expenses of \$78.7 million and non-labor expenses of \$84.9 million. Major operating cash adjustments of \$72.9 million before depreciation and GASB adjustments relative to the Mid-Year Forecast reflect the impacts of current year spending and project timing.

Total year-end positions are projected to be 3,489 positions. Non-reimbursable and reimbursable positions are 3,417 and 72 positions, respectively.

2025 Final Proposed Budget - Baseline

The MTA Headquarters 2025 Final Proposed Budget includes non-reimbursable operating revenues of \$48.0 million and expenses before depreciation and non-cash items of \$1,159.5 million, consisting of \$635.1 million in labor expenses and \$524.4 million in non-labor expenses. Depreciation and GASB adjustments total \$146.1 million. Including these non-cash items, the resulting baseline deficit is \$1,257.6 million.

Reimbursements are projected to be \$181.5 million, with reimbursable labor expenses of \$93.2 million and non-labor expenses of \$88.3 million. Favorable cash adjustments before non-cash liabilities are \$65.0 million, primarily reflecting lower pension and professional services partly offset by higher operating capital. The resulting baseline cash deficit is projected to be \$1,046.5 million, \$25.5 million favorable to the July Plan of \$1,072.0 million.

Total year-end positions are projected to be 3,475 positions. Non-reimbursable and reimbursable positions are 3,404 and 71 positions, respectively.

Impact on Funding

The 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan 2025-2028, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget and the Four-Year Financial Plan for 2025-2028 for MTA Headquarters.

MTA HEADQUARTERS
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
Rental Income	44.119	43.138	43.138	43.138	44.838	44.938
Advertising	0.012	0.000	0.000	0.000	0.000	0.000
Other	4.100	7.897	4.897	5.897	5.897	5.897
Other Operating Revenue	48.231	51.035	48.035	49.035	50.735	50.835
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$48.231	\$51.035	\$48.035	\$49.035	\$50.735	\$50.835
Operating Expense						
<i>Labor:</i>						
Payroll	\$362.674	\$398.021	\$416.879	\$428.921	\$438.301	\$448.090
Overtime	30.216	38.180	17.661	15.563	15.851	16.098
Health and Welfare	72.947	89.813	98.702	104.214	109.656	115.252
OPEB Current Payments	30.915	34.470	36.607	38.877	41.287	43.847
Pension	85.040	104.181	109.232	113.142	114.333	114.312
Other Fringe Benefits	34.157	41.792	43.177	44.926	46.491	48.117
Reimbursable Overhead	(57.682)	(72.988)	(87.208)	(79.517)	(81.345)	(83.195)
Total Labor Expenses	\$558.265	\$633.469	\$635.051	\$666.126	\$684.574	\$702.522
<i>Non-Labor:</i>						
Electric Power	\$4.519	\$7.043	\$8.857	\$10.196	\$10.416	\$10.021
Fuel	1.184	1.925	1.885	2.248	2.029	1.900
Insurance	3.322	2.932	3.076	3.248	3.482	3.784
Claims	2.955	2.592	2.592	2.592	2.592	2.592
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	89.535	145.634	144.248	144.631	145.331	144.727
Professional Services Contracts	305.442	314.111	318.735	296.026	293.561	284.145
Materials and Supplies	0.798	1.252	0.872	0.928	0.941	0.954
<i>Other Business Expenses</i>						
MTA Internal Subsidy	34.200	35.502	35.514	35.502	35.464	35.462
Other	8.781	20.691	8.667	6.635	6.802	11.827
Other Business Expenses	42.981	56.193	44.181	42.137	42.266	47.289
Total Non-Labor Expenses	\$450.736	\$531.682	\$524.446	\$502.006	\$500.616	\$495.411
<i>Other Expense Adjustments:</i>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$1,009.002	\$1,165.152	\$1,159.496	\$1,168.132	\$1,185.190	\$1,197.932
Depreciation	\$86.887	\$80.500	\$80.500	\$46.213	\$46.213	\$46.213
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	35.949	11.076	26.768	12.712	20.325	(5.949)
GASB 75 OPEB Expense Adjustment	50.666	44.639	44.857	44.974	44.946	44.884
GASB 87 Lease Adjustment	(1.983)	(1.981)	(1.981)	(1.981)	(1.981)	(1.981)
GASB 96 SBITA Adjustment	(4.041)	(4.041)	(4.041)	(4.041)	(4.041)	(4.041)
Total Non-Cash Liability Adjustments	\$167.478	\$130.193	\$146.103	\$97.877	\$105.463	\$79.126
Total Expenses	\$1,176.480	\$1,295.344	\$1,305.599	\$1,266.009	\$1,290.653	\$1,277.058
Net Surplus/(Deficit)	(\$1,128.249)	(\$1,244.309)	(\$1,257.564)	(\$1,216.974)	(\$1,239.918)	(\$1,226.223)

MTA HEADQUARTERS
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	117.506	163.582	181.455	165.606	168.518	172.940
Total Revenues	\$117.506	\$163.582	\$181.455	\$165.606	\$168.518	\$172.940
Operating Expense						
Labor:						
Payroll	\$4.186	\$4.093	\$4.088	\$4.271	\$4.418	\$4.546
Overtime	6.976	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.730	0.870	0.958	1.024	1.087	1.144
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.483	0.403	0.507	0.540	0.553	0.577
Other Fringe Benefits	0.345	0.377	0.418	0.441	0.459	0.476
Reimbursable Overhead	53.933	72.988	87.208	79.517	81.345	83.195
Total Labor Expenses	\$66.653	\$78.731	\$93.179	\$85.793	\$87.862	\$89.936
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.001	0.001	0.001	0.001	0.001
Professional Services Contracts	50.821	84.793	88.215	79.749	80.590	82.936
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses						
MTA Internal Subsidy	0.000	0.000	0.000	0.000	0.000	0.000
Other	0.032	0.057	0.060	0.064	0.065	0.066
Other Business Expenses	0.032	0.057	0.060	0.064	0.065	0.066
Total Non-Labor Expenses	\$50.853	\$84.850	\$88.275	\$79.813	\$80.655	\$83.003
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$117.506	\$163.582	\$181.455	\$165.606	\$168.518	\$172.940
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable / Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
Rental Income	44.119	43.138	43.138	43.138	44.838	44.938
Advertising	0.012	0.000	0.000	0.000	0.000	0.000
Other	4.100	7.897	4.897	5.897	5.897	5.897
Other Operating Revenue	48.231	51.035	48.035	49.035	50.735	50.835
Capital and Other Reimbursements	117.506	163.582	181.455	165.606	168.518	172.940
Total Revenues	\$165.737	\$214.617	\$229.490	\$214.641	\$219.253	\$223.775
Operating Expense						
<i>Labor:</i>						
Payroll	\$366.860	\$402.115	\$420.967	\$433.192	\$442.719	\$452.636
Overtime	37.192	38.180	17.661	15.563	15.851	16.098
Health and Welfare	73.677	90.882	99.660	105.238	110.742	116.395
OPEB Current Payments	30.915	34.470	36.607	38.877	41.287	43.847
Pension	85.522	104.584	109.739	113.682	114.886	114.889
Other Fringe Benefits	34.502	42.169	43.595	45.366	46.950	48.593
Reimbursable Overhead	(3.749)	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$624.918	\$712.201	\$728.230	\$751.918	\$772.436	\$792.458
<i>Non-Labor:</i>						
Electric Power	\$4.519	\$7.043	\$8.857	\$10.196	\$10.416	\$10.021
Fuel	1.184	1.925	1.885	2.248	2.029	1.900
Insurance	3.322	2.932	3.076	3.248	3.482	3.784
Claims	2.955	2.592	2.592	2.592	2.592	2.592
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	89.535	145.635	144.249	144.632	145.331	144.728
Professional Services Contracts	356.263	398.904	406.950	375.775	374.150	367.081
Materials and Supplies	0.798	1.252	0.872	0.928	0.941	0.954
<i>Other Business Expenses</i>						
MTA Internal Subsidy	34.200	35.502	35.514	35.502	35.464	35.462
Other	8.813	20.748	8.726	6.699	6.867	11.893
Other Business Expenses	43.013	56.250	44.240	42.201	42.331	47.355
Total Non-Labor Expenses	\$501.590	\$616.533	\$612.721	\$581.819	\$581.272	\$578.414
<i>Other Expense Adjustments:</i>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$1,126.508	\$1,328.733	\$1,340.951	\$1,333.738	\$1,353.708	\$1,370.872
Depreciation	\$86.887	\$80.500	\$80.500	\$46.213	\$46.213	\$46.213
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	35.949	11.076	26.768	12.712	20.325	(5.949)
GASB 75 OPEB Expense Adjustment	50.666	44.639	44.857	44.974	44.946	44.884
GASB 87 Lease Adjustment	(1,983)	(1,981)	(1,981)	(1,981)	(1,981)	(1,981)
GASB 96 SBITA Adjustment	(4.041)	(4.041)	(4.041)	(4.041)	(4.041)	(4.041)
Total Non-Cash Liability Adjustments	\$167.478	\$130.193	\$146.103	\$97.877	\$105.463	\$79.126
Total Expenses	\$1,293.986	\$1,458.926	\$1,487.054	\$1,431.615	\$1,459.171	\$1,449.998
Net Surplus/(Deficit)	(\$1,128.249)	(\$1,244.309)	(\$1,257.564)	(\$1,216.974)	(\$1,239.918)	(\$1,226.223)

MTA HEADQUARTERS
November Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
<u>Cash Receipts and Expenditures</u>						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
Rental Income	43.866	43.138	43.138	43.138	44.838	44.938
Advertising	162.121	0.000	0.000	0.000	0.000	0.000
Other Revenue	43.047	7.897	4.897	5.897	5.897	5.897
Other Operating Revenue	249.034	51.035	48.035	49.035	50.735	50.835
Capital and Other Reimbursements	119.615	163.582	181.455	165.606	168.518	172.940
Total Receipts	\$368.649	\$214.617	\$229.490	\$214.641	\$219.253	\$223.775
Expenditures						
<u>Labor:</u>						
Payroll	\$386.290	\$386.029	\$404.128	\$415.864	\$425.010	\$434.531
Overtime	37.038	38.184	17.661	15.563	15.851	16.098
Health and Welfare	76.966	88.152	96.878	102.301	107.652	113.147
OPEB Current Payments	35.465	34.470	36.607	38.877	41.287	43.847
Pension	124.624	99.191	42.848	107.161	109.148	110.323
Other Fringe Benefits	34.807	42.169	43.595	45.367	46.950	48.593
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$695.189	\$688.196	\$641.718	\$725.134	\$745.898	\$766.539
<u>Non-Labor:</u>						
Electric Power	\$5.599	\$7.043	\$8.857	\$10.196	\$10.416	\$10.021
Fuel	1.186	1.925	1.885	2.248	2.029	1.900
Insurance	0.982	2.900	3.044	3.216	3.450	3.752
Claims	12.633	2.592	2.592	2.592	2.592	2.592
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	83.093	132.528	131.267	131.615	132.252	131.702
Professional Services Contracts	361.125	413.408	348.321	350.995	349.371	350.313
Materials and Supplies	0.241	1.252	0.872	0.928	0.941	0.954
<i>Other Business Expenses:</i>						
MTA Internal Subsidy	34.200	35.502	35.514	35.502	35.464	35.462
Other	9.219	20.594	8.127	6.099	6.267	11.294
Other Business Expenses	43.419	56.096	43.641	41.601	41.731	46.756
Total Non-Labor Expenditures	\$508.279	\$617.743	\$540.478	\$543.391	\$542.781	\$547.989
<u>Other Expenditure Adjustments:</u>						
Operating Capital	102.936	95.653	93.804	45.894	32.356	19.714
Total Other Expense Adjustments	\$102.936	\$95.653	\$93.804	\$45.894	\$32.356	\$19.714
Total Expenditures	\$1,306.404	\$1,401.592	\$1,276.001	\$1,314.419	\$1,321.036	\$1,334.243
Net Cash Balance	(\$937.755)	(\$1,186.975)	(\$1,046.511)	(\$1,099.778)	(\$1,101.783)	(\$1,110.468)

MTA HEADQUARTERS
November Financial Plan 2025 - 2028
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Rent and Utilities</i>	<i>(0.253)</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>
<i>Advertising</i>	<i>162.109</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>
<i>Other Revenue</i>	<i>38.947</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>
Other Operating Revenue	200.804	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	2.109	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$202.912	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
Labor:						
Payroll	(\$19.430)	\$16.085	\$16.839	\$17.327	\$17.709	\$18.105
Overtime	0.154	(0.004)	0.000	0.000	0.000	0.000
Health and Welfare	(3.289)	2.530	2.782	2.937	3.090	3.248
OPEB Current Payments	(4.550)	0.000	0.000	0.000	0.000	0.000
Pension	(39.102)	5.393	66.891	6.520	5.738	4.566
Other Fringe Benefits	(0.305)	0.000	0.000	(0.001)	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	(3.749)	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$70.271)	\$24.005	\$66.512	\$26.784	\$26.538	\$25.919
Non-Labor:						
Electric Power	(\$1.080)	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	(0.002)	0.000	0.000	0.000	0.000	0.000
Insurance	2.340	0.032	0.032	0.032	0.032	0.032
Claims	(9.678)	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	6.442	13.107	12.982	13.017	13.079	13.025
Professional Services Contracts	(4.861)	(14.503)	58.628	24.780	24.780	16.768
Materials and Supplies	0.557	0.000	0.000	0.000	0.000	0.000
Other Business Expenses						
<i>MTA Internal Subsidy</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>
<i>Other Business Expenses</i>	<i>(0.406)</i>	<i>0.154</i>	<i>0.600</i>	<i>0.600</i>	<i>0.600</i>	<i>0.600</i>
Total Other Business Expenses	(0.406)	0.154	0.600	0.600	0.600	0.600
Total Non-Labor Expenditures	(\$6.690)	(\$1.211)	\$72.243	\$38.429	\$38.491	\$30.425
Other Expenditure Adjustments:						
Operating Capital	(102.936)	(95.653)	(93.804)	(45.894)	(32.356)	(19.714)
Total Other Expenditure Adjustments	(\$102.936)	(\$95.653)	(\$93.804)	(\$45.894)	(\$32.356)	(\$19.714)
Total Expenditures	(\$179.896)	(\$72.859)	\$64.950	\$19.319	\$32.673	\$36.629
Total Cash Conversion Adjustments before Depreciation	\$23.016	(\$72.859)	\$64.950	\$19.319	\$32.673	\$36.629
Depreciation	\$86.887	\$80.500	\$80.500	\$46.213	\$46.213	\$46.213
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	35.949	11.076	26.768	12.712	20.325	(5.949)
GASB 75 OPEB Expense Adjustment	50.666	44.639	44.857	44.974	44.946	44.884
GASB 87 Lease Adjustment	(1.983)	(1.981)	(1.981)	(1.981)	(1.981)	(1.981)
GASB 96 SBITA Adjustment	(4.041)	(4.041)	(4.041)	(4.041)	(4.041)	(4.041)
Total Non-Cash Liability Adjustments	\$167.478	\$130.193	\$146.103	\$97.877	\$105.463	\$79.126
Total Cash Conversion Adjustments	\$190.494	\$57.334	\$211.053	\$117.196	\$138.135	\$115.755

MTA HEADQUARTERS
November Financial Plan 2025-2028
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Policy & Administration						
Office of the Chair and CEO	5	6	6	6	6	6
Policy & Administration	63	59	58	58	46	46
Permanent Citizens Advisory Committee (PCAC)	4	5	5	5	5	5
Headquarters Services						
Audit	57	63	63	63	63	63
Customer Communications	31	23	20	20	20	20
Diversity & Inclusion	47	52	54	54	54	54
Policy & External Relations	54	49	49	49	49	49
Internal Relations	3	4	3	3	3	3
Finance	225	254	236	236	236	236
Labor Relations	32	9	16	16	16	16
Legal & Compliance	94	80	93	93	93	93
It Department	889	977	958	958	958	958
OMNY New Fare Payment	-	-	-	-	-	-
People	271	272	262	262	262	262
Procurement	109	81	80	75	75	75
Real Estate	51	54	53	53	53	53
Safety, Security & Environment	48	52	47	47	47	47
Health & Public Safety						
Occupational Health Services	58	91	86	86	86	86
MTA Police Department	1,242	1,358	1,386	1,312	1,312	1,312
Baseline Total Positions	3,283	3,489	3,475	3,396	3,384	3,384
<i>Non-Reimbursable</i>	3,223	3,417	3,404	3,325	3,313	3,313
<i>Reimbursable</i>	60	72	71	71	71	71
<i>Full-Time</i>	3,283	3,489	3,475	3,396	3,384	3,384
<i>Full-Time Equivalents</i>	-	-	-	-	-	-

MTA HEADQUARTERS
November Financial Plan 2025 - 2028
Total Positions
By Function and Occupational Group

FUNCTION / OCCUPATIONAL GROUP	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Managers/Supervisors	842	881	867	862	854	854
Professional/Technical/Clerical	1,199	1,198	1,175	1,175	1,171	1,171
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	2,041	2,079	2,042	2,037	2,025	2,025
Operations						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Operations Headcount	0	0	0	0	0	0
Maintenance						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Maintenance Headcount	0	0	0	0	0	0
Engineering / Capital						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	0	0	0	0	0	0
Public Safety						
Managers/Supervisors	224	295	290	283	283	283
Professional/Technical/Clerical	56	69	62	60	60	60
Operational Hourlies	962	1,046	1,081	1,016	1,016	1,016
Total Public Safety Headcount	1,242	1,410	1,433	1,359	1,359	1,359
Total Positions						
Managers/Supervisors	1,066	1,176	1,157	1,145	1,137	1,137
Professional/Technical/ Clerical	1,255	1,267	1,237	1,235	1,231	1,231
Operational Hourlies	962	1,046	1,081	1,016	1,016	1,016
Total Positions	3,283	3,489	3,475	3,396	3,384	3,384

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Inspector General

Staff Summary

Subject Office of the Inspector General 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer <i>KW</i>
Department Head Signature <i>Kevin Willens</i>
Project Manager/Division Head David Keller, OMB <i>D Keller</i>

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/16	X		
2	Board	12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB <i>D Keller</i>		
2	OIG - Dir of Admin		<i>Stephanie Lewis</i>
3	Inspector General		<i>Daniel H. Cort</i>

Purpose:

To secure MTA Board adoption of the Office of the MTA Inspector General's (OIG) 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028.

Discussion:

The 2025 Final Proposed Budget provides the resources necessary to investigate and audit matters of concern throughout the MTA and its subsidiaries.

2024 November Forecast – Baseline

Total Capital and Other Reimbursements are projected to be \$16.9 million. Total Reimbursable labor expenses are \$12.9 million and non-labor expenses are \$4.0 million.

2025 Final Proposed Budget – Baseline

Total Capital and Other Reimbursements are projected to be \$20.7 million. Total Reimbursable labor expenses are \$16.7 million and non-labor expenses are \$4.0 million.

Impact on Funding

The 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan 2025-2028, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028 for the Office of the MTA Inspector General.

MTA INSPECTOR GENERAL
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	12.844	16.929	20.686	21.688	22.384	23.037
Total Revenues	\$12.844	\$16.929	\$20.686	\$21.688	\$22.384	\$23.037
Operating Expense						
Labor:						
Payroll	\$7.833	\$9.749	\$11.676	\$12.229	\$12.670	\$13.061
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.889	1.588	2.647	2.836	3.015	3.176
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.679	0.815	1.297	1.381	1.406	1.462
Other Fringe Benefits	0.565	0.797	1.057	1.110	1.153	1.193
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$9.965	\$12.959	\$16.677	\$17.555	\$18.245	\$18.892
Non-Labor:						
Electric Power	\$0.043	\$0.066	\$0.064	\$0.067	\$0.065	\$0.066
Fuel	0.009	0.055	0.044	0.055	0.049	0.045
Insurance	0.024	0.071	0.016	0.018	0.019	0.020
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	2.351	3.249	3.339	3.431	3.439	3.443
Professional Services Contracts	0.339	0.365	0.361	0.366	0.366	0.366
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.104	0.165	0.185	0.197	0.201	0.206
Total Non-Labor Expenses	\$2.869	\$3.971	\$4.009	\$4.133	\$4.140	\$4.145
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$12.834	\$16.929	\$20.686	\$21.688	\$22.384	\$23.037
Total Non-Cash Liability Adjustments	\$0.010	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Receipts and Expenditures						
Receipts						
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	12.834	16.929	20.686	21.688	22.384	23.037
Total Receipts	\$12.834	\$16.929	\$20.686	\$21.688	\$22.384	\$23.037
Expenditures						
Labor:						
Payroll	\$7.833	\$9.749	\$11.676	\$12.229	\$12.670	\$13.061
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.889	1.598	2.647	2.836	3.015	3.176
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.679	0.815	1.297	1.381	1.406	1.462
Other Fringe Benefits	0.565	0.797	1.057	1.110	1.153	1.193
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$9.965	\$12.959	\$16.677	\$17.555	\$18.245	\$18.892
Non-Labor:						
Electric Power	\$0.043	\$0.066	\$0.064	\$0.067	\$0.065	\$0.066
Fuel	0.009	0.055	0.044	0.055	0.049	0.045
Insurance	0.024	0.071	0.016	0.018	0.019	0.020
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	2.351	3.249	3.339	3.431	3.439	3.443
Professional Services Contracts	0.339	0.365	0.361	0.366	0.366	0.366
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.104	0.165	0.185	0.197	0.201	0.206
Total Non-Labor Expenditures	\$2.869	\$3.971	\$4.009	\$4.133	\$4.140	\$4.145
Other Expenditure Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$12.834	\$16.929	\$20.686	\$21.688	\$22.384	\$23.037
Net Cash Balance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2025 - 2028
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
Labor:						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Electric Power	\$0.000	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expenditure Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2025 - 2028
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time Positions/Full Time Equivalents

FUNCTION/DEPARTMENT	2023 Actual	2024	2025	2026	2027	2028
		November Forecast	Final Proposed Budget			
Administration						
Office of the Inspector General	69	96	96	96	96	96
Total Administration	69	96	96	96	96	96
Baseline Total Positions	69	96	96	96	96	96
Non-Reimbursable	-	-	-	-	-	-
Reimbursable	69	96	96	96	96	96
Total	69	96	96	96	96	96
Total Full-Time	69	96	96	96	96	96
Total Full-Time Equivalents	-	-	-	-	-	-

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**First Mutual Transportation Assurance Co.
(FMTAC)**

Staff Summary

Subject FMTAC 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer <i>KW</i>
Department Head Signature <i>Kevin Willens</i>
Project Manager/Division Head David Keller, OMB <i>D Keller</i>

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/16	X		
2	Board	12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB <i>D Keller</i>		
2	Legal <i>[Signature]</i>		
3	Acting Dir, Risk & Insurance Mgmt.		<i>GA</i>

Purpose:

To secure MTA Board adoption of the MTA First Mutual Transportation Assurance Company's (FMTAC) 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028.

Discussion:

FMTAC generates a net cash balance of zero and has no impact on MTA cash balances. FMTAC cash reserves are separate and distinct from MTA and are necessary to maintain the appropriate capital and reserve levels pursuant to the State of New York Insurance guidelines.

The 2025 Final Proposed Budget, which is consistent with information presented to the Board in November 2024, provides sufficient resources to address the challenges related to risk and insurance management of the MTA. This is accomplished by maximizing the efficiency and flexibility of the insurance programs while minimizing costs to the MTA and its subsidiaries.

2024 November Forecast-Baseline

Total operating revenues are projected at \$16.6 million. Total operating expenses are projected to result in a credit of (\$51.8) million, resulting in a net surplus of \$68.4 million.

2025 Final Proposed Budget-Baseline

Total operating revenues are projected at \$17.0 million. Total operating expenses are projected to result in a credit of (\$26.5) million, resulting in a net surplus of \$43.5 million.

Impact of Funding

The 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan 2025-2028 which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028 for the MTA First Mutual Transportation Assurance Company.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	16.323	16.565	16.972	17.477	17.847	18.234
Total Revenues	\$16.323	\$16.565	\$16.972	\$17.477	\$17.847	\$18.234
Operating Expense						
Labor:						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	(112.996)	(140.628)	(142.883)	(150.593)	(159.010)	(162.018)
Claims	70.472	90.313	117.876	124.462	131.574	139.270
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	8.351	8.518	8.688	8.862	9.039	9.220
Total Non-Labor Expenses	(\$34.173)	(\$41.797)	(\$16.319)	(\$17.269)	(\$18.397)	(\$13.528)
Other Expense Adjustments:						
Other Expense Adjustments	(\$31.639)	(\$10.000)	(\$10.246)	(\$10.550)	(\$10.774)	(\$11.008)
Total Other Expense Adjustments	(\$31.639)	(\$10.000)	(\$10.246)	(\$10.550)	(\$10.774)	(\$11.008)
Total Expenses Before Depreciation and GASB Adjs.	(\$65.812)	(\$51.797)	(\$26.565)	(\$27.819)	(\$29.171)	(\$24.536)
Depreciation						
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	(\$65.812)	(\$51.797)	(\$26.565)	(\$27.819)	(\$29.171)	(\$24.536)
Net Surplus/(Deficit)	\$82.135	\$68.362	\$43.537	\$45.296	\$47.018	\$42.770

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Operating Expense						
Labor:						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
<u>Non-Reimbursable / Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	16.323	16.565	16.972	17.477	17.847	18.234
Total Revenues	\$16.323	\$16.565	\$16.972	\$17.477	\$17.847	\$18.234
Operating Expense						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	(112.996)	(140.628)	(142.883)	(150.593)	(159.010)	(162.018)
Claims	70.472	90.313	117.876	124.462	131.574	139.270
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	8.351	8.518	8.688	8.862	9.039	9.220
Total Non-Labor Expenses	(\$34.173)	(\$41.797)	(\$16.319)	(\$17.269)	(\$18.397)	(\$13.528)
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	(\$31.639)	(\$10.000)	(\$10.246)	(\$10.550)	(\$10.774)	(\$11.008)
Total Other Expense Adjustments	(\$31.639)	(\$10.000)	(\$10.246)	(\$10.550)	(\$10.774)	(\$11.008)
Total Expenses Before Depreciation and GASB Adjs.	(\$65.812)	(\$51.797)	(\$26.565)	(\$27.819)	(\$29.171)	(\$24.536)
Depreciation						
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	(\$65.812)	(\$51.797)	(\$26.565)	(\$27.819)	(\$29.171)	(\$24.536)
Net Surplus/(Deficit)	\$82.135	\$68.362	\$43.537	\$45.296	\$47.018	\$42.770

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
<u>Cash Receipts and Expenditures</u>						
Receipts						
Other Operating Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Investment Income	16.323	16.565	16.972	17.477	17.847	18.234
Total Receipts	\$16.323	\$16.565	\$16.972	\$17.477	\$17.847	\$18.234
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	(112.996)	(140.628)	(142.883)	(150.593)	(159.010)	(162.018)
Claims	70.472	120.919	133.271	126.266	125.434	128.695
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	8.351	8.518	8.688	8.862	9.039	9.220
Total Non-Labor Expenditures	(\$34.173)	(\$11.191)	(\$0.924)	(\$15.465)	(\$24.537)	(\$24.103)
<u>Other Expenditure Adjustments:</u>						
Other	\$50.496	\$27.756	\$17.896	\$32.942	\$42.384	\$42.337
Total Other Expense Adjustments	\$50.496	\$27.756	\$17.896	\$32.942	\$42.384	\$42.337
Total Expenditures	\$16.323	\$16.565	\$16.972	\$17.477	\$17.847	\$18.234
Net Cash Balance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000


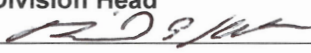
MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2025 - 2028
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
Labor:						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Electric Power	\$0.000	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	(30.606)	(15.395)	(1.804)	6.140	10.575
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$0.000	(\$30.606)	(\$15.395)	(\$1.804)	\$6.140	\$10.575
Other Expenditure Adjustments:						
Other Expense Adjustments	(\$82.135)	(\$37.756)	(\$28.142)	(\$43.492)	(\$53.158)	(\$53.345)
Total Other Expenditure Adjustments	(\$82.135)	(\$37.756)	(\$28.142)	(\$43.492)	(\$53.158)	(\$53.345)
Total Expenditures	(\$82.135)	(\$68.362)	(\$43.537)	(\$45.296)	(\$47.018)	(\$42.770)
Total Cash Conversion Adjustments before Depreciation	(\$82.135)	(\$68.362)	(\$43.537)	(\$45.296)	(\$47.018)	(\$42.770)
Depreciation						
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
GASB 49 Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments	(\$82.135)	(\$68.362)	(\$43.537)	(\$45.296)	(\$47.018)	(\$42.770)

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New York City Transit

Staff Summary

Subject MTA NYCT 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer
Department Head Signature 
Project Manager/Division Head David Keller, OMB 

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	NYCT Comm.	12/16		X	
2	Finance Comm.	12/16	X		
3	Board	12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB 		
2	Financial Liaison 		
3	NYCT President 		

Purpose:

To secure MTA Board adoption of the MTA New York City Transit's 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028.

Discussion:

The 2025 Final Proposed Budget, which is consistent with information presented to the Board in November 2024, provides funding to maintain New York City Transit's commitment to delivering safe, secure, and reliable transportation and first-class customer service. The NYCT projections do not include MTA consolidated below-the-line adjustments, including the estimated impacts of projected fare increases, which are presented as part of MTA consolidated materials.

The November Financial Plan reflects additional annual operating savings of \$35 million beginning in 2025, including initiatives targeting headcount and overtime optimization, maintenance productivity, and enhanced energy efficiencies to reduce consumption and associated costs among others.

The 2025 Final Proposed Budget reflects key initiatives deemed essential to providing safe and reliable service to customers while ensuring assets remain in a state of good repair. Among the initiatives included are:

- Queens Bus network redesign focused on simplifying and improving service for customers with more reliable service, faster travel, better connections, and improved ease of use.
- Accessibility improvements at 13 stations to comply with the requirements of the Americans with Disabilities Act (the "ADA"), including major maintenance and lifecycle improvements.
- Software support to further integrate OMNY at NYCT.
- Expanded use of Fire Protection Specialists to meet increased project demands and conform to applicable policies and procedures.

2024 November Forecast – Baseline

Farebox revenue is forecasted at \$3,505.4 million. In addition, Non-Reimbursable revenue includes \$2,300 million of federal formula funding that is applied to capital. Total Non-Reimbursable expenses are projected to

be \$10,216.3 million, consisting of labor expenses of \$7,680.5 million and non-labor expenses of \$2,535.8 million, with non-cash liability adjustments of \$2,349.7 million. Projected Reimbursable expenses of \$1,433.3 million are fully offset by capital reimbursements. Total baseline full-time and full-time equivalent positions are 50,286 including 45,234 Non-Reimbursable positions and 5,052 Reimbursable positions.

2025 Final Proposed Budget – Baseline

Total Non-Reimbursable revenues are projected at \$4,413.5 million, including farebox revenues of \$3,636.7 million. Total Non-Reimbursable expenses are projected to be \$10,603.9 million, consisting of labor expenses of \$8,069.4 million and non-labor expenses of \$2,534.4 million, with non-cash liability adjustments of \$2,369.7 million. Projected Reimbursable expenses of \$1,411.7 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 50,099 including 45,342 Non-Reimbursable positions and 4,757 Reimbursable positions.

Impact on Funding

The 2024 November Forecast, the 2025 Final Proposed Budget and the Four-Year Financial Plan for 2025-2028, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028 for MTA New York City Transit.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenue						
<i>Farebox Revenue:</i>						
Subway	\$2,645.967	\$2,818.434	\$2,911.756	\$2,984.465	\$3,034.421	\$3,077.584
Bus	623.984	612.945	660.908	704.738	741.607	762.739
Paratransit	22.175	26.168	26.240	27.552	28.930	30.376
Fare Media Liability	<u>56.838</u>	<u>47.863</u>	<u>37.795</u>	<u>30.929</u>	<u>13.060</u>	<u>1.124</u>
Farebox Revenue	\$3,348.963	\$3,505.410	\$3,636.699	\$3,747.684	\$3,818.018	\$3,871.824
<i>Other Operating Revenue:</i>						
Fare Reimbursement	84.021	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	380.178	513.783	503.584	556.880	596.067	635.434
Other	<u>192.949</u>	<u>2,517.589</u>	<u>189.197</u>	<u>189.064</u>	<u>180.879</u>	<u>184.212</u>
Other Operating Revenue	\$657.149	\$3,115.389	\$776.796	\$829.960	\$860.961	\$903.663
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$4,006.111	\$6,620.799	\$4,413.495	\$4,577.644	\$4,678.979	\$4,775.486
Operating Expense						
<i>Labor:</i>						
Payroll	\$3,759.240	\$3,886.399	\$4,155.891	\$4,238.596	\$4,310.907	\$4,412.587
Overtime	<u>725.184</u>	<u>680.353</u>	<u>468.988</u>	<u>482.736</u>	<u>492.463</u>	<u>501.943</u>
Total Salaries and Wages	\$4,484.423	\$4,566.753	\$4,624.879	\$4,721.332	\$4,803.370	\$4,914.530
<i>Health and Welfare</i>						
OPEB Current Payments	1,105.044	1,228.367	1,381.190	1,477.888	1,574.482	1,693.248
Pension	606.503	632.431	686.200	749.140	817.485	891.981
Other Fringe Benefits	871.781	932.354	1,036.986	1,101.679	1,160.839	1,205.821
Total Fringe Benefits	<u>615.655</u>	<u>625.035</u>	<u>635.811</u>	<u>677.992</u>	<u>726.690</u>	<u>771.681</u>
Reimbursable Overhead	\$3,198.984	\$3,418.187	\$3,740.187	\$4,006.699	\$4,279.496	\$4,562.731
Total Labor Expenses	\$7,399.694	\$7,680.532	\$8,069.436	\$8,431.978	\$8,800.585	\$9,190.684
<i>Non-Labor:</i>						
Electric Power	\$302.015	\$333.336	\$350.682	\$377.976	\$386.729	\$405.279
Fuel	131.496	126.006	132.338	138.398	137.381	139.167
Insurance	71.990	77.831	84.470	86.133	92.729	100.025
Claims	243.770	242.447	236.261	241.219	246.326	251.587
Paratransit Service Contracts	517.151	614.233	616.778	649.124	682.719	728.607
Maintenance and Other Operating Contracts	330.812	398.028	314.097	279.678	290.503	297.892
Professional Services Contracts	180.467	256.002	283.967	303.679	326.785	288.832
Materials and Supplies	343.150	356.306	367.051	370.759	366.649	383.999
Other Business Expenses	143.720	131.576	148.773	154.805	162.101	164.888
Total Non-Labor Expenses	\$2,264.570	\$2,535.765	\$2,534.418	\$2,601.771	\$2,691.922	\$2,760.276
<i>Other Expense Adjustments:</i>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$9,664.264	\$10,216.297	\$10,603.854	\$11,033.749	\$11,492.507	\$11,950.960
<i>Depreciation</i>						
GASB 49 Environmental Remediation	\$2,174.449	\$2,177.000	\$2,192.000	\$2,209.000	\$2,227.000	\$2,245.000
GASB 68 Pension Expense Adjustment	33.051	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	8.984	(324.000)	(324.000)	(324.000)	(324.000)	(324.000)
GASB 87 Lease Adjustment	470.708	489.000	494.000	504.000	509.000	514.000
GASB 96 SBITA Adjustment	14.903	7.722	7.722	7.722	7.722	7.722
Total Non-Cash Liability Adjustments	<u>0.401</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Total Expenses	\$12,366.759	\$12,566.019	\$12,973.576	\$13,430.471	\$13,912.229	\$14,393.682
Net Surplus/(Deficit)	(\$8,360.648)	(\$5,945.219)	(\$8,560.081)	(\$8,852.827)	(\$9,233.249)	(\$9,618.196)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	1,239.406	1,433.273	1,411.705	1,416.075	1,372.291	1,392.338
Total Revenues	\$1,239.406	\$1,433.273	\$1,411.705	\$1,416.075	\$1,372.291	\$1,392.338
Operating Expense						
Labor:						
Payroll	\$417.096	\$522.886	\$541.384	\$537.507	\$522.139	\$528.137
Overtime	172.310	193.822	163.258	166.906	162.831	166.089
Total Salaries and Wages	\$589.406	\$716.708	\$704.642	\$704.414	\$684.970	\$694.227
Health and Welfare	18.458	28.320	19.703	21.337	23.205	25.162
OPEB Current Payments	14.814	14.351	15.309	16.395	17.536	18.758
Pension	34.516	38.699	38.069	40.538	41.831	42.894
Other Fringe Benefits	191.834	219.982	234.614	233.736	225.150	227.808
Total Fringe Benefits	\$259.623	\$301.352	\$307.695	\$312.006	\$307.722	\$314.621
Reimbursable Overhead	283.713	304.408	295.630	296.053	282.281	286.577
Total Labor Expenses	\$1,132.742	\$1,322.468	\$1,307.968	\$1,312.472	\$1,274.973	\$1,295.425
Non-Labor:						
Electric Power	\$0.283	\$0.252	\$0.252	\$0.252	\$0.252	\$0.252
Fuel	0.320	0.321	0.198	0.198	0.198	0.198
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	39.952	38.181	37.141	36.991	35.991	35.991
Professional Services Contracts	17.005	13.735	9.846	9.846	9.846	9.846
Materials and Supplies	49.878	56.867	57.064	57.064	51.763	51.342
Other Business Expenses	(0.775)	1.450	(0.764)	(0.748)	(0.732)	(0.718)
Total Non-Labor Expenses	\$106.664	\$110.805	\$103.737	\$103.603	\$97.318	\$96.913
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$1,239.406	\$1,433.273	\$1,411.705	\$1,416.075	\$1,372.291	\$1,392.338
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA NEW YORK CITY TRANSIT
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable / Reimbursable						
Operating Revenue						
<i>Farebox Revenue:</i>						
Subway	\$2,645.967	\$2,818.434	\$2,911.756	\$2,984.465	\$3,034.421	\$3,077.584
Bus	623.984	612.945	660.908	704.738	741.607	762.739
Paratransit	22.175	26.168	26.240	27.552	28.930	30.376
Fare Media Liability	<u>56.838</u>	<u>47.863</u>	<u>37.795</u>	<u>30.929</u>	<u>13.060</u>	<u>1.124</u>
Farebox Revenue	\$3,348.963	\$3,505.410	\$3,636.699	\$3,747.684	\$3,818.018	\$3,871.824
<i>Other Operating Revenue:</i>						
Fare Reimbursement	84.021	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	380.178	513.783	503.584	556.880	596.067	635.434
Other	<u>192.949</u>	<u>2,517.589</u>	<u>189.197</u>	<u>189.064</u>	<u>180.879</u>	<u>184.212</u>
Other Operating Revenue	\$657.149	\$3,115.389	\$776.796	\$829.960	\$860.961	\$903.663
Capital and Other Reimbursements	1,239.406	1,433.273	1,411.705	1,416.075	1,372.291	1,392.338
Total Revenues	\$5,245.517	\$8,054.072	\$5,825.199	\$5,993.719	\$6,051.270	\$6,167.824
Operating Expense						
Labor:						
Payroll	\$4,176.336	\$4,409.285	\$4,697.275	\$4,776.103	\$4,833.046	\$4,940.725
Overtime	<u>897.494</u>	<u>874.175</u>	<u>632.246</u>	<u>649.642</u>	<u>655.294</u>	<u>688.032</u>
Total Salaries and Wages	\$5,073.830	\$5,283.460	\$5,329.521	\$5,425.745	\$5,488.339	\$5,608.757
Health and Welfare	1,123.502	1,256.687	1,400.892	1,499.225	1,597.686	1,718.410
OPEB Current Payments	621.318	646.782	701.510	765.535	835.021	910.739
Pension	906.297	971.054	1,075.056	1,142.217	1,202.671	1,248.715
Other Fringe Benefits	<u>807.490</u>	<u>845.017</u>	<u>870.426</u>	<u>911.728</u>	<u>951.840</u>	<u>999.489</u>
Total Fringe Benefits	\$3,458.607	\$3,719.539	\$4,047.883	\$4,318.705	\$4,587.218	\$4,877.352
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$8,532.436	\$9,002.999	\$9,377.404	\$9,744.450	\$10,075.557	\$10,486.109
Non-Labor:						
Electric Power	\$302.298	\$333.588	\$350.934	\$378.228	\$386.981	\$405.531
Fuel	131.816	126.327	132.536	138.596	137.579	139.365
Insurance	71.990	77.831	84.470	86.133	92.729	100.025
Claims	243.770	242.447	236.261	241.219	246.326	251.587
Paratransit Service Contracts	517.151	614.233	616.778	649.124	682.719	728.607
Maintenance and Other Operating Contracts	370.764	436.208	351.238	316.669	326.493	333.882
Professional Services Contracts	197.472	269.737	293.814	313.525	336.632	298.679
Materials and Supplies	393.028	413.173	424.115	427.823	418.412	435.340
Other Business Expenses	142.945	133.026	148.009	154.057	161.368	164.172
Total Non-Labor Expenses	\$2,371.234	\$2,646.571	\$2,638.154	\$2,705.374	\$2,789.240	\$2,857.189
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$10,903.670	\$11,649.570	\$12,015.558	\$12,449.824	\$12,864.797	\$13,343.298
Depreciation	\$2,174.449	\$2,177.000	\$2,192.000	\$2,209.000	\$2,227.000	\$2,245.000
GASB 49 Environmental Remediation	33.051	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	8.984	(324.000)	(324.000)	(324.000)	(324.000)	(324.000)
GASB 75 OPEB Expense Adjustment	470.708	489.000	494.000	504.000	509.000	514.000
GASB 87 Lease Adjustment	14.903	7.722	7.722	7.722	7.722	7.722
GASB 96 SBITA Adjustment	0.401	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$2,702.495	\$2,349.722	\$2,369.722	\$2,396.722	\$2,419.722	\$2,442.722
Total Expenses	\$13,606.165	\$13,999.291	\$14,385.280	\$14,846.546	\$15,284.519	\$15,786.020
Net Surplus/(Deficit)	(\$8,360.648)	(\$5,945.219)	(\$8,560.081)	(\$8,852.827)	(\$9,233.249)	(\$9,618.196)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$3,348.150	\$3,505.610	\$3,636.899	\$3,747.884	\$3,818.218	\$3,872.024
<i>Other Operating Revenue:</i>						
Fare Reimbursement	84.052	54.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	399.735	520.511	503.101	556.281	595.958	635.321
Other Revenue	<u>377.207</u>	<u>217.589</u>	<u>189.197</u>	<u>189.064</u>	<u>180.879</u>	<u>184.212</u>
Other Operating Revenue	860.994	792.116	776.313	829.361	860.853	903.550
Capital and Other Reimbursements	1,098.424	1,736.442	1,415.602	1,414.279	1,380.521	1,387.266
Total Receipts	\$5,307.568	\$6,034.169	\$5,828.813	\$5,991.524	\$6,059.592	\$6,162.840
Expenditures						
Labor:						
Payroll	\$4,183.976	\$4,357.615	\$4,853.926	\$4,737.899	\$4,793.818	\$4,885.454
Overtime	<u>897.494</u>	<u>874.175</u>	<u>632.246</u>	<u>649.642</u>	<u>655.294</u>	<u>668.032</u>
Total Salaries & Wages	\$5,081.470	\$5,231.790	\$5,486.172	\$5,387.541	\$5,449.112	\$5,553.486
Health and Welfare	1,065.131	1,282.990	1,386.169	1,483.397	1,581.898	1,701.437
OPEB Current Payments	621.318	646.782	701.510	765.535	835.021	910.739
Pension	1,068.581	952.867	988.236	1,096.327	1,202.671	1,248.715
Other Fringe Benefits	<u>606.449</u>	<u>624.738</u>	<u>650.692</u>	<u>661.131</u>	<u>683.826</u>	<u>711.719</u>
Total Fringe Benefits	\$3,361.479	\$3,507.377	\$3,726.606	\$4,006.390	\$4,303.416	\$4,572.609
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$8,442.949	\$8,739.168	\$9,212.778	\$9,393.931	\$9,752.528	\$10,126.095
Non-Labor:						
Electric Power	\$309.722	\$344.510	\$361.856	\$389.150	\$397.903	\$416.453
Fuel	134.047	126.327	132.536	138.596	137.579	139.365
Insurance	57.834	111.395	82.584	86.730	93.597	103.168
Claims	170.289	161.463	155.277	160.235	165.342	170.603
Paratransit Service Contracts	509.778	612.233	614.778	647.124	680.719	726.607
Maintenance and Other Operating Contracts	347.202	455.208	351.238	316.669	326.493	333.882
Professional Services Contracts	167.210	260.737	284.814	304.525	327.632	289.679
Materials and Supplies	393.726	398.176	419.615	423.323	413.912	430.840
Other Business Expenses	133.626	133.026	148.009	154.057	161.368	164.172
Total Non-Labor Expenditures	\$2,223.434	\$2,603.076	\$2,550.706	\$2,620.409	\$2,704.546	\$2,774.770
Other Expenditure Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$10,666.383	\$11,342.243	\$11,763.485	\$12,014.340	\$12,457.074	\$12,900.865
Net Cash Balance	(\$5,358.815)	(\$5,308.075)	(\$5,934.671)	(\$6,022.816)	(\$6,397.482)	(\$6,738.025)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2025 - 2028
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Flow Adjustments						
Receipts						
Farebox Revenue	(\$0.813)	\$0.200	\$0.200	\$0.200	\$0.200	\$0.200
<i>Other Operating Revenue:</i>						
Fare Reimbursement	0.031	(30.000)	0.000	0.000	0.000	0.000
Paratransit Reimbursement	19.557	6.727	(0.483)	(0.599)	(0.108)	(0.113)
Other Revenue	<u>184.258</u>	<u>(2,300.000)</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Other Operating Revenue	\$203.845	(\$2,323.273)	(\$0.483)	(\$0.599)	(\$0.108)	(\$0.113)
Capital and Other Reimbursements	(140.982)	303.169	3.897	(1.796)	8.231	(5.071)
Total Receipts	\$62.051	(\$2,019.903)	\$3.614	(\$2.195)	\$8.322	(\$4.984)
Expenditures						
<i>Labor:</i>						
Payroll	(\$7.640)	\$51.670	(\$156.651)	\$38.204	\$39.227	\$55.271
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Total Salaries and Wages	(\$7.640)	\$51.670	(\$156.651)	\$38.204	\$39.227	\$55.271
Health and Welfare	58.371	(26.304)	14.723	15.828	15.788	16.973
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	(162.284)	18.187	86.820	45.890	0.000	0.000
Other Fringe Benefits	<u>201.041</u>	<u>220.278</u>	<u>219.733</u>	<u>250.597</u>	<u>268.014</u>	<u>287.770</u>
Total Fringe Benefits	\$97.128	\$212.161	\$321.276	\$312.315	\$283.802	\$304.743
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$89.487	\$263.831	\$164.626	\$350.519	\$323.029	\$360.014
<i>Non-Labor:</i>						
Electric Power	(\$7.424)	(\$10.922)	(10.922)	(\$10.922)	(\$10.922)	(\$10.922)
Fuel	(2.231)	0.000	0.000	0.000	0.000	0.000
Insurance	14.156	(33.564)	1.886	(0.597)	(0.868)	(3.143)
Claims	73.481	80.984	80.984	80.984	80.984	80.984
Paratransit Service Contracts	7.373	2.000	2.000	2.000	2.000	2.000
Maintenance and Other Operating Contracts	23.562	(19.000)	0.000	0.000	0.000	0.000
Professional Services Contracts	30.262	9.000	9.000	9.000	9.000	9.000
Materials and Supplies	(0.698)	14.997	4.500	4.500	4.500	4.500
Other Business Expenses	9.319	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$147.800	\$43.495	\$87.448	\$84.965	\$84.694	\$82.419
<i>Other Expenditure Adjustments:</i>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$237.287	\$307.326	\$252.074	\$435.484	\$407.723	\$442.433
Total Cash Conversion Adjustments before Depreciation	\$299.338	(\$1,712.577)	\$255.688	\$433.290	\$416.046	\$437.449
Depreciation	\$2,174.449	\$2,177.000	\$2,192.000	\$2,209.000	\$2,227.000	\$2,245.000
GASB 49 Environmental Remediation	33.051	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	8.984	(324.000)	(324.000)	(324.000)	(324.000)	(324.000)
GASB 75 OPEB Expense Adjustment	470.708	489.000	494.000	504.000	509.000	514.000
GASB 87 Lease Adjustment	14.903	7.722	7.722	7.722	7.722	7.722
GASB 96 SBITA Adjustment	0.401	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$2,702.495	\$2,349.722	\$2,369.722	\$2,396.722	\$2,419.722	\$2,442.722
Total Cash Conversion Adjustments	\$3,001.833	\$637.145	\$2,625.410	\$2,830.012	\$2,835.768	\$2,880.171

MTA NEW YORK CITY TRANSIT
November Financial Plan 2025 - 2028
Ridership (Utilization) and Revenue
(in millions)

	Actual	November Forecast	Final Proposed Budget	2026	2027	2028
	2023	2024	2025			

RIDERSHIP

Subway	1,151.998	1,194.753	1,243.796	1,274.843	1,296.211	1,314.722
Bus	340.766	321.583	348.413	371.516	390.951	402.096
Paratransit	11.066	13.160	13.268	13.931	14.628	15.359

Total Ridership

1,503.830	1,529.495	1,605.476	1,660.290	1,701.790	1,732.177
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FAREBOX REVENUE (Excluding fare media liability)

Subway	\$2,645.967	\$2,818.434	\$2,911.756	\$2,984.465	\$3,034.421	\$3,077.584
Bus	623.984	612.945	660.908	704.738	741.607	762.739
Paratransit	22.175	26.168	26.240	27.552	28.930	30.376

Total Revenue

\$3,292.125	\$3,457.547	\$3,598.904	\$3,716.755	\$3,804.958	\$3,870.700
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MTA New York City Transit
November Financial Plan 2025 - 2028
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

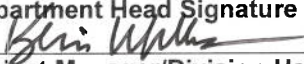

	2024		2025	2026	2027	2028
	2023 Actual	2024 November Forecast				
Administration						
Office of the President	11	14	15	15	15	15
Law	170	249	246	246	246	246
Office of the EVP	8	20	21	21	21	21
Human Resources	85	120	120	120	120	120
EEO	1	11	11	11	11	11
Office of Management and Budget	9	33	33	33	33	33
Strategy & Customer Experience	128	165	165	165	165	165
Non-Departmental	-	(120)	(90)	(54)	(36)	(26)
Labor Relations	43	89	89	89	89	89
Office of People & Business Transformation	16	13	13	13	13	13
Material	111	150	150	146	146	146
Controller	78	108	108	108	108	108
Total Administration	660	854	883	915	933	943
Operations						
Subways Operation Support /Admin	410	426	426	426	426	426
Subways Service Delivery	8,425	8,723	8,935	8,930	8,855	8,848
Subways Stations	2,321	2,305	2,305	2,305	2,305	2,305
Subtotal - Subways	11,157	11,454	11,666	11,661	11,586	11,579
Buses	11,080	11,536	11,539	11,539	11,539	11,539
Paratransit	167	191	192	192	192	192
Operations Planning	301	377	369	365	361	361
Revenue Control	490	560	520	505	505	505
Non-Departmental	-	41	38	38	38	38
Total Operations	23,195	24,159	24,324	24,300	24,221	24,214
Maintenance						
Subways Operation Support /Admin	118	169	179	174	150	135
Subways Service Delivery	68	82	82	82	82	82
Subways Engineering	304	376	379	347	320	299
Subways Car Equipment	5,018	5,228	5,361	5,333	5,337	5,405
Subways Infrastructure	1,433	1,369	1,346	1,336	1,188	1,188
Subways Elevator & Escalators	382	413	428	428	428	428
Subways Stations	2,533	2,640	2,579	2,559	2,559	2,559
Subways Facilities	1,268	1,660	1,728	1,694	1,649	1,648
Subways Track	3,136	3,253	3,240	3,240	3,142	3,142
Subways Power	618	654	629	618	599	599
Subways Signals	1,672	1,742	1,726	1,726	1,704	1,699
Subways Electronics Maintenance	1,329	1,667	1,448	1,334	1,334	1,334
Subways Electronics Maintenance	17,880	19,256	19,126	18,872	18,493	18,519
Buses	3,301	3,499	3,557	3,507	3,453	3,453
Supply Logistics	485	524	524	524	524	524
System Safety	70	86	90	89	89	89
OHS	62	76	76	76	76	76
Non-Departmental	19	(227)	(238)	(191)	(140)	(129)
Total Maintenance	21,817	23,214	23,135	22,877	22,495	22,532
Engineering/Capital						
Construction & Development	756	1,155	833	833	833	833
Matrixed C & D Support	98	85	84	84	84	84
Total Engineering/Capital	854	1,240	917	917	917	917
Public Safety						
Security	672	820	840	835	835	835
Total Public Safety	672	820	840	835	835	835
Total Baseline Positions	47,197	50,286	50,099	49,844	49,401	49,441
Non-Reimbursable	43,491	45,234	45,342	45,244	45,094	45,162
Reimbursable	3,706	5,052	4,757	4,600	4,307	4,279
Total Full-Time	47,073	50,123	49,942	49,687	49,244	49,284
Total Full-Time Equivalents	124	163	157	157	157	157

MTA NEW YORK CITY TRANSIT
November Financial Plan 2025 - 2028
Total Positions
By Function and Occupational Group

FUNCTION / OCCUPATIONAL GROUP	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Managers/Supervisors	156	306	301	305	317	318
Professional/Technical/Clerical	487	524	558	586	592	601
Operational Hourlies	17	24	24	24	24	24
Total Administration Headcount	660	854	883	915	933	943
Operations						
Managers/Supervisors	2,761	2,935	2,913	2,902	2,898	2,891
Professional/Technical/Clerical	392	477	460	447	447	447
Operational Hourlies	20,042	20,747	20,952	20,952	20,877	20,877
Total Operations Headcount	23,195	24,159	24,324	24,300	24,221	24,214
Maintenance						
Managers/Supervisors	3,899	4,156	4,156	4,109	4,010	3,996
Professional/Technical/Clerical	778	1,100	1,043	958	941	931
Operational Hourlies	17,140	17,958	17,936	17,810	17,544	17,605
Total Maintenance Headcount	21,817	23,214	23,135	22,877	22,495	22,532
Engineering / Capital						
Managers/Supervisors	388	313	352	352	352	352
Professional/Technical/Clerical	464	925	563	563	563	563
Operational Hourlies	2	2	2	2	2	2
Total Engineering Headcount	854	1,240	917	917	917	917
Public Safety						
Managers/Supervisors	300	446	466	461	461	461
Professional/Technical/Clerical	35	45	45	45	45	45
Operational Hourlies	337	329	329	329	329	329
Total Public Safety Headcount	672	820	840	835	835	835
Total Positions						
Managers/Supervisors	7,504	8,156	8,188	8,129	8,038	8,018
Professional/Technical/ Clerical	2,155	3,071	2,669	2,599	2,588	2,587
Operational Hourlies	37,538	39,060	39,243	39,117	38,776	38,837
Total Positions	47,197	50,286	50,099	49,844	49,401	49,441

MTA Bus Company

Staff Summary

Subject MTA Bus 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer
Department Head Signature 
Project Manager/Division Head David Keller, OMB 

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	NYCT Comm.	12/16		X	
2	Finance Comm.	12/16	X		
3	Board	12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB 		
2	Financial Liaison 		
3	NYCT President 		

Purpose:

To secure MTA Board adoption of MTA Bus Company's 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028.

Discussion:

The 2025 Final Proposed Budget, which is consistent with information presented to the Board in November 2024, provides sufficient funding to support MTA Bus Company's planned service levels, as well as MTA's commitment to provide safe, secure, reliable, and cost-efficient transportation service to the metropolitan New York region. The MTA Bus projections do not include the estimated impacts of projected fare increases and MTA consolidated below-the-line adjustments which are presented as part of MTA consolidated materials. The MTA is reimbursed by the City of New York for the operating deficits of MTA Bus Company.

The 2025 Final Proposed Budget includes funding for new and enhanced investments as follows:

- Queens Bus network redesign focused simplifying and improving service for customers with more reliable service, faster travel, better connections, and improved ease of use.
- East New York Central Maintenance Facility lease.
- Jamaica Terminal relocation, including expenses for construction, rent for terminal and swing room space, utilities, and janitorial services.

2024 November Forecast – Baseline

Total Non-Reimbursable operating revenues are budgeted at \$201.1 million, including farebox revenues of \$181.2 million and \$19.9 million of Other Operating Revenue. Total Non-Reimbursable expenses are projected to be \$958.0 million, consisting of labor expenses of \$728.8 million and non-labor expenses of \$229.2 million, with non-cash liability adjustments of \$187.6 million. Projected Reimbursable expenses of \$7.5 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 3,935 consisting of 3,897 non-reimbursable positions and 38 reimbursable positions.

2025 Final Proposed Budget – Baseline

Total Non-Reimbursable operating revenues are budgeted at \$211.0 million, including farebox revenues of \$191.0 million and \$20.0 million of Other Operating Revenue. Total non-reimbursable expenses are projected to be \$976.6 million in 2025, consisting of labor expenses of \$746.4 million and non-labor expenses of \$230.2 million, with non-cash liability adjustments of \$192.2 million. Projected reimbursable expenses of \$7.7 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 4,018 consisting of 3,980 non-reimbursable positions and 38 reimbursable positions.

Impact on Funding

The 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028 for MTA Bus Company.

MTA BUS COMPANY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$178,571	\$181,180	\$191,013	\$198,760	\$205,977	\$209,144
Other Operating Revenue	14,474	19,917	19,993	20,035	19,790	19,871
Capital and Other Reimbursements	0,000	0,000	0,000	0,000	0,000	0,000
Total Revenues	\$193,045	\$201,098	\$211,007	\$218,794	\$225,767	\$229,015
Operating Expense						
Labor:						
Payroll	\$316,731	\$331,440	\$344,355	\$356,509	\$363,241	\$370,414
Overtime	90,977	100,858	96,532	99,920	102,573	104,625
Health and Welfare	91,135	116,028	118,013	126,306	134,725	143,753
OPEB Current Payments	33,782	42,053	41,917	44,986	48,060	51,356
Pension	62,189	63,090	68,684	70,774	70,413	69,243
Other Fringe Benefits	76,710	76,591	78,187	79,701	80,565	81,565
Reimbursable Overhead	(2,222)	(1,249)	(1,269)	(1,278)	(1,285)	(1,292)
Total Labor Expenses	\$669,302	\$728,810	\$746,419	\$776,919	\$798,293	\$819,664
Non-Labor:						
Electric Power	\$2,309	\$2,510	\$2,902	\$3,153	\$3,228	\$3,298
Fuel	33,217	30,383	28,781	29,510	29,265	29,773
Insurance	5,621	8,308	7,872	8,028	8,458	9,186
Claims	58,409	57,577	58,838	60,115	61,516	62,863
Paratransit Service Contracts	0,000	0,000	0,000	0,000	0,000	0,000
Maintenance and Other Operating Contracts	25,431	41,661	36,446	35,761	35,790	35,781
Professional Services Contracts	30,032	35,611	42,768	47,458	50,068	43,817
Materials and Supplies	40,195	44,994	44,274	45,430	45,973	46,637
Other Business Expenses	7,820	8,164	8,324	8,436	8,505	8,583
Total Non-Labor Expenses	\$203,035	\$229,209	\$230,206	\$237,891	\$242,804	\$239,938
Other Expense Adjustments:						
Other Expense Adjustments	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Other Expense Adjustments	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Expenses Before Depreciation and GASB Adjs.	\$872,336	\$958,019	\$976,624	\$1,014,810	\$1,041,097	\$1,059,602
Depreciation	\$53,357	\$62,163	\$62,163	\$62,163	\$62,163	\$62,163
GASB 49 Environmental Remediation	0,759	0,000	0,000	0,000	0,000	0,000
GASB 68 Pension Expense Adjustment	15,326	57,500	59,800	69,100	78,100	49,900
GASB 75 OPEB Expense Adjustment	31,092	67,969	70,261	72,607	74,985	77,485
GASB 87 Lease Adjustment	(0,037)	0,001	0,001	0,001	0,001	0,001
GASB 96 SBITA Adjustment	0,000	0,000	0,000	0,000	0,000	0,000
Total Non-Cash Liability Adjustments	\$100,496	\$187,633	\$192,225	\$203,871	\$215,249	\$189,549
Total Expenses	\$972,832	\$1,145,652	\$1,168,849	\$1,218,680	\$1,256,346	\$1,249,150
Net Surplus/(Deficit)	(\$779,788)	(\$944,554)	(\$957,842)	(\$999,886)	(\$1,030,579)	(\$1,020,136)

MTA BUS COMPANY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	4.338	7.487	7.663	7.786	7.895	8.006
Total Revenues	\$4.338	\$7.487	\$7.663	\$7.786	\$7.895	\$8.006
Operating Expense						
Labor:						
Payroll	\$2.493	\$4.589	\$4.729	\$4.837	\$4.933	\$5.032
Overtime	0.002	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	1.649	1.664	1.672	1.677	1.682
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.001	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	1.842	1.249	1.269	1.278	1.285	1.292
Total Labor Expenses	\$4.338	\$7.487	\$7.663	\$7.786	\$7.895	\$8.006
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$4.338	\$7.487	\$7.663	\$7.786	\$7.895	\$8.006
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
<u>Non-Reimbursable / Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$178.571	\$181.180	\$191.013	\$198.760	\$205.977	\$209.144
Other Operating Revenue	14.474	19.917	19.993	20.035	19.790	19.871
Capital and Other Reimbursements	4.338	7.487	7.663	7.786	7.895	8.006
Total Revenues	\$197.383	\$208.585	\$218.669	\$226.580	\$233.662	\$237.021
Operating Expense						
<u>Labor:</u>						
Payroll	\$319.224	\$336.028	\$349.084	\$361.346	\$368.175	\$375.446
Overtime	90.979	100.858	96.532	99.920	102.573	104.625
Health and Welfare	91.135	117.677	119.678	127.978	136.402	145.434
OPEB Current Payments	33.782	42.053	41.917	44.986	48.060	51.356
Pension	62.189	63.090	68.684	70.774	70.413	69.243
Other Fringe Benefits	76.711	76.591	78.187	79.701	80.565	81.565
Reimbursable Overhead	(0.380)	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$673.640	\$736.298	\$754.081	\$784.705	\$806.188	\$827.670
<u>Non-Labor:</u>						
Electric Power	\$2.309	\$2.510	\$2.902	\$3.153	\$3.228	\$3.298
Fuel	33.217	30.383	28.781	29.510	29.265	29.773
Insurance	5.621	8.308	7.872	8.028	8.458	9.186
Claims	58.409	57.577	58.838	60.115	61.516	62.863
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	25.431	41.681	36.446	35.761	35.790	35.781
Professional Services Contracts	30.032	35.611	42.768	47.458	50.068	43.817
Materials and Supplies	40.195	44.994	44.274	45.430	45.973	46.637
Other Business Expenses	7.820	8.164	8.324	8.436	8.505	8.583
Total Non-Labor Expenses	\$203.035	\$229.209	\$230.206	\$237.891	\$242.804	\$239.938
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$876.674	\$965.507	\$984.287	\$1,022.596	\$1,048.992	\$1,067.608
Depreciation						
Depreciation	\$53.357	\$62.163	\$62.163	\$62.163	\$62.163	\$62.163
GASB 49 Environmental Remediation	0.759	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	15.326	57.500	59.800	69.100	78.100	49.900
GASB 75 OPEB Expense Adjustment	31.092	67.969	70.261	72.607	74.985	77.485
GASB 87 Lease Adjustment	(0.037)	0.001	0.001	0.001	0.001	0.001
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$100.496	\$187.633	\$192.225	\$203.871	\$215.249	\$189.549
Total Expenses	\$977.171	\$1,153.139	\$1,176.512	\$1,226.466	\$1,264.241	\$1,257.156
Net Surplus/(Deficit)	(\$779.788)	(\$944.554)	(\$957.842)	(\$999.886)	(\$1,030.579)	(\$1,020.136)

MTA BUS COMPANY
November Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$177.046	\$181.180	\$191.013	\$198.760	\$205.977	\$209.144
Other Operating Revenue	148.123	181.193	226.241	77.368	19.790	19.871
Capital and Other Reimbursements	4.284	7.487	7.662	7.785	7.894	8.005
Total Receipts	\$329.453	\$369.860	\$424.917	\$283.913	\$233.661	\$237.020
Expenditures						
Labor:						
Payroll	\$307.791	\$352.209	\$348.665	\$360.927	\$367.756	\$375.027
Overtime	90.978	100.858	96.532	99.920	102.574	104.625
Health and Welfare	97.129	122.178	119.678	127.978	136.403	145.435
OPEB Current Payments	34.750	42.053	41.916	44.986	48.059	51.356
Pension	122.760	0.000	67.494	70.774	70.413	69.243
Other Fringe Benefits	61.629	62.206	63.002	64.517	65.380	66.381
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$715.037	\$679.505	\$737.288	\$769.101	\$790.584	\$812.067
Non-Labor:						
Electric Power	\$2.280	\$2.511	\$2.902	\$3.153	\$3.228	\$3.298
Fuel	33.023	30.384	28.782	29.511	29.265	29.773
Insurance	0.740	8.308	7.872	8.028	8.458	9.185
Claims	35.898	41.618	35.580	36.352	37.199	38.014
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	26.168	44.347	37.278	36.611	36.660	36.669
Professional Services Contracts	25.841	57.211	41.938	46.609	49.199	42.929
Materials and Supplies	42.147	45.893	44.274	45.429	45.973	46.637
Other Business Expenses	6.972	8.664	8.324	8.436	8.506	8.584
Total Non-Labor Expenditures	\$172.869	\$238.935	\$206.948	\$214.129	\$218.488	\$215.089
Other Expenditure Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$887.906	\$918.440	\$944.236	\$983.230	\$1,009.072	\$1,027.156
Net Cash Balance	(\$558.453)	(\$548.580)	(\$519.319)	(\$699.317)	(\$775.411)	(\$790.136)

MTA BUS COMPANY
November Financial Plan 2025 - 2028
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Flow Adjustments						
Receipts						
Farebox Revenue	(\$1.525)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	133.649	161.276	206.248	57.333	0.000	0.000
Capital and Other Reimbursements	(0.054)	0.000	0.000	0.000	(0.001)	0.000
Total Receipts	\$132.070	\$161.275	\$206.248	\$57.333	(\$0.001)	(\$0.001)
Expenditures						
Labor:						
Payroll	\$11.433	(\$16.181)	\$0.419	\$0.419	\$0.419	\$0.419
Overtime	0.001	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(5.994)	(4.501)	(0.001)	(0.001)	(0.001)	(0.001)
OPEB Current Payments	(0.968)	0.000	0.000	0.001	0.001	0.000
Pension	(60.571)	63.090	1.190	0.000	0.000	0.000
Other Fringe Benefits	15.082	14.384	15.184	15.184	15.184	15.184
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	(0.380)	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$41.397)	\$56.793	\$16.793	\$15.603	\$15.604	\$15.603
Non-Labor:						
Electric Power	\$0.029	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.194	0.000	0.000	0.000	0.000	0.000
Insurance	4.881	0.000	0.000	0.000	0.000	0.000
Claims	22.711	15.960	23.258	23.763	24.317	24.849
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(0.737)	(2.686)	(0.831)	(0.850)	(0.870)	(0.888)
Professional Services Contracts	4.191	(21.600)	0.831	0.850	0.869	0.888
Materials and Supplies	(1.952)	(0.899)	0.001	0.001	0.001	0.001
Other Business Expenses	0.848	(0.500)	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$30.166	(\$9.727)	\$23.258	\$23.762	\$24.316	\$24.849
Other Expenditure Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	(\$11.232)	\$47.066	\$40.051	\$39.366	\$39.920	\$40.452
Total Cash Conversion Adjustments before Depreciation	\$120.838	\$208.341	\$246.298	\$96.698	\$39.919	\$40.451
Depreciation	\$53.357	\$62.163	\$62.163	\$62.163	\$62.163	\$62.163
GASB 49 Environmental Remediation	0.759	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	15.326	57.500	59.800	69.100	78.100	49.900
GASB 75 OPEB Expense Adjustment	31.092	67.969	70.261	72.607	74.985	77.485
GASB 87 Lease Adjustment	(0.037)	0.001	0.001	0.001	0.001	0.001
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$100.496	\$187.633	\$192.225	\$203.871	\$215.249	\$189.549
Total Cash Conversion Adjustments	\$221.335	\$395.974	\$438.523	\$300.569	\$255.167	\$230.000

MTA BUS COMPANY
November Financial Plan 2025 - 2028
Ridership (Utilization) and Revenue
(in millions)

	Actual	November	Final			
	2023	Forecast	Proposed	2026	2027	2028
		2024	Budget			
			2025			

RIDERSHIP

Fixed Route	86.217	84.259	89.061	92.673	96.036	97.513
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Total Ridership	86.217	84.259	89.061	92.673	96.036	97.513
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FAREBOX REVENUE

Fixed Route Farebox Revenue	\$178.571	\$181.180	\$191.013	\$198.760	\$205.977	\$209.144
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Farebox Revenue	\$178.571	\$181.180	\$191.013	\$198.760	\$205.977	\$209.144
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MTA BUS COMPANY
November Financial Plan 2025-2028
Total Positions by Function & Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents



FUNCTION/DEPARTMENT	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Office of the EVP	3	3	3	3	3	3
Human Resources	6	13	13	13	13	13
Office of Management and Budget	11	16	16	16	16	16
Materiel	10	15	15	15	15	15
Controller	15	19	19	19	19	19
Office of the President	2	12	12	12	12	12
Law	13	20	20	20	20	20
Strategic Office	16	17	21	21	21	21
Non Departmental	0	1	1	1	1	1
Total Administration	76	116	120	120	120	120
Operations						
Buses	2,264	2,360	2,432	2,432	2,432	2,432
Office of the Executive Vice President, Regional	3	4	4	4	4	4
Safety & Training	86	68	68	68	68	68
Road Operations	129	132	134	134	132	132
Transportation Support	32	33	33	33	33	33
Operations Planning	26	32	33	33	33	33
Revenue Control	5	6	6	6	6	6
Total Operations	2,545	2,635	2,710	2,710	2,708	2,708
Maintenance						
Buses	667	725	731	731	730	730
Maintenance Support/CMF	195	229	227	227	227	227
Facilities	60	87	87	87	87	87
Supply Logistics	88	104	104	104	104	104
Total Maintenance	1,010	1,145	1,149	1,149	1,148	1,148
Engineering/Capital						
Capital Program Management	21	26	26	26	26	26
Public Safety						
Office of the Senior Vice President	11	13	13	13	13	13
Total Positions	3,663	3,935	4,018	4,018	4,015	4,015
Non-Reimbursable	3,629	3,897	3,980	3,980	3,977	3,977
Reimbursable	34	38	38	38	38	38
Total Full-Time	3,648	3,917	4,000	4,000	3,997	3,997
Total Full-Time Equivalents	15	18	18	18	18	18

MTA BUS COMPANY
November Financial Plan 2025 - 2028
Total Positions
By Function and Occupational Group

FUNCTION / OCCUPATIONAL GROUP	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Managers/Supervisors	29	51	56	56	56	56
Professional/Technical/Clerical	47	64	64	64	64	64
Operational Hourlies	0	1	1	1	1	1
Total Administration Headcount	76	116	121	121	121	121
Operations						
Managers/Supervisors	308	316	318	318	316	316
Professional/Technical/Clerical	36	45	45	45	45	45
Operational Hourlies	2,201	2,274	2,346	2,346	2,346	2,346
Total Operations Headcount	2,545	2,635	2,709	2,709	2,707	2,707
Maintenance						
Managers/Supervisors	222	252	250	250	250	250
Professional/Technical/Clerical	29	38	38	38	38	38
Operational Hourlies	759	855	861	861	860	860
Total Maintenance Headcount	1,010	1,145	1,149	1,149	1,148	1,148
Engineering / Capital						
Managers/Supervisors	12	15	15	15	15	15
Professional/Technical/Clerical	9	11	11	11	11	11
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	21	26	26	26	26	26
Public Safety						
Managers/Supervisors	6	8	8	8	8	8
Professional/Technical/Clerical	5	5	5	5	5	5
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	11	13	13	13	13	13
Total Positions						
Managers/Supervisors	577	642	647	647	645	645
Professional/Technical/ Clerical	126	163	163	163	163	163
Operational Hourlies	2,960	3,130	3,208	3,208	3,207	3,207
Total Positions	3,663	3,935	4,018	4,018	4,015	4,015

Staten Island Railway

Staff Summary

Subject MTA SIR 2025 Budget and 2025-2028 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Kevin Willens, Chief Financial Officer
Department Head Signature 
Project Manager/Division Head David Keller, OMB 

Date December 9, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	NYCT Comm.	12/16		X	
2	Finance Comm.	12/16	X		
3	Board	12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB 		
2	Financial Liaison 		
3	NYCT President 		

Purpose:

To secure MTA Board adoption of MTA Staten Island Railway’s 2024 November Forecast, 2025 Final Proposed Budget, and the Four-Year Financial Plan for 2025-2028.

Discussion:

The 2025 Final Proposed Budget, which is consistent with information presented to the Board in November 2024, provides funding to maintain SIR's commitment to delivering safe, secure, and reliable transportation and first-class customer service. The SIR's projections do not include MTA consolidated below-the-line adjustments, including the estimated impacts of projected fare increases, which are presented as part of MTA consolidated materials.

The 2025 Final Proposed Budget reflects key initiatives deemed essential to providing safe and reliable service to customers while ensuring assets remain in a state of good repair. Among the initiatives included are:

- Capital support including the retention of 14 reimbursable positions for flagging and work train operations in support of capital projects.
- One non-reimbursable position to support SIR's expanded finance and administrative requirements.

2024 November Forecast – Baseline

The 2024 Non-Reimbursable forecast reflects revenues projected at \$5.5 million, including farebox revenues of \$3.9 million and other operating revenue of \$1.6 million. Total Non-Reimbursable expenses are projected to be \$83.5 million, consisting of labor expenses of \$62.1 million and non-labor expenses of \$21.4 million, with non-cash liability adjustments of \$24.8 million. Projected reimbursable expenses of \$7.7 million are fully offset by capital reimbursements. Total baseline full-time and full-time equivalent positions are 430, including 376 non-reimbursable and 54 reimbursable positions.

2025 Final Proposed Budget – Baseline

The 2024 Final Proposed Budget reflects Non-Reimbursable revenues of \$5.4 million, including farebox revenues of \$3.9 million and other operating revenue of \$1.5 million. Total Non-Reimbursable expenses are

projected to be \$82.7 million, consisting of labor expenses of \$61.9 million and non-labor expenses of \$20.8 million, with non-cash liability adjustments of \$24.3 million. Projected Reimbursable expenses of \$7.6 million are fully offset by capital reimbursements. Total baseline full-time and full-time equivalent positions are at 431, including 377 non-reimbursable and 54 reimbursable positions.

Impact on Funding

The 2024 November Forecast, the 2025 Final Proposed Budget and the Four-Year Financial Plan for 2025-2028, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2024 November Forecast, the 2025 Final Proposed Budget and the Four-Year Financial Plan for 2025-2028 for MTA Staten Island Railway.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$3.618	\$3.882	\$3.950	\$3.968	\$3.968	\$3.998
Other Operating Revenue	1.874	1.645	1.505	1.521	1.474	1.490
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$5.493	\$5.527	\$5.455	\$5.489	\$5.442	\$5.488
Operating Expense						
Labor:						
Payroll	\$24.608	\$32.756	\$34.028	\$34.189	\$34.381	\$33.227
Overtime	2.050	3.734	3.743	3.612	3.828	3.399
Health and Welfare	5.732	9.813	9.884	10.538	9.968	10.287
OPEB Current Payments	3.730	3.245	3.282	3.300	3.318	3.818
Pension	7.914	8.150	9.250	9.470	9.490	9.340
Other Fringe Benefits	(1.470)	4.447	1.683	1.815	3.141	2.994
Reimbursable Overhead	(0.103)	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$42.462	\$62.145	\$61.870	\$62.924	\$64.127	\$63.065
Non-Labor:						
Electric Power	\$5.116	\$5.208	\$6.679	\$7.575	\$7.673	\$7.784
Fuel	0.321	0.246	0.221	0.220	0.217	0.224
Insurance	1.443	1.333	1.545	1.571	1.689	1.902
Claims	1.391	0.885	0.887	0.887	0.887	0.887
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	4.311	4.987	8.401	5.286	3.450	3.441
Professional Services Contracts	1.381	6.023	1.102	1.169	1.136	1.117
Materials and Supplies	2.072	1.453	1.519	1.440	1.316	1.309
Other Business Expenses	0.364	1.229	0.420	0.423	0.417	0.422
Total Non-Labor Expenses	\$16.399	\$21.364	\$20.774	\$18.570	\$16.784	\$17.086
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$58.861	\$83.509	\$82.644	\$81.494	\$80.911	\$80.151
Depreciation	\$22.133	\$17.500	\$17.500	\$17.500	\$17.500	\$17.500
GASB 49 Environmental Remediation	0.047	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	4.225	1.350	0.650	1.430	2.410	(1.540)
GASB 75 OPEB Expense Adjustment	2.356	5.923	6.123	6.327	6.534	6.752
GASB 87 Lease Adjustment	0.060	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$28.822	\$24.773	\$24.273	\$25.257	\$26.444	\$22.712
Total Expenses	\$87.682	\$108.282	\$106.917	\$106.751	\$107.355	\$102.863
Net Surplus/(Deficit)	(\$82.190)	(\$102.755)	(\$101.462)	(\$101.262)	(\$101.913)	(\$97.375)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	9.537	7.733	7.636	7.714	4.210	4.323
Total Revenues	\$9.537	\$7.733	\$7.636	\$7.714	\$4.210	\$4.323
Operating Expense						
Labor:						
Payroll	\$2.370	\$4.147	\$4.255	\$4.301	\$2.363	\$2.412
Overtime	2.857	1.148	0.950	0.953	0.825	0.844
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	(0.001)	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	4.104	2.437	2.430	2.460	1.022	1.067
Reimbursable Overhead	0.111	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$9.441	\$7.733	\$7.636	\$7.714	\$4.210	\$4.323
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.024	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.072	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.096	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$9.537	\$7.733	\$7.636	\$7.714	\$4.210	\$4.323
Total Non-Cash Liability Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA STATEN ISLAND RAILWAY
November Financial Plan 2025 - 2028
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Non-Reimbursable / Reimbursable						
Operating Revenue						
Farebox Revenue	\$3.618	\$3.882	\$3.950	\$3.968	\$3.968	\$3.998
Other Operating Revenue	1.874	1.645	1.505	1.521	1.474	1.490
Capital and Other Reimbursements	9.537	7.733	7.636	7.714	4.210	4.323
Total Revenues	\$15.030	\$13.260	\$13.091	\$13.203	\$9.652	\$8.811
Operating Expense						
Labor:						
Payroll	\$26.978	\$36.903	\$38.284	\$38.490	\$36.744	\$35.639
Overtime	4.907	4.882	4.693	4.564	4.653	4.243
Health and Welfare	5.732	9.813	9.884	10.538	9.968	10.287
OPEB Current Payments	3.729	3.245	3.282	3.300	3.318	3.818
Pension	7.914	8.150	9.250	9.470	9.490	9.340
Other Fringe Benefits	2.634	6.884	4.113	4.276	4.163	4.061
Reimbursable Overhead	0.008	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$51.903	\$69.878	\$69.506	\$70.638	\$68.337	\$67.388
Non-Labor:						
Electric Power	\$5.116	\$5.208	\$6.679	\$7.575	\$7.673	\$7.784
Fuel	0.321	0.246	0.221	0.220	0.217	0.224
Insurance	1.443	1.333	1.545	1.571	1.689	1.902
Claims	1.391	0.885	0.887	0.887	0.887	0.887
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	4.311	4.987	8.401	5.286	3.450	3.441
Professional Services Contracts	1.405	6.023	1.102	1.169	1.136	1.117
Materials and Supplies	2.144	1.453	1.519	1.440	1.316	1.309
Other Business Expenses	0.364	1.229	0.420	0.423	0.417	0.422
Total Non-Labor Expenses	\$16.494	\$21.364	\$20.774	\$18.570	\$16.784	\$17.086
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$68.397	\$91.241	\$90.280	\$89.208	\$85.121	\$84.474
Depreciation						
Depreciation	\$22.133	\$17.500	\$17.500	\$17.500	\$17.500	\$17.500
GASB 49 Environmental Remediation	0.047	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	4.225	1.350	0.650	1.430	2.410	(1.540)
GASB 75 OPEB Expense Adjustment	2.356	5.923	6.123	6.327	6.534	6.752
GASB 87 Lease Adjustment	0.060	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$28.822	\$24.773	\$24.273	\$25.257	\$26.444	\$22.712
Total Expenses	\$97.219	\$116.014	\$114.553	\$114.465	\$111.565	\$107.186
Net Surplus/(Deficit)	(\$82.190)	(\$102.754)	(\$101.462)	(\$101.262)	(\$101.913)	(\$97.375)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$3.471	\$3.882	\$3.950	\$3.968	\$3.968	\$3.998
Other Operating Revenue	47.411	19.876	1.505	1.521	1.474	1.490
Capital and Other Reimbursements	7.613	7.733	7.636	7.714	4.210	4.323
Total Receipts	\$58.495	\$31.491	\$13.091	\$13.203	\$9.652	\$9.811
Expenditures						
Labor:						
Payroll	\$37.094	\$38.013	\$39.413	\$38.397	\$36.648	\$35.453
Overtime	4.892	4.882	4.693	4.564	4.653	4.243
Health and Welfare	8.527	9.812	9.884	10.538	9.968	10.287
OPEB Current Payments	1.881	3.245	3.282	3.300	3.318	3.818
Pension	16.510	0.000	8.200	9.470	9.490	9.340
Other Fringe Benefits	2.979	6.440	2.769	2.840	2.727	2.617
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$71.883	\$62.392	\$68.241	\$69.109	\$66.805	\$65.758
Non-Labor:						
Electric Power	\$4.938	\$5.208	\$6.679	\$7.575	\$7.436	\$7.547
Fuel	0.410	0.247	0.221	0.220	0.209	0.216
Insurance	1.442	1.333	1.545	1.571	1.689	1.902
Claims	0.045	0.898	0.500	0.500	0.500	0.500
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	3.181	4.987	8.401	5.286	3.450	3.441
Professional Services Contracts	2.405	6.222	1.302	1.369	1.336	1.317
Materials and Supplies	3.004	1.453	1.519	1.440	1.316	1.309
Other Business Expenses	0.425	1.029	0.220	0.223	0.217	0.222
Total Non-Labor Expenditures	\$15.852	\$21.377	\$20.387	\$18.183	\$16.152	\$16.454
Other Expenditure Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$87.734	\$83.769	\$88.628	\$87.292	\$82.957	\$82.212
Net Cash Balance	(\$29.240)	(\$52.278)	(\$75.537)	(\$74.089)	(\$73.305)	(\$72.401)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2025 - 2028
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Cash Flow Adjustments						
Receipts						
Farebox Revenue	(\$0.147)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	45.537	18.231	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	(1.924)	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$43.465	\$18.231	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
Labor:						
Payroll	(\$10.117)	(\$1.110)	(\$1.129)	\$0.093	\$0.096	\$0.186
Overtime	0.016	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(2.794)	0.001	0.000	0.000	0.000	0.000
OPEB Current Payments	1.849	0.000	0.000	0.000	0.000	0.000
Pension	(8.596)	8.150	1.050	0.000	0.000	0.000
Other Fringe Benefits	(0.345)	0.444	1.344	1.436	1.436	1.444
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.008	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$19.979)	\$7.486	\$1.265	\$1.529	\$1.532	\$1.630
Non-Labor:						
Electric Power	\$0.177	\$0.000	0.000	\$0.000	\$0.237	\$0.237
Fuel	(0.090)	(0.001)	0.000	0.000	0.008	0.008
Insurance	0.001	0.000	0.000	0.000	0.000	0.000
Claims	1.346	(0.013)	0.387	0.387	0.387	0.387
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.130	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	(1.000)	(0.199)	(0.200)	(0.200)	(0.200)	(0.200)
Materials and Supplies	(0.861)	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	(0.061)	0.200	0.200	0.200	0.200	0.200
Total Non-Labor Expenditures	\$0.643	(\$0.013)	\$0.387	\$0.387	\$0.632	\$0.632
Other Expenditure Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	(\$19.337)	\$7.473	\$1.652	\$1.916	\$2.164	\$2.262
Total Cash Conversion Adjustments before Depreciation	\$24.128	\$25.704	\$1.652	\$1.916	\$2.164	\$2.262
Depreciation	\$22.133	\$17.500	\$17.500	\$17.500	\$17.500	\$17.500
GASB 49 Environmental Remediation	0.047	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	4.225	1.350	0.650	1.430	2.410	(1.540)
GASB 75 OPEB Expense Adjustment	2.356	5.923	6.123	6.327	6.534	6.752
GASB 87 Lease Adjustment	0.060	0.000	0.000	0.000	0.000	0.000
GASB 96 SBITA Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Cash Liability Adjustments	\$28.822	\$24.773	\$24.273	\$25.257	\$26.444	\$22.712
Total Cash Conversion Adjustments	\$52.950	\$50.477	\$25.925	\$27.173	\$28.608	\$24.974

MTA STATEN ISLAND RAILWAY
November Financial Plan 2025 - 2028
Ridership (Utilization) and Revenue
(in millions)

	Actual	November	Final			
	2023	Forecast	Proposed	2026	2027	2028
		2024	Budget			
			2025			

RIDERSHIP

Fixed Route	2.230	2.320	2.379	2.390	2.390	2.408
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FAREBOX REVENUE

Fixed Route Farebox Revenue	\$3.618	\$3.882	\$3.950	\$3.968	\$3.968	\$3.998
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Farebox Revenue	\$3.618	\$3.882	\$3.950	\$3.968	\$3.968	\$3.998
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MTA STATEN ISLAND RAILWAY
November Financial Plan 2025-2028
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2024		2025	2026	2027	2028
	2023 Actual	November Forecast				
Administration						
Executive	5	8	8	8	8	8
General Office	9	19	20	20	20	20
Purchasing/Stores	3	4	4	4	4	4
Total Administration	17	31	32	32	32	32
Operations						
Transportation	140	155	155	153	143	143
Maintenance						
Mechanical	47	59	59	54	53	53
Electronic/Electrical	19	25	25	25	25	25
Power/Signals	27	33	33	33	33	32
Maintenance of Way	70	92	92	92	79	60
Infrastructure	25	29	29	29	29	29
Total Maintenance	188	238	238	233	219	199
Engineering/Capital						
Capital Project Support	5	6	6	6	4	4
Public Safety						
Police						
Baseline Total Positions	350	430	431	424	398	378
Non-Reimbursable	339	376	377	370	370	350
Reimbursable	11	54	54	54	28	28
Total Full-Time	350	430	431	424	398	378
Total Full-Time Equivalents						

MTA STATEN ISLAND RAILWAY
November Financial Plan 2025 - 2028
Total Positions
By Function and Occupational Group

FUNCTION / OCCUPATIONAL GROUP	Actual 2023	November Forecast 2024	Final Proposed Budget 2025	2026	2027	2028
Administration						
Managers/Supervisors	11	16	16	16	16	16
Professional/Technical/Clerical	4	7	8	8	8	8
Operational Hourlies	2	8	8	8	8	8
Total Administration Headcount	17	31	32	32	32	32
Operations						
Managers/Supervisors	24	27	27	27	27	27
Professional/Technical/Clerical	6	6	6	6	6	6
Operational Hourlies	110	122	122	120	110	110
Total Operations Headcount	140	155	155	153	143	143
Maintenance						
Managers/Supervisors	24	33	33	32	31	28
Professional/Technical/Clerical	5	9	9	9	9	9
Operational Hourlies	159	196	196	192	179	162
Total Maintenance Headcount	188	238	238	233	219	199
Engineering / Capital						
Managers/Supervisors	3	4	4	4	4	4
Professional/Technical/Clerical	2	2	2	2	0	0
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	5	6	6	6	4	4
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	62	80	80	79	78	75
Professional/Technical/ Clerical	17	24	25	25	23	23
Operational Hourlies	271	326	326	320	297	280
Total Positions	350	430	431	424	398	378

Staff Summary



Subject
Approval of TBTA Special Obligation Resolution Authorizing Real Estate Transfer Tax Revenue Obligations (TBTA Capital Lockbox Fund) authorizing the issuance of bonds and notes to finance approved Capital Program Transit and Commuter Projects
Department
Finance
Department Head Name
Kevin Willens, Chief Financial Officer
Department Head Signature
Project Manager Name
Olga Chernat, Deputy Chief, Financial Services

Date
December 18, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/16/24	X		
2	Board	12/18/24	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal	2	Chairman

PURPOSE:

The MTA Finance Department is seeking MTA Bridges and Tunnels (“TBTA”) Board ratification of the previously approved annexed TBTA Special Obligation Resolution Authorizing Real Estate Transfer Tax Revenue Obligations (TBTA Capital Lockbox Fund), including the Standard Resolution Provisions (collectively, the “Special Obligation Resolution”). Even though the TBTA Board has previously approved the forms and substance of the annexed Special Obligation Resolution, the TBTA Act requires this additional approval following MTA Capital Program Review Board (“CPRB”) approval, which was received on August 16, 2024, before TBTA can issue its bonds and notes to finance Authorized Purposes.

DISCUSSION AND BACKGROUND:

In April 2019, legislation was enacted in New York State (the “2019 Legislation”) providing additional sources of revenues to address the financial needs of the MTA, including an additional real estate transfer tax in New York City (the “City”) of 0.25% on each residential real property conveyance of at least \$3 million and on each non-residential property conveyance of at least \$2 million. The 2019 Legislation also imposed a supplemental real estate transfer tax in the City on each residential real property conveyance of at least \$2 million using a graduated tax rate schedule starting at 0.25% for conveyances of at least \$2 million but less than \$3 million and topping out at 2.9% on conveyances of \$25 million and above (such real property transfer taxes and surcharges, including, interest and penalties attributable thereto, are referred to herein as the “MTA Transfer Tax Receipts”). The 2019 Legislation also provided that the above-described tax receipts (including the MTA Transfer Tax Receipts) be made available for deposit into the capital lockbox fund and be used, among other things, to finance the costs of any Authorized Purpose.

TBTA submitted the draft Special Obligation Resolution to the CPRB for review and approval on July 31, 2024 pursuant to Section 553(20) of the Public Authorities Law, which was deemed approved by the CPRB on August 16, 2024.

TBTA Board approval is now sought for the Special Obligation Resolution Authorizing Real Estate Transfer Tax Revenue Obligations (TBTA Capital Lockbox Fund), including Subordinated Obligations and activities in connection with the issuance of bonds and notes under the Special Obligation Resolution (“RETT Obligations”).

With respect to the above-referenced financial transactions, TBTA Board approval is sought:

(a) delegating authority to the Chairman, the Chief Financial Officer, the Deputy Chief, Financial Services of MTA, or their designees, to make revisions to the Special Obligation Resolution as necessary or convenient and to award the obligations either pursuant to competitive bid or to members (or entities related to such firms) of the Board-approved MTA underwriting syndicate and to execute and/or deliver in each case, where appropriate:

- o Notices of Sale and bid forms,
- o Purchase Agreements with underwriters,
- o Direct Purchase Agreements,
- o Revolving Credit Agreements or other Loan Agreements,
- o Official Statements and other disclosure documents,
- o Continuing Disclosure Agreements and related filings,
- o Dealer and Broker/Dealer Agreements,
- o Issuing and Paying Agent and Tender Agent Agreements,
- o Credit Facilities and related Parity Reimbursement Obligations and Parity Debt,
- o Related Subordinated Contract Obligations, and
- o Investment Agreements.

Any such documents will be in substantially the form of any document previously entered into by MTA or TBTA for previous issues, with such changes as approved by any one or more of the foregoing officers.

(b) authorizing such officers to terminate, amend, supplement, replace or extend any such documents, including Credit Facilities (and related Parity Reimbursement Obligations and Parity Debt), as they shall deem advisable, and to take such other actions as may be necessary or desirable to effectuate the issuance of RETT Obligations and other financial transactions set forth above, on behalf of MTA or TBTA.

(c) authorizing such officers to seek proposals for the appointment of a trustee and paying agent(s) and other fiduciaries necessary for the purposes of the Special Obligation Resolution and the activities thereunder.

ALTERNATIVES:

Among the financing alternatives currently available to MTA to use the TBTA capital lockbox fund moneys to finance Authorized Purposes, the introduction of this new credit allows the MTA to fully leverage the MTA Transfer Tax Receipts. However, TBTA and MTA could continue to finance such purposes under other credits.

RECOMMENDATION:

TBTA Board authorization of the above-referenced resolutions and documents and all other actions described above, including the execution and delivery of such other documents, and the taking of all other actions, from time to time deemed necessary or desirable by such officers in connection therewith, including the selection of a trustee and paying agent and other fiduciaries thereunder that meets the requirements of the resolution.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

**SPECIAL OBLIGATION RESOLUTION
AUTHORIZING
REAL ESTATE TRANSFER TAX REVENUE OBLIGATIONS
(TBTA CAPITAL LOCKBOX FUND)**

Adopted _____, 2024
as approved by the
Metropolitan Transportation Authority
Capital Program Review Board
on August 16, 2024

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**SPECIAL OBLIGATION RESOLUTION
AUTHORIZING
REAL ESTATE TRANSFER TAX REVENUE OBLIGATIONS
(TBTA CAPITAL LOCKBOX FUND)**

BE IT RESOLVED by the Board of the Triborough Bridge and Tunnel Authority as follows:

ARTICLE I

STANDARD RESOLUTION PROVISIONS; DEFINITIONS

Section 101. Standard Resolution Provisions. Except as otherwise specifically provided herein or by Supplemental Resolution, the Standard Resolution Provisions appended hereto as **Annex A** constitute an integral part of the Resolution and have the same force and effect as if set forth in the forepart of the Resolution.

Section 102. Definitions. Except as the context shall otherwise require, capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Standard Resolution Provisions. The following terms shall, for all purposes of the Resolution, have the following meanings:

Annual Debt Service shall mean the amount of Debt Service payable on Obligations and Parity Debt during each Debt Service Year.

Annual Debt Service Limit shall mean one hundred and fifty million dollars (\$150,000,000).

Annual Net Debt Service shall mean Annual Debt Service less the amount, if any, set aside in any account within the Senior Lien Debt Service Fund or the Capitalized Interest Fund or otherwise in trust for the payment of Debt Service on Obligations or Parity Debt in the applicable Debt Service Year.

Capital Cost Obligations shall mean Obligations authenticated and delivered on original issuance pursuant to Section 203.

Capital Costs shall mean (i) the costs of the Issuer or any other Related Entity for all or any part of the TBTA Transit and Commuter Project or for any hereafter authorized project or purpose permitted by law and set forth in a Supplemental Resolution (each, an “Additional Project”), including costs of acquisition of real or personal property or any interests therein, legal, administrative, engineering, planning, design, studies, insurance, financing costs (including Costs of Issuance), including the costs of the Issuer or any other Related Entity owed for such purposes to other entities, and initial working capital required for the commencement of operation of any such program or project and any capital contributions, whether or not represented by equity or debt securities or other evidences of indebtedness, made by the Issuer or any other Related Entity to any Person participating in the TBTA Transit and Commuter Project or Additional Project for the purpose of funding any costs described in this clause (i); (ii) amounts paid into any Fund or

Account upon the issuance of any Obligations; and (iii) payment when due (whether at the maturity of principal or on the due date of interest or upon redemption or when otherwise due, including by purchase or through tender or exchange) on any indebtedness or obligation of the Issuer or any other Related Entity which was issued or incurred to finance costs that could at the time of such payment be funded directly hereunder, including Obligations, Obligation Anticipation Notes, Parity Debt, Subordinated Contract Obligations, including obligation anticipation notes issued on a subordinated basis, and Subordinated Indebtedness, any termination or other payments for financial or other hedging arrangements, or any such indebtedness or obligation issued or incurred by the Issuer or any Related Entity in connection with the TBTA Transit and Commuter Project or Additional Project.

Capitalized Interest Fund shall mean the Fund by that name established pursuant to Section 502.

CPRB shall mean the Metropolitan Transportation Authority Capital Program Review Board created pursuant to Section 1269-a of the MTA Act.

Debt Service Year shall mean the twelve (12) month period commencing and ending on the dates specified in the Supplemental Resolution or Certificate of Determination authorizing the first Series of Obligations to be issued hereunder except that the first Debt Service Year shall begin on the date specified in the Supplemental Resolution or Certificate of Determination authorizing the first Series of Obligations to be issued hereunder.

Excess Revenues Fund shall mean the Fund by that name established in Section 502.

Issuer shall mean TBTA.

Maximum Annual Debt Service shall mean the greatest amount of Debt Service payable on Obligations and Parity Debt in the current or any future Debt Service Year.

Obligations shall mean any bonds, notes, commercial paper or other forms of indebtedness of the Issuer payable from the Senior Lien Debt Service Fund, authorized by Section 201 and delivered pursuant to Section 202 or authorized pursuant to Section A-203, *but excluding* Obligation Anticipation Notes to the extent payable from, and expected by an Authorized Officer to be paid from, the proceeds of Obligations or other Obligation Anticipation Notes.

Obligations COI Account shall mean the Account by that name established in the Obligations Proceeds Fund pursuant to Section 502.

Obligations Events of Default shall mean the events defined as such in Section 701.

Obligations Proceeds Fund shall mean the Fund by that name established in Section 502.

Obligations Trust Estate shall mean, collectively, but subject to the terms and provisions of Section 501 and the proviso contained in Section 603 hereof, all right, title and interest of the Issuer in:

- (i) the proceeds of the sale of the Obligations;

(ii) the Revenue Fund, any money on deposit therein and any money received and held by the Issuer which is required to be deposited therein, including the Transfer Tax Receipts;

(iii) the Obligations Proceeds Fund, the Capitalized Interest Fund, the Senior Lien Debt Service Fund and the Senior Lien Debt Service Reserve Fund (but not the Rebate Fund or the Excess Revenues Fund) and all other Funds and Accounts and subaccounts established by Supplemental Resolution for the benefit of the Owners of the Obligations (other than funds, and any accounts and subaccounts therein, established pursuant to a Supplemental Resolution in connection with Parity Debt, Subordinated Indebtedness or Subordinated Contract Obligations; *provided, however, that* such funds, accounts and subaccounts are specifically excepted from the Obligations Trust Estate by the Supplemental Resolution authorizing such Subordinated Indebtedness or Subordinated Contract Obligations), including the investments, if any, thereof); and

(iv) all funds, moneys and securities and any and all other rights and interests in property, whether tangible or intangible, from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred as and for additional security hereunder for the Obligations by the Issuer, or by anyone on its behalf, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times, and to hold and apply the same subject to the terms hereof.

Permitted Debt Service Reserve Fund Investments means and includes any of the following, if and to the extent the same are at the time legal for the investment of the Issuer's funds:

(i) direct and general obligations of, or obligations the timely payment of principal and interest on which are unconditionally guaranteed by, the United States of America;

(ii) obligations issued or guaranteed by any of the following:

- (a) United States post office;
- (b) Federal National Mortgage Association;
Federal Home Loan Mortgage Corporation;
- (c) Student Loan Marketing Association;
- (d) Export-Import Bank of the United States;
- (e) Federal Financing Bank;
- (f) Government National Mortgage Association;
- (g) Farmers Home Administration;
- (h) Federal Housing Administration;
- (i) Private Export Funding Corp; and
- (j) Federal Farm Credit Bank; or

any indebtedness issued or guaranteed by any instrumentality or agency of the United States; *provided, however, that* any such Permitted Debt Service Reserve Fund Investments purchased shall mature within two years of the date of such purchase.

Rebate Fund means the fund established under Section 509 of the Resolution.

Rebate Requirement has the meaning set forth in Section 509 of the Resolution.

Refunding Obligations shall mean all Obligations authenticated and delivered on original issuance pursuant to Section 204.

Resolution shall mean this Special Obligation Resolution Authorizing Real Estate Transfer Tax Revenue Obligations (TBTA Capital Lockbox Fund), as from time to time amended or supplemented by Supplemental Resolutions in accordance with the terms hereof.

Revenue Fund shall mean the Fund by that name established in Section 502.

Second Lien Obligations shall mean any bonds, notes, commercial paper or other forms of indebtedness of the Issuer which shall constitute Subordinated Indebtedness for purposes of the Standard Resolution Provisions, provided that any lien on and pledge of any portion of the Transfer Tax Receipts securing such Second Lien Obligations shall be junior and inferior to the lien on and a pledge of the Obligations Trust Estate herein created for the payment of the Obligations and Parity Debt.

Second Lien Obligation Anticipation Notes shall mean any such notes issued and delivered in anticipation of the issuance of a series of Second Lien Obligations, in a principal amount not exceeding the principal amount of the Second Lien Obligations of such series so authorized payable only from any or all of the following items designated by the Issuer at or prior to issuance of any such series of Second Lien Obligation Anticipation Notes: (i) the proceeds of any renewals of such Second Lien Obligation Anticipation Notes issued to repay such Second Lien Obligation Anticipation Notes, (ii) the proceeds of the sale of the series of Second Lien Obligations in anticipation of which such Second Lien Obligation Anticipation Notes are issued, (iii) amounts available to pay Subordinated Obligations, or (iv) any other money available therefor and not pledged under the Supplemental Resolution securing the issuance of Second Lien Obligations.

Senior Lien Debt Service Fund shall mean the Fund by that name established in Section 502.

Senior Lien Debt Service Fund Requirement shall mean an amount equal to the Annual Net Debt Service minus the Debt Service actually paid in the current Debt Service Year.

Senior Lien Debt Service Reserve Fund shall mean the Fund by that name established in Section 502.

Senior Lien Debt Service Reserve Fund Requirement shall mean an amount equal to (a) Maximum Annual Debt Service, plus (b) any additional deposit provided for in Section 801(m) hereof.

Standard Resolution Provisions shall mean the Standard Resolution Provisions appended hereto as **Annex A**.

Subordinated Obligations shall mean any payment obligation (other than a payment obligation constituting Subordinated Contract Obligations) arising under any other contract, agreement or other obligation of the Issuer designated as “Subordinated Obligations” in a certificate of an Authorized Officer of the Issuer payable from amounts available to be transferred pursuant to clause (c) of subsection 2 of Section 505 of the Resolution and shall include, without limitation, termination or other fees, expenses, indemnification or other such obligations, and Reimbursement Obligations not constituting Parity Reimbursement Obligations. Second Lien Obligations are Subordinated Indebtedness and Subordinated Obligations for the purposes of the Resolution to the extent provided herein.

Tax Certificate shall mean that certain tax certificate relating to arbitrage and the provisions of Sections 141-150 of the Internal Revenue Code of 1986 or other similar document with respect to each Series of Obligations or Parity Debt and dated as of the date of issuance of such Obligations or Parity Debt.

Tax Law shall mean the New York Tax Law, as amended from time to time.

TBTA Capital Lockbox Fund shall mean fund established pursuant to Section 553-j of the New York Public Authorities Law and entitled the “Central Business District Tolling Capital Lockbox Fund,” or any successor fund or account provided by law.

TBTA Transit and Commuter Project shall mean any Transportation District Project that may be financed with obligations issued by the Issuer in accordance with the provisions of Section 553-j of the New York Public Authorities Law for the benefit of any transit system or commuter system.

Transfer Tax Receipts shall mean all amounts deposited into the TBTA Capital Lockbox Fund pursuant to subdivision (b) of Section 1421 of the Tax Law, currently consisting of the taxes, interest and penalties attributable to (i) the tax imposed under Section 1402 of the Tax Law at the rate specified in paragraph two of subdivision (a) of such Section, and (ii) the tax imposed under Section 1402-b of the Tax Law, as such Sections 1421, 1402 and 1402-b are amended from time to time.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF OBLIGATIONS

Section 201. Authorization of the Obligations. (1) The Resolution hereby authorizes Obligations of the Issuer designated as “Real Estate Transfer Tax Revenue Bonds (TBTA Capital Lockbox Fund)”, which Obligations, if and when authorized by the Issuer pursuant to one or more Supplemental Resolutions, to be issued as Tax-Exempt Obligations, as Taxable Obligations, as obligations which convert on a particular date or dates from Taxable Obligations to Tax-Exempt Obligations, or as Taxable Obligations which are mandatorily exchangeable on a particular date or dates for Tax-Exempt Obligations, or otherwise as determined by Supplemental Resolution and not contrary to the Resolution as then in effect. The Obligations shall be *special obligations* of the Issuer payable solely from the Obligations Trust Estate pledged to the payment thereof pursuant to subsection 1 of Section 501, but subject to the proviso contained in Section 603 hereof. The aggregate principal amount of the Obligations and Parity Debt which may be executed, authenticated and delivered under the Resolution is limited as provided in Section 203 or as may from time to time be limited by law.

(2) The Obligations may, if and when authorized by the Issuer pursuant to one or more Supplemental Resolutions, be issued in one or more Series or subseries, and the designations thereof, in addition to the name “Real Estate Transfer Tax Revenue Bonds (TBTA Capital Lockbox Fund)”, shall include such further or different designations in such title for the Obligations of any particular Series or subseries as the Issuer may determine. Each Obligation shall bear upon its face the designation so determined for the Series or subseries to which it belongs.

(3) Nothing in the Resolution shall be deemed to prevent the consolidation into a single Series or subseries for purposes of issuance and sale of Obligations otherwise permitted by the Resolution to be issued at the same time in two or more separate Series or subseries. In the event that separate Series or subseries are combined for purposes of issuance and sale, they may be issued under a single Supplemental Resolution notwithstanding any other provision of the Resolution. Nothing in the Resolution (except to the extent required by Supplemental Resolution) shall be deemed to prevent the separation into separate Series or subseries for purposes of issuance and sale Obligations otherwise permitted by the Resolution to be issued in one Series or subseries.

(4) Obligations may be issued for any of the purposes set forth in Sections 203 and 204.

(5) All Obligations and Parity Debt authorized to be issued under the Resolution shall be issued as fixed interest rate Obligations and Parity Debt.

Section 202. General Provisions for Issuance of Obligations. Obligations may be issued pursuant to a Supplemental Resolution to provide for the payment or reimbursement of Capital Costs pursuant to Section 203 hereof or refund such Obligations pursuant to Section 204 hereof upon satisfaction of the provisions of Section A-201, except that the Opinion of Bond Counsel required by Section A-201.2(a)(iii) shall be to the effect that the Obligations are valid, binding, *special obligations* of the Issuer, enforceable in accordance with their terms and the terms

of the Resolution and entitled to the benefits of the Issuer Act and the Resolution as amended to the date of such Opinion of Bond Counsel.

Section 203. Special Provisions for Capital Cost Obligations. (1) The Obligations of one or more Series may at any time, or from time to time, be authenticated and delivered upon original issuance pursuant to this Section 203 to pay, or to provide for the payment of, all or part of the Capital Costs, in each case only upon receipt by the Trustee (in addition to the items required by Section 202 and subsection 2 of this Section 203) of the following:

(a) A certificate of an Authorized Officer setting forth the following for the then current and each future Debt Service Year during which the Obligations to be authenticated and delivered will remain Outstanding:

(i) the aggregate principal amount of all Obligations and Parity Debt of all Series to be Outstanding;

(ii) the amount, if any, set aside or to be set aside in any account within the Senior Lien Debt Service Fund or the Obligations Proceeds Fund or otherwise in trust for the payment of Debt Service on Obligations or Parity Debt in each Debt Service Year for which such Obligations and Parity Debt will remain Outstanding, including amounts credited or to be credited to the Capitalized Interest Fund for any Series of Obligations and Parity Debt and provisions for the application thereof;

(iii) the Annual Net Debt Service for all Obligations and Parity Debt of all Series to be Outstanding for each Debt Service Year, together with a statement that the Annual Debt Service for each Debt Service Year is not in excess of the Annual Debt Service Limit; and

(iv) the amount, if any, necessary for deposit in the Senior Lien Debt Service Reserve Fund so that the amount in the Senior Lien Debt Service Reserve Fund, shall equal the Senior Lien Debt Service Reserve Fund Requirement calculated immediately after the authentication and delivery of such Series of Bonds.

In the case of (i) and (ii) above, amounts attributable to the proposed Capital Cost Obligations and any proposed Refunding Obligations being treated as Capital Cost Obligations for purposes of clause (ii) of paragraph (e) of subsection 2 of Section 204 hereof shall be included, but the calculation shall exclude any Obligations or Parity Debt to be refunded with the proceeds of such Refunding Obligations.

(2) Regardless of the type of Capital Costs being financed, the Obligations of each Series delivered pursuant to subsection (1) of this Section 203 shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the items required by Section 202) of a certificate of an Authorized Officer to the effect that the Issuer then is, and upon the authentication and delivery of the Obligations of such Series shall be, in compliance with all applicable provisions of the Issuer Act relating to the issuance, sale and delivery of such Obligations.

Section 204. Refunding Obligations. (1) In addition to Capital Cost Obligations and refundings permitted under Section 203, one or more Series of Refunding Obligations (in an aggregate principal amount which will provide funds, together with other money available therefor, to accomplish such refunding) may be authenticated and delivered upon original issuance to refund (including by redemption, payment at maturity or in connection with exchanges or tenders) all or any portion of any Outstanding Obligations or Parity Debt.

(2) Subject to and in addition to the requirements of Section 202, the Refunding Obligations of each such Series shall be authenticated and delivered by the Trustee only upon receipt by the Trustee of the following:

(a) If the Obligations or Parity Debt to be refunded are to be redeemed, instructions to the Trustee and/or trustee for the Parity Debt, satisfactory to it, to give due notice of redemption of all the Obligations or Parity Debt to be refunded on the redemption date or dates specified in such instructions;

(b) If the Obligations or Parity Debt to be refunded are to be deemed paid within the meaning of the second sentence of subsection 2 of Section A-1101 or similar provision with respect to Parity Debt, irrevocable instructions to the Trustee and/or the trustee for the Parity Debt, satisfactory to it, to provide notice in the manner provided in the second sentence of subsection 2 of Section A-1101 or similar provision with respect to Parity Debt with respect to the payment of such Obligations or Parity Debt pursuant to such Section or provision;

(c) If the Obligations or Parity Debt to be refunded are to be deemed paid within the meaning of the second sentence of subsection 2 of Section A-1101 or similar provision with respect to Parity Debt, either (i) money and/or (ii) Defeasance Securities as shall be necessary to comply with the provisions of the second sentence of subsection 2 of Section A-1101 or defeasance securities as shall be necessary to comply with any similar provision with respect to Parity Debt, which money and Defeasance Securities (or defeasance securities) shall be held in trust and used only as provided in said subsection 2 of Section A-1101 or similar provision with respect to Parity Debt;

(d) If the proceeds of such Series of Refunding Obligations are to be utilized by the Issuer to purchase (in connection with a tender for or redemption of Obligations or Parity Debt, or otherwise) Obligations or Parity Debt to be delivered to the Trustee in satisfaction of a Sinking Fund Installment in accordance with subsection 3 of Section A-502 or similar provision with respect to Parity Debt, a certificate of an Authorized Officer specifying the matters required thereby; and

(e) Either

(i) a certificate of an Authorized Officer (A) setting forth for the then current and each future Debt Service Year (1) the Net Annual Debt Service on the Obligations and Parity Debt (*including* the Refunding Obligations then proposed to be issued *but not including* the Obligations and Parity Debt to be refunded) and (2) the Net Annual Debt Service on the Obligations and Parity Debt as calculated

immediately prior to the issuance of the Refunding Obligations (*including* the Obligations and Parity Debt to be refunded *but not including* the Refunding Obligations) and (B) stating that for the then current and each future Debt Service Year the Net Annual Debt Service set forth pursuant to (1) above is not greater than the Net Annual Debt Service set forth pursuant to (2) above; or

(ii) upon satisfaction of the requirements of Section 203 with respect to such Series of Refunding Obligations, considering for all purposes of any certificate delivered pursuant to subsection 2 of Section 203 that (A) such Series of Refunding Obligations is a Series of Capital Cost Obligations and (B) the Refunding Obligations then proposed to be issued will be Outstanding but the Obligations or Parity Debt to be refunded will no longer be Outstanding.

The proceeds, including accrued interest, of the Refunding Obligations of each such Series shall be applied simultaneously with the delivery of such Obligations in the manner provided in the Supplemental Resolution authorizing such Obligations.

ARTICLE III

FORM OF OBLIGATIONS

Section 301. Form of Obligations. Subject to the provisions of the Resolution and except as otherwise provided pursuant to a Supplemental Resolution, each Series of Obligations shall be issued as fully registered securities in substantially the form provided in **Exhibit One** appended hereto. Any Authorized Officer executing and delivering any such Obligations may make such changes in the form thereof as deemed necessary or convenient by such Authorized Officer, including changes to conform with (i) the terms of sale, (ii) the provisions of the related Supplemental Resolution, (iii) the requirements of the related Securities Depository, provider of a Credit Facility or Rating Agency, (iv) industry practice or (v) federal, State or City regulatory requirements, and the execution (whether manual or by facsimile), and delivery of, any such obligations shall be conclusive evidence of the approval of all terms thereof by such Authorized Officer.

ARTICLE IV

ADDITIONAL REDEMPTION PROVISIONS

Section 401. Redemption at Demand of the State or the City. Except as otherwise provided pursuant to a Supplemental Resolution, either the State or the City may, upon furnishing sufficient funds therefor, require the Issuer to redeem all or any portion of the Obligations as provided in the Issuer Act as in effect on the date any such Obligations were issued.

ARTICLE V

MAINTENANCE AND ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF

Section 501. The Pledge Effected by the Resolution.

(1) There are hereby pledged for the payment of the principal and Redemption Price of, and interest on, and Sinking Fund Installments for, the Obligations and, on a parity basis, Parity Debt, in accordance with their terms and the provisions of the Resolution, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, all right, title and interest of the Issuer in the Obligations Trust Estate.

(2) The pledge created by subsection 1 of this Section 501 shall in all respects secure on a *pari passu* basis all of the Obligations and Parity Debt and, except as expressly so provided, nothing contained in the Resolution shall be deemed to confer on the Owners of any Obligations or Parity Debt any rights in the Obligations Trust Estate superior or inferior to the Owners of any other Obligations or Parity Debt.

(3) The pledge created by subsection 1 of this Section 501 shall be valid and binding from and after the date of issuance and delivery of the first Obligations, and the Obligations Trust Estate shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer irrespective of whether such parties have notice thereof.

(4) Subject to the provisions of subsection 1 of this Section 501, the Obligations Trust Estate is and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the Resolution, and all corporate action on the part of the Issuer to that end has been duly and validly taken.

(5) Nothing contained in this Section 501 shall be construed as limiting any authority granted to the Issuer elsewhere in the Resolution to issue or incur Obligation Anticipation Notes, Subordinated Indebtedness or Subordinated Contract Obligations or shall be deemed a limitation upon the authority of the Issuer to issue any other bonds, notes or other obligations under the Issuer Act secured by any income and funds other than the Obligations Trust Estate.

Section 502. Establishment of Funds and Accounts.

(1) The following funds are hereby established:

- (a) Obligations Proceeds Fund, in which there shall be established the Obligations COI Account, which Fund and Account shall be held and administered by the Issuer;
- (b) Capitalized Interest Fund, which Fund shall be held and administered by the Trustee;

- (c) Revenue Fund, which shall be held and administered by the Trustee;
- (d) Senior Lien Debt Service Fund, which Fund shall be held and administered by the Trustee;
- (e) Senior Lien Debt Service Reserve Fund, which shall be held and administered by the Trustee;
- (f) Rebate Fund, which shall be held and administered by the Trustee, and
- (g) Excess Revenues Fund, which shall be held and administered by the Issuer.

(2) Amounts held at any time by the Issuer or the Trustee in any of the Funds or Accounts established pursuant to this Section shall be held in trust separate and apart from all other funds. Additional funds, accounts or subaccounts may be established by the Issuer in its discretion pursuant to this Section upon the delivery of a certificate to the Trustee or by Supplemental Resolution.

(3) Except as otherwise specifically provided herein or in a Supplemental Resolution, in computing the amount in any Fund, Account or Subaccount, Authorized Investments or Permitted Debt Service Reserve Fund Investments, as applicable, purchased as an investment of moneys therein shall be valued at the current book value thereof or at the redemption price thereof, if then redeemable at the option of the holder, in either event inclusive of accrued interest.

(4) Except as otherwise specifically provided herein or in a Supplemental Resolution, all investment income earned on amounts on deposit in the Funds, Accounts or Subaccounts established under the Resolution shall remain on deposit in such Funds, Accounts or Subaccounts and applied in accordance with the provisions applicable to such Funds, Accounts or Subaccounts.

Section 503. Obligations Proceeds Fund. (1) The Issuer shall pay into the Obligations Proceeds Fund (and any designated Account or subaccount thereof) the amounts required to be so paid by the provisions of the Resolution or any Supplemental Resolution authorizing the issuance of any Series of Obligations for the purpose of financing Capital Costs. The portion of any such amount determined by Supplemental Resolution to be used for the payment of Costs of Issuance shall be paid into and disbursed from the Obligations COI Account.

(2) Unless otherwise provided in a Supplemental Resolution or in a resolution authorizing Obligation Anticipation Notes, amounts in the Obligations Proceeds Fund shall be applied solely to pay Capital Costs, as applicable. Any amounts in the Obligations Proceeds Fund which are in excess of the amounts required to pay for such costs may at the direction of an Authorized Officer be transferred to the Rebate Fund, the Revenue Fund or the Senior Lien Debt Service Fund.

(3) Amounts in the Obligations Proceeds Fund shall be invested by the Issuer in Authorized Investments and the Issuer may, and to the extent required for payments from the Obligations Proceeds Fund shall, sell any such obligations at any time, and the proceeds of such sale, and of all payments of principal or interest received at maturity or upon redemption or otherwise of such obligations shall be deposited in the Obligations Proceeds Fund.

(4) Earnings on money and investments in the Obligations Proceeds Fund not needed for the payment of Capital Costs shall be transferred by the Issuer to the Trustee for deposit in the Rebate Fund or the Senior Lien Debt Service Fund or may be retained in the Obligations Proceeds Fund, as determined by the Issuer.

(5) Notwithstanding the above provisions of this Section but subject to any priority for Obligation Anticipation Notes, amounts in such Obligations Proceeds Fund must be applied to the payment of principal and Redemption Price of and interest on the Obligations and the payment of Parity Debt, on a parity basis, when due at any time that other money is not available therefor.

Section 504. Capitalized Interest Fund. (1) The Trustee shall deposit into the Capitalized Interest Fund the amounts required to be so deposited pursuant to the provisions of the Resolution or any Supplemental Resolution authorizing the issuance of any Series of Obligations or Parity Debt to pay the capitalized cost of interest on Obligations or Parity Debt of the Issuer.

(2) The Trustee shall pay from the Capitalized Interest Fund to the Paying Agent, on or before the date or dates on which interest on Obligations or Parity Debt becomes due, an amount equal to the interest due and payable on such Obligations or Parity Debt or, if there shall not be credited to the Capitalized Interest Fund monies in an amount equal to the amount of interest due and payable on such date or dates, all monies then on deposit in the Capitalized Interest Fund.

(3) Amounts in the Capitalized Interest Fund shall, at the direction of the Issuer, be invested in Authorized Investments. The Issuer may direct the Trustee to sell any such Authorized Investments at any time and the proceeds of such sale and of all payments of principal or interest received at maturity or upon redemption or otherwise of such Authorized Investments shall be deposited in the Capitalized Interest Fund. Earnings on money and investments in the Capitalized Interest Fund shall be transferred to the Rebate Fund to the extent directed in writing by an Authorized Officer and, in the absence of such a direction, shall remain on deposit in the Capitalized Interest Fund.

Section 505. Revenue Fund.

(1) The Issuer shall, promptly after receipt of the Transfer Tax Receipts, transfer, or cause to be transferred to the Trustee, from the TBTA Capital Lockbox Fund, the full amount of such Transfer Tax Receipts received for deposit into the Revenue Fund.

(2) Amounts in the Revenue Fund, when received by the Trustee, constituting Transfer Tax Receipts shall be promptly transferred for the following purposes and in the following order of priority:

(a) to the Senior Lien Debt Service Fund the amount, if any, required so that the amount on deposit in said Fund shall, after taking into consideration any investment earnings credited to such Fund, equal the Senior Lien Debt Service Fund Requirement;

(b) if the balance in the Senior Lien Debt Service Reserve Fund is less than the Senior Lien Debt Service Reserve Fund Requirement, to the Senior Lien Debt Service Reserve Fund the amount, if any, required so that the amount on deposit in said Fund shall equal the Senior Lien Debt Service Reserve Fund Requirement;

(c) transfer, free and clear of any lien, pledge or claim of the Resolution securing Obligations or Parity Debt, to another Person in accordance with any Supplemental Resolution or other authorizing document creating Obligation Anticipation Notes, Subordinated Indebtedness or Subordinated Contract Obligations the amount, if any, required for payment of or accrual for payment of principal of and interest on any Obligation Anticipation Notes, Subordinated Indebtedness or for payment of amounts due under any Subordinated Contract Obligation; and

(d) after the transfers made in clauses (a), (b), and (c) above, including any amounts then needed to satisfy any obligations payable from the Rebate Fund and, thereafter, any amounts then needed to satisfy any obligations payable from any rebate fund relating to any Subordinated Indebtedness or Subordinated Contract Obligations, transfer all moneys to the Issuer for deposit to the Excess Revenues Fund, which moneys shall be released from the lien of the Resolution.

(3) Amounts in the Revenue Fund shall, at the direction of the Issuer, be invested in Authorized Investments. The Issuer may direct the Trustee to sell any such Authorized Investments at any time and the proceeds of such sale and of all payments of principal or interest received at maturity or upon redemption or otherwise of such Authorized Investments shall be deposited in the Revenue Fund. Earnings on money and investments in the Revenue Fund shall be transferred to the Rebate Fund to the extent directed in writing by an Authorized Officer and, in the absence of such a direction, shall remain on deposit in the Revenue Fund.

Section 506. Senior Lien Debt Service Fund. (1) The Trustee shall deposit, upon receipt thereof, all amounts required to be deposited by the Trustee in the Senior Lien Debt Service Fund in accordance with the provisions of the Resolution or any Supplemental Resolution.

(2) The Trustee shall pay out of the Senior Lien Debt Service Fund to the respective Paying Agents (i) on or before each interest payment date for any of the Obligations or Parity Debt the amount required for the interest payable on such date unless such interest is paid from amounts on deposit in the Capitalized Interest Fund pursuant to subsection 2 of Section 504, (ii) on or before each principal payment date for any of the Obligations or Parity Debt the amount required for the principal amount (including the portion thereof payable in respect of a Parity Reimbursement Obligation) payable on such date, and (iii) on or before any redemption date for the Obligations or Parity Debt the amount required for the payment of the Redemption Price of and interest on the Obligations or Parity Debt then to be redeemed.

(3) If on any date the sum of the amounts on deposit in the Senior Lien Debt Service Fund exceeds the Senior Lien Debt Service Fund Requirement calculated as of such date (after making any transfers or payments required to be made on such date), unless needed to satisfy the Rebate Requirement and the Trustee is directed by an Authorized Officer of the Issuer to transfer such moneys to the Rebate Fund, the Trustee shall, upon direction of the Issuer, first apply any or all of such excess to cure or reduce any deficiency then existing in any Fund or Account under the Resolution, including the Senior Lien Debt Service Reserve Fund, and then transfer any and all of the remaining amount of such excess to the Excess Revenues Fund.

(4) In the event of the refunding (including in connection with any payment at maturity, redemption, purchase, tender or exchange) of any Obligations, the Trustee may withdraw from the Senior Lien Debt Service Fund all or any portion of the amounts accumulated therein with respect to the Debt Service on the Obligations being refunded and (a) deposit such amounts, free and clear of any lien, pledge or claim of the Resolution, with itself or an escrow agent to be held in trust solely for the purchase, exchange or payment of the principal or Redemption Price, if applicable, of and interest on the Obligations being refunded, (b) apply such amounts to pay the Costs of Issuance of the Refunding Obligations, or (c) deposit such amounts in any Fund or Account established hereunder; *provided, however, that* no such withdrawal or deposit shall be made unless (i) upon such refunding, the Obligations being refunded shall be deemed to have been paid within the meaning and with the effect provided in Section A-1101 and (ii) at the time of and giving effect to such withdrawal and refunding, there shall exist no deficiency in any Fund or Account established under the Resolution.

(5) Amounts in the Senior Lien Debt Service Fund shall, at the direction of the Issuer, be invested in Authorized Investments. The Issuer may direct the Trustee to sell any such Authorized Investments at any time and the proceeds of such sale and of all payments of principal or interest received at maturity or upon redemption or otherwise of such Authorized Investments shall be deposited in the Senior Lien Debt Service Fund. Earnings on money and investments in the Senior Lien Debt Service Fund shall be retained in the Senior Lien Debt Service Fund if the amount then on deposit in the Senior Lien Debt Service Fund is less than the Senior Lien Debt Service Requirement.

Section 507. Senior Lien Debt Service Reserve Fund. (1) The Trustee shall deposit, upon receipt thereof, all amounts required to be deposited in the Senior Lien Debt Service Reserve Fund pursuant to the provisions of the Resolution or any Supplemental Resolution authorizing the issuance of any Series of Obligations or Parity Debt. Moneys in the Senior Lien Debt Service Reserve Fund shall be used solely to make up deficiencies in the Senior Lien Debt Service Fund.

(2) If, on the Business Day preceding the date on which interest on or principal of Obligations or Parity Debt is due and payable, the amount in the Senior Lien Debt Service Fund is less than the amount required to be in such Fund pursuant to paragraph (2) of Section 506, the Trustee shall transfer amounts from the Senior Lien Debt Service Reserve Fund to the Senior Lien Debt Service Fund to the extent necessary to cure such deficiency.

(3) Investments in the Senior Lien Debt Service Reserve Fund shall be valued by the Issuer as provided in paragraph (3) of Section 502 following the payment of principal of and interest on Obligations and Parity Debt from the Senior Lien Debt Service Fund on the scheduled principal payment dates of each Debt Service Year, or, if such date does not fall on a Business Day, on the first Business Day thereafter. Immediately after each such valuation by the Issuer, at the direction of the Issuer, the Trustee shall transfer any excess in the Senior Lien Debt Service Reserve Fund (or any Accounts established therein) to the Senior Lien Debt Service Fund. A failure of the Issuer to perform such valuation in accordance with this paragraph shall not be deemed an Obligations Event of Default under the Resolution.

(4) In the event of the refunding (including in connection with any payment at maturity, redemption, purchase, tender or exchange) of any Obligations, the Trustee may withdraw from the

Senior Lien Debt Service Reserve Fund all or any portion of the amounts accumulated therein with respect to the Debt Service on the Obligations being refunded and (a) deposit such amounts, free and clear of any lien, pledge or claim of the Resolution, with itself or an escrow agent to be held in trust solely for the purchase, exchange or payment of the principal or Redemption Price, if applicable, of and interest on the Obligations being refunded, (b) apply such amounts to pay the Costs of Issuance of the Refunding Obligations, or (c) deposit such amounts in any Fund or Account established hereunder; provided, however, that no such withdrawal or deposit shall be made unless (i) upon such refunding, the Obligations being refunded shall be deemed to have been paid within the meaning and with the effect provided in Section A-1101 and (ii) at the time of and giving effect to such withdrawal and refunding, the amount remaining in the Senior Lien Debt Service Reserve Fund after such withdrawal shall not be less than the Senior Lien Debt Service Reserve Fund Requirement.

(5) Amounts in the Senior Lien Debt Service Reserve Fund shall, at the direction of the Issuer, be invested in Permitted Debt Service Reserve Fund Investments. The Issuer may direct the Trustee to sell any such Investments at any time and the proceeds of such sale and of all payments of principal or interest received at maturity or upon redemption or otherwise of such Permitted Debt Service Reserve Fund Investments shall be deposited in the Senior Lien Debt Service Reserve Fund. Unless needed to satisfy the Rebate Requirement and the Trustee is directed by an Authorized Officer of the Issuer to transfer such moneys to the Rebate Fund, earnings on money and investments in the Senior Lien Debt Service Reserve Fund shall be retained in the Senior Lien Debt Service Reserve Fund if the amount then on deposit in the Senior Lien Debt Service Reserve Fund is less than the Senior Lien Debt Service Reserve Fund Requirement.

Section 508. Subordinated Indebtedness; Subordinated Contract Obligations.

(1) The Issuer may, at any time, or from time to time, issue Subordinated Indebtedness or incur Subordinated Contract Obligations payable out of, and which may be secured by a pledge of and lien on, such amounts as may from time to time be available for transfer pursuant to clause (c) of subsection 2 of Section 505, on the terms and conditions as shall be specified with respect to any such Subordinated Indebtedness or Subordinated Contract Obligations by Supplemental Resolution at the time of the initial issuance of Subordinated Indebtedness or incurrence of Subordinate Contract Obligations ; *provided, however, that* (a) such pledge shall be, and shall be expressed to be, subordinate in all respects to the pledge created by the Resolution as security for the Obligations and Parity Debt and (b) to the extent provided by Supplemental Resolution, any amounts so transferred shall thereafter be free and clear of any lien, pledge or claim of the Resolution. The Issuer may establish such priorities of payment and security among Subordinated Indebtedness and Subordinated Contract Obligations as it deems appropriate in the Supplemental Resolution authorizing such Subordinated Indebtedness and Subordinated Contract Obligations.

(2) The Issuer shall have the right to covenant with Persons to whom Subordinated Contract Obligations run and with the holders from time to time of Subordinated Indebtedness in order to add to the conditions, limitations and restrictions under which any additional Capital Cost Obligations or Refunding Obligations may be issued or Parity Debt incurred; *provided, however, that* the Supplemental Resolution or indenture or other agreement providing for the issuance of such Subordinated Indebtedness or the incurrence of such Subordinated Contract Obligations shall not permit the holders of such obligations to declare the same, nor to instruct such holders' trustee

to declare the same, to be immediately due and payable prior to any time that all Obligations and Parity Debt have become due and payable.

Section 509. Rebate Fund. (1) The Rebate Fund shall be maintained by the Trustee as a fund separate from any other fund established and maintained under the Resolution and moneys in the Rebate Fund are not part of the Obligations Trust Estate. Within the Rebate Fund, the Trustee shall maintain such accounts as shall be required by the Issuer in order to comply with the terms and requirements of the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement (as defined in the Tax Certificate), for payment to the Treasury Department of the United States of America. The Issuer or the Owner of any Obligations or Parity Debt shall not have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section 509 and the Tax Certificate (which is incorporated herein by reference). Amounts in the Rebate Fund are not pledged to Owners.

(2) The Trustee shall be deemed conclusively to have complied with this Section 509 and the Tax Certificate if it follows the directions of an Authorized Officer, including supplying all necessary written information in the manner provided in the Tax Certificate, and shall have no liability or responsibility for compliance (except as specifically set forth herein or in the Tax Certificate) or to enforce compliance by the Issuer with the terms of the Tax Certificate.

(3) Upon the written direction of the Issuer, the Trustee shall deposit in the Rebate Fund amounts received from the Issuer, so that the balance on deposit therein shall be equal to the Rebate Requirement. The Issuer may authorize the Trustee to transfer moneys from the Funds and Accounts hereunder in the following order of priority to the extent not needed in such Fund and Account for the purposes of such Fund or Account: earnings and other moneys in the Senior Lien Debt Service Reserve Fund in excess of the Senior Lien Debt Service Reserve Fund Requirement; earnings and other moneys in the Senior Lien Debt Service Fund in excess of the Senior Lien Debt Service Fund Requirement; earnings in the Capitalized Interest Fund in excess of the amounts necessary therein to comply with the application of the purposes for which the deposits to the Capitalized Interest Fund were made; earnings and other moneys in the Obligations Proceeds Fund; and amounts on deposit in the Senior Lien Debt Service Reserve Fund. Computations of the Rebate Requirement shall be furnished by or on behalf of the Issuer in accordance with the Tax Certificate. The Trustee shall have no obligation to calculate the Rebate Requirement or to rebate any amounts required to be rebated pursuant to this Section 509, other than from moneys held in the Funds and Accounts and subaccounts created under the Resolution as provided herein or from amounts provided to it by the Issuer.

(4) The Trustee shall invest all amounts held in the Rebate Fund as provided in written directions of the Issuer. In issuing such directions, the Issuer shall comply with the restrictions and instructions set forth in the Tax Certificate. Moneys from the Rebate Fund may only be applied as provided in this Section 509.

(5) Upon receipt of written instructions and certification of the Rebate Requirement from an Authorized Officer, the Trustee shall pay the amount of such Rebate Requirement to the Treasury Department of the United States of America, out of amounts in the Rebate Fund, as so directed. Notwithstanding any other provisions of the Resolution, the obligation to remit the

Rebate Requirement to the United States of America and to comply with all other requirements of this Section 509 and the Tax Certificate shall survive the defeasance or payment in full of the Obligations and Parity Debt.

Section 510. Excess Revenues Fund.

(1) Moneys in the Excess Revenues Fund are not part of the Obligations Trust Estate and shall be used by the Issuer for any lawful purpose, including for the transfer to TBTA for deposit in the TBTA Capital Lockbox Fund.

(2) Amounts in the Excess Revenues Fund shall be invested in Authorized Investments. The Issuer may sell any such Authorized Investments at any time and the proceeds of such sale and of all payments of principal or interest received at maturity or upon redemption or otherwise of such Authorized Investments shall be deposited in the Excess Revenues Fund.

ARTICLE VI

PARTICULAR COVENANTS OF THE ISSUER

The Issuer covenants and agrees as follows:

Section 601. Power to Issue Obligations and Effect Pledge of Obligations Trust Estate. The Issuer is duly authorized under all applicable laws to create and issue the Obligations, adopt the Resolution and pledge the Obligations Trust Estate in the manner and to the extent provided in the Resolution. The Obligations Trust Estate, except to the extent provided in Sections 501 and 602, is and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the Resolution, and all corporate action on the part of the Issuer to that end has been and will be duly and validly taken. The Obligations and the provisions of the Resolution are and will be the legally valid and binding *special obligations* of the Issuer enforceable in accordance with their terms and the terms of the Resolution. The Issuer shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Obligations Trust Estate and all the rights of the Owners of Obligations under the Resolution against all claims and demands of all Persons whomsoever.

Section 602. Creation of Liens, Issuance of Subordinated Indebtedness, Subordinated Contract Obligations and Other Debt. The Issuer shall not issue any bonds or other evidences of indebtedness, other than the Obligations and Parity Debt as provided herein, secured by a pledge of the Obligations Trust Estate, respectively, and shall not create or cause to be created any lien or charge on the Obligations Trust Estate, except to the extent provided in Section 501; *provided, however, that* the Issuer may, at any time, or from time to time, incur Subordinated Indebtedness or enter into Subordinated Contract Obligations payable out of and which may be secured by a pledge of, such amounts as may from time to time be available for the purpose of the payment thereof in accordance with clause (c) of subsection 2 of Section 505 and the limitation set forth in subsection (1) of Section 508 and such pledge shall be, and shall be expressed to be, subordinate in all respects to the pledge created by the Resolution as security for payment of the Obligations and Parity Debt; and *provided further that* nothing contained in the Resolution shall prevent the Issuer from issuing (i) bonds, notes, or other obligations or evidences of indebtedness under another and separate resolution to finance Subordinated Obligations, or (ii) other bonds, notes, or other obligations or evidences of indebtedness under another and separate resolution payable from, among other sources, money released from the lien of the Resolution pursuant to clause (c) of subsection 2 of Section 505.

Section 603. Agreement of the State; Limited Waiver by Owners. The Issuer does hereby incorporate herein the pledges, covenants and agreements of the State with the Owners of the Obligations and Parity Debt set forth in Section 563 and Section 566-a of the TBTA Act as though set forth in full herein; provided, however, nothing contained in this Section or elsewhere in the Resolution shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the taxes or fees producing revenues for deposit in the Revenue Fund or, if applicable, the appropriations relating thereto. Notwithstanding the provisions of the agreement of the State contained in subdivisions 2 and 3 of Section 563 of the TBTA Act, all Owners, by their acceptance and holding of the Obligations and Parity Debt, consent to the construction and operation by the Issuer (or to the construction by Persons other than the

Issuer if the Issuer shall have assumed the operation thereof), and waive any and all rights under said subdivisions of said Section 563 with respect to such construction and operation, of any vehicular toll bridge or toll tunnel crossing the East River in the City of New York.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 701. Obligations Events of Default. Each of the following events is defined as and shall constitute an “Obligations Event of Default” under the Resolution:

(1) if default shall be made in the due and punctual payment of the principal or Redemption Price of, or interest on, any Obligation or Parity Debt when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise and such default shall continue for a period of 30 days, or

(2) if default shall be made by the Issuer in the performance or observance on its part of any other of the covenants, agreements or conditions contained in the Resolution or in the Obligations or Parity Debt, and such default shall continue for a period of 60 days after written notice thereof to the Issuer by the Trustee or to the Issuer and to the Trustee by the Owners of a majority in principal amount of the Obligations and Parity Debt Outstanding; provided, however, that if such default shall be such that it cannot be corrected within such 60 day period, it shall not constitute an Obligations Event of Default if corrective action is instituted within such period and diligently pursued until the failure is corrected.

Section 702. Powers of Trustee.

(1) In the event that any Obligations Event of Default specified in Section 701 shall occur and be continuing, the Trustee may, and, upon written request of the Owners of a majority in aggregate principal amount of the Obligations and Parity Debt then Outstanding, shall, in its name:

- (a) by suit, action or proceeding in accordance with the civil practice law and rules, enforce all rights of the Owners of Obligations and Parity Debt;
- (b) bring suit upon the Obligations and Parity Debt against the Issuer;
- (c) by action or suit, require the Issuer to account as if it were the trustee of an express trust for the Owners of the Obligations and Parity Debt; or
- (d) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Obligations and Parity Debt;

provided, however, under no circumstances may the Trustee or any Owner or Owners declare the principal of all the Obligations and Parity Debt then Outstanding, and the interest accrued thereon, to be due and payable immediately.

(2) Subject to the provisions of Sections 701 and A-1001 and the foregoing provisions of this Section 702, the remedies conferred upon or reserved to the Trustee in respect of any Obligations Event of Default are not intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or now or hereafter existing at law or in equity or by

statute. No delay or omission to exercise any right or power accruing upon any Obligations Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice as may be expressly required herein.

(3) The Trustee shall, in addition to the foregoing power, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incidental to the general representation of Owners of Obligations and Parity Debt in the enforcement and protection of their rights.

(4) The Issuer covenants that if an Obligations Event of Default shall have happened and shall not have been remedied, the books of record and account of the Issuer and all other records relating to the Obligations Trust Estate shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys and, upon demand of the Trustee, the Issuer will account, as if it were the trustee of an express trust, for the Obligations Trust Estate for such period as shall be stated in such demand.

(5) The right of the Trustee to the appointment of a receiver as provided in Section 567 of the TBTA Act is hereby abrogated.

Section 703. Priority of Payments After Default on Obligations and Parity Debt.

(1) In the event that the amounts held by the Fiduciaries shall be insufficient for the payment of interest and principal or Redemption Price then due on the Obligations and for payments then due with respect to Parity Debt, such funds (excluding funds held for the payment or redemption of particular Obligations or Parity Debt which have theretofore become due at maturity or by call for redemption and funds which at the time of their deposit into any fund or account under the Resolution have been designated to be applied solely to the payment of the principal of and premium, if any, and interest on any series of Obligation Anticipation Notes) and any other money received or collected by the Fiduciaries, or the Trustee, after making provision for the payment of any expenses necessary in the opinion of the Trustee to preserve the continuity of the amounts to be received under the Resolution or otherwise to protect the interest of the Owners of the Obligations and the Parity Debt, and for the payment of the charges and expenses and liabilities incurred and advances made by the Fiduciaries in the performance of their duties under the Resolution, shall be applied as follows:

(a) Unless the principal of all of the Obligations and Parity Debt shall have become due and payable:

First: To the payment to the Persons entitled thereto of all installments of interest then due with respect to Obligations and the interest components of Parity Debt in the order of the maturity of such installments and interest components, and, if the amount available shall not be sufficient to pay in full any installments and interest components due on the same date, then to the payment thereof ratably, according to the amounts due on such installments and interest components, to the Persons entitled thereto, without any discrimination or preference, except as to the

difference in the respective rates of interest specified in such Obligations and Parity Debt; and

Second: To the payment to the Persons entitled thereto of the unpaid principal or Redemption Price of any Obligations and the principal component of Parity Debt which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amount available shall not be sufficient to pay in full all the Obligations and Parity Debt due on any date, then to the payment thereof ratably, according to the amounts of principal and Redemption Price and principal component due on such date, to the Persons entitled thereto, without any discrimination or preference.

(b) If the principal of all of the Obligations and the principal component of Parity Debt shall have become due and payable, to the payment of the principal and interest then due and unpaid upon the Obligations and Parity Debt without preference or priority of principal or principal component over interest or interest component or of interest or interest component over principal or principal component, or of any installment of interest or interest component over any other installment of interest or interest component, or of any Obligation or Parity Debt over any other Obligation or Parity Debt, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Obligations and Parity Debt.

(2) The provisions of this Section 703 are in all respects subject to the provisions of Section A-602.

ARTICLE VIII

SUPPLEMENTAL RESOLUTIONS

Section 801. Supplemental Resolutions Effective Upon Filing with the Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, without the consent of or notice to any Owner which, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer, or, if adopted prior to the appointment of a Trustee pursuant to Section A-701, upon its adoption, shall be fully effective in accordance with its terms:

(a) To add to the covenants and agreements of the Issuer in the Resolution, other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(b) To surrender any right, power or privilege reserved to or conferred upon the Issuer by the Resolution;

(c) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Resolution of any additional security other than that granted or pledged under the Resolution;

(d) To add to the Resolution any provisions required to preserve the exclusion from gross income for Federal income tax purposes of interest received on Tax-Exempt Obligations then Outstanding or to be issued or the exemption of interest received on any Obligations from State income taxation or the right to receive subsidies relating to Taxable Obligations then Outstanding or to be issued;

(e) To modify, amend or supplement the Resolution in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar Federal statute hereafter in effect or to permit the qualification of the Obligations for sale under the securities laws of any of the states of the United States of America, and, if the Issuer so determines, to add hereto such other terms, conditions and provisions as may be required by said Trust Indenture Act of 1939 or similar Federal statute;

(f) At any time prior to the first authentication and delivery of any Obligations under the Resolution or at any other time when no Obligations or Subordinated Obligations are Outstanding under the Resolution, to modify the provisions of the Resolution in such manner as the Issuer deems necessary or appropriate;

(g) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution;

(h) To insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable and are not contrary to or inconsistent with the Resolution as theretofore in effect, including, in the event the Issuer Act is amended or other legislation is enacted to so provide, the substitution of an alternate or different legal

name for the current name of the Issuer or any other Related Entity in the Resolution or the form of Obligations or Subordinated Obligations;

(i) To make any other modification or amendment of the Resolution which the Issuer shall in its sole discretion determine will not have a material adverse effect on the interests of the Owners of Outstanding Obligations and owners of Other Subordinated Obligations;

(j) To authorize Obligations of a Series and, in connection therewith, (a) specify and determine the matters and things referred to in the provisions of the Resolution authorizing issuance of Obligations, and also any other matters and things relative to such Obligations which are not contrary to or inconsistent with the Resolution as theretofore in effect, (b) set forth provisions governing the administration of any Credit Facility and provisions providing for the issuance of Reimbursement Obligations or the conversion of other Obligations to Reimbursement Obligations (and in connection with such conversion to change the interest rates, sinking fund provisions or maturity date on such Obligations) to secure or reimburse the provider of such Credit Facility, (c) in the case of either Taxable Obligations or Tax-Exempt Obligations, set forth defeasance provisions with respect thereto (including the manner of attaining such defeasance and the effect thereof), and (d) make such additional changes herein, not materially adverse to the rights of the Owners of the Obligations previously issued, as are necessary or appropriate; or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first issuance and delivery of such Obligations;

(k) To authorize the issuance of Subordinated Indebtedness, including Second Lien Obligations, Second Lien Obligation Anticipation Notes, or incur Subordinated Contract Obligations without any additional approvals or consents required by Section 553(20) of the Issuer Act or any successor provision, and in connection therewith, (a) specify and determine the matters and things referred to in the provisions of the Resolution authorizing issuance of Subordinated Indebtedness, including Second Lien Obligations, Second Lien Obligation Anticipation Notes, and Subordinated Contract Obligations, and also any other matters and things relative to such Subordinated Indebtedness, including Second Lien Obligations, Second Lien Obligation Anticipation Notes, and Subordinated Contract Obligations, including provisions relating to additional bonds tests, the pledge of and lien on additional security and/or revenues for the benefit of such Subordinated Indebtedness, including Second Lien Obligations, Second Lien Obligation Anticipation Notes, and Subordinated Contract Obligations, and (b) make such additional changes herein, not materially adverse to the rights of the Owners of Obligations and Parity Debt previously issued, as are necessary or appropriate to reflect the establishment of the trust estate for such Subordinated Indebtedness, including Second Lien Obligations, Second Lien Obligation Anticipation Notes, and Subordinated Contract Obligations and issuance or incurrence of such Subordinated Indebtedness, including Second Lien Obligations, Second Lien Obligation Anticipation Notes, and Subordinated Contract Obligations and to amend, modify or rescind any such authorization, specification or determination at any time prior to the first issuance or incurrence and delivery of such Subordinated Indebtedness, including Second Lien Obligations, Second Lien Obligation Anticipation Notes, and Subordinated Contract Obligations, which are not contrary to or inconsistent

with the Resolution as theretofore in effect so long as the Issuer determines that such Supplemental Resolution authorizing such Subordinated Indebtedness, including Second Lien Obligations, Second Lien Obligation Anticipation Notes, and Subordinated Contract Obligations does not materially adversely affect the right, security and interest of the Owners of Outstanding Obligations;

(l) To authorize Obligation Anticipation Notes in accordance with Section A-203 and, in connection therewith, specify and determine the matters and things referred to in Section A-203, and also any other matters and things relative to such Obligation Anticipation Notes, which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(m) To (a) establish for any one or more Series of Obligations a debt service reserve fund which shall be permitted to be applied solely to the payment of specified Obligations, provided that (i) the specified Obligations shall have no claim or lien on nor be payable from any amounts in any other such debt service reserve fund, (ii) the specified Obligations shall be excluded from the calculation of any applicable debt service reserve fund requirement for any other Outstanding Obligations, and (iii) the amount required to be on deposit in such debt service reserve funds shall be specified in the Supplemental Resolutions authorizing the specified Obligations, but in no event shall such amount, after giving effect to any surety bond, insurance policy, letter of credit or similar obligation authorized to be deposited in any such separate debt service reserve fund pursuant to the Resolution, be in excess of the amount that would otherwise be the debt service reserve fund requirement for such specified Obligations assuming that such Obligations were the only Obligations under the Resolution; (b) provide for an additional deposit into the Senior Lien Debt Service Reserve Fund, or an account created by the Issuer therein, as additional security for the Obligations and Parity Debt; and (c) make such other amendments, changes or modifications to the Resolution as may be deemed necessary or desirable by the Issuer, to insure that such debt service reserve funds function in the manner contemplated in this subsection;

(n) To authorize Parity Debt and, in connection therewith, specify and determine (or provide procedures for an Authorized Officer to specify or determine) the matters and things referred to in subsections (4) and (6) of Section A-202, and also any other matters and things relative to such Parity Debt which are not contrary to or inconsistent with the Resolution as then in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first issuance or entering into of such Parity Debt, and at any time to rescind or limit any authorization for any such Parity Debt theretofore authorized but not issued or entered into; in connection with the authorization of Parity Reimbursement Obligations, any such Supplemental Resolution may include provisions for the availability, transferability, use or application of the Funds, Accounts and subaccounts established pursuant to Section 502 of the Resolution for the benefit of such Parity Reimbursement Obligations; and may grant to the Owners of such Parity Debt the same rights granted to Owners of Obligations in Section 802 and Article A-IX herein;

(o) To authorize Subordinated Obligations and, in connection therewith, specify and determine (or provide procedures for an Authorized Officer to specify or determine) the matters and things required or permitted by Article V of the Resolution in connection therewith, and also any other matters and things relative to such Subordinated Obligations which are not contrary to or inconsistent with the Resolution as then in effect, or at any time to amend, rescind or limit any authorization for any such Subordinated Obligations thereto be authorized but not issued or entered into; and in connection with the authorization of Subordinated Obligations, any such Supplemental Resolution may include provisions for the availability, transferability, use or application of amounts available to pay Subordinated Obligations and any other funds, accounts or subaccounts created for the benefit of such Subordinated Obligations;

(p) To modify any of the provisions of the Resolution in any respect whatsoever, provided that (i) such modification shall be, and be expressed to be, effective only after all Obligations affected thereby and Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Obligations delivered on original issuance after the date of the adoption of such Supplemental Resolution and of the Obligations issued in exchange therefor or in place thereof;

(q) To modify, amend or supplement the Resolution in any manner, not already provided for in or pursuant to the Supplemental Resolution authorizing the related Series of Obligations in order to provide for a Credit Facility or other similar arrangement with respect to any Series of Obligations, under the Resolution, so long as the Issuer determines that such Supplemental Resolution does not materially adversely affect the right, security and interest of the Owners of Outstanding Obligations;

(r) To amend or modify any Supplemental Resolution authorizing Obligations of a Series to reflect the substitution of a new Credit Facility for the Credit Facility then in effect;

(s) To close the Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained in the Resolution on, the issuance and delivery of the Obligations, or the issuance or entering into of other evidences of indebtedness;

(t) To modify, amend or supplement the Resolution, consistent with the agreement of the State set forth in Section 603 of the Resolution, to reflect or change the nature and/or manner in which the State transfers or deposits amounts to the TBTA Capital Lockbox Fund; and

(u) To modify, amend or supplement the Resolution to authorize the issuance of Obligations for any purpose for which notes, bonds or other obligations may be issued and payable from and secured by Transfer Tax Receipts deposited to the TBTA Capital Lockbox Fund as permitted by law.

In making any determination under paragraph (i) or (q) of this Section 801, the Issuer may conclusively rely upon (i) an Opinion of Counsel, (ii) opinions of other experts or professionals, or (iii) the Receipt of a Rating Confirmation in connection with the proposed modification or amendment.

Section 802. Supplemental Resolutions Effective with Consent of Owners of Obligations Owners. At any time or from time to time, a Supplemental Resolution may be adopted subject to consent by Owners of Obligations in accordance with and subject to the provisions of Article A-IX, which Supplemental Resolution, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Issuer and upon compliance with the provisions of said Article A-IX, shall become fully effective in accordance with its terms as provided in said Article A-IX.

ARTICLE IX

MISCELLANEOUS; REMEDIES

Section 901. Authority to Deliver this Resolution. An Authorized Officer of the Issuer is hereby authorized and directed to deliver this Resolution with such changes, insertions, and omissions as may be approved by such Authorized Officer and as may be required and approved by the CPRB or by such Authorized Officer prior to the issuance of the initial Series of Obligations authenticated and delivered hereunder; such delivery being conclusive evidence of such approvals; and provided, however, that such changes, insertions, and omissions shall be necessary to effectuate the intent of this Resolution.

Section 902. Effective Date. The effectiveness of the provisions of this Resolution relating to the authority of the Issuer to finance Capital Costs are subject to the receipt of the approval (or deemed approval) of the CPRB pursuant to the Issuer Act.

STANDARD RESOLUTION PROVISIONS

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STANDARD RESOLUTION PROVISIONS

ARTICLE A-I

DEFINITIONS AND STATUTORY AUTHORITY

Section A-101. Definitions. Capitalized terms used but not otherwise defined in this Annex A shall have the meanings set forth in the Resolution to which this Annex A is appended. The following terms shall, for all purposes herein and (except as the context may otherwise require) in the Resolution to which this Annex A is appended, have the following meanings:

Account or **Accounts** shall mean each account or all of the accounts established in Article V of the Resolution.

Accreted Value shall mean with respect to any Capital Appreciation Obligations (i) as of any Valuation Date, the amount set forth for such date in the Supplemental Resolution authorizing such Capital Appreciation Obligations and (ii) as of any date other than a Valuation Date, the sum of (a) the Accreted Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date and (2) the difference between the Accreted Values for such Valuation Dates. For purposes of this definition, the number of days having elapsed from the preceding Valuation Date and the number of days from the preceding Valuation Date to the next succeeding Valuation Date shall be calculated on the basis of a 360-day year of twelve (12) 30-day months, unless otherwise provided pursuant to a Supplemental Resolution.

Accrued Debt Service shall mean, as of any date of calculation, an amount equal to the sum of the amounts of accrued and unpaid Debt Service with respect to all Obligations and Parity Debt, calculating the accrued Debt Service with respect to each obligation at an amount equal to the sum of (i) as estimated by an Authorized Officer, interest on the Obligations and interest components of Parity Debt accrued and unpaid and to accrue to the end of the then current calendar month, and (ii) Principal Installments due and unpaid and that portion of the Principal Installment for such Obligations and Parity Debt next due which would have accrued (if deemed to accrue in the manner set forth in the definition of “Debt Service”) to the end of such calendar month. For purposes of calculating Senior Debt Service Fund deposits, Principal Installments shall not include amounts that an Authorized Officer has notified the Trustee are to be paid from sources other than Transfer Tax Receipts, nor shall Accrued Debt Service include any amounts that, as certified by an Authorized Officer, have been set aside hereunder or otherwise in trust for the payment thereof.

Amortized Value, when used with respect to Authorized Investments purchased at a premium above or a discount below par, shall mean the value of such Authorized Investments computed by using an industry standard constant yield method selected by an Authorized Officer of the Issuer.

Appreciated Value shall mean with respect to any Deferred Income Obligations (i) as of any Valuation Date, the amount set forth for such date in the Supplemental Resolution authorizing such Deferred Income Obligations, (ii) as of any date prior to the Interest Commencement Date

other than a Valuation Date, the sum of (a) the Appreciated Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date and (2) the difference between the Appreciated Values for such Valuation Dates, and (iii) as of any date on and after the Interest Commencement Date, the Appreciated Value on the Interest Commencement Date. For purposes of this definition, the number of days having elapsed from the preceding Valuation Date and the number of days from the preceding Valuation Date to the next succeeding Valuation Date shall be calculated on the basis of a 360-day year of twelve (12) 30-day months, unless otherwise provided pursuant to a Supplemental Resolution.

Authorized Investments shall mean and include any of the following, to the extent the same are legal for investment of the Issuer's funds:

- (i) obligations of the State or the United States government;
- (ii) obligations the timely payment of the principal and interest on which are unconditionally guaranteed by the State or the United States government;
- (iii) certificates of deposit of banks or trust companies in the State, secured, if the Issuer shall so require, by obligations of the United States or of the State of a market value equal at all times to the amount of the deposit;
- (iv) banker's acceptances with a maturity of 90 days or less which are eligible for purchase by the federal reserve banks and whose rating at the time of purchase is in the highest Rating Category of each of the Rating Agencies that then rates such banker's acceptances;
- (v) obligations of any bank or corporation created under the laws of either the United States or any state of the United States maturing within 270 days, provided that such obligations are rated in the highest Rating Category of each of the Rating Agencies that then rates such obligations;
- (vi) notes, bonds, debentures, mortgages and other evidences of indebtedness, issued or guaranteed at the time of the investment by the United States Postal Service, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Student Loan Marketing Association, the Federal Farm Credit System, or any other United States government sponsored agency, provided that at the time of the investment such agency or its obligations are rated and the agency receives, or its obligations receive, ratings in the highest Rating Category of each of the Rating Agencies that then rates such agency or its obligations;
- (vii) (A) general obligation bonds and notes of any state other than the State, provided that such bonds and notes are rated in the highest Rating Category of each of the Rating Agencies that then rates such bonds and notes, and (B) bonds and notes of any county, town, city, village, fire district or school district of the State, provided that such bonds and notes are rated in either of the 2 highest Rating Categories of each of the Rating Agencies that then rates such bonds and notes;

- (viii) mutual funds registered with the United States Securities and Exchange Commission, whose investments are limited to obligations of the State described in clause (i) above, obligations the principal and interest of which are guaranteed by the State as described in clause (ii) above, and those securities described in clause (vii) above, and that are rated in the highest Rating Category of each of the Rating Agencies that then rates such funds;
- (ix) repurchase agreements with any dealer or bank, which agreement is secured by any one or more of the securities described in clauses (i), (ii) or (vi) above, which securities shall (A) at all times have a market value of not less than the full amount held or invested pursuant to the agreement and (B) be delivered to a Bank as defined in clause (i) or (ii) of the definition thereof, as custodian, that is independent from the dealer or bank with whom the repurchase agreement is executed; and
- (x) any other investment in which the Issuer is authorized from time to time to invest under applicable law with respect to which an Authorized Officer has, on or before the date thereof, delivered to the Trustee (A) a certificate to the Trustee designating the additional investment as an Authorized Investment and (B) Rating Confirmation.

In addition to the foregoing, in the case of any money held in reserve and sinking funds “Authorized Investments” shall include any other securities in which the trustee or trustees of any public retirement system or pension fund has the power to invest the money thereof pursuant to Article four-a of the Retirement and Social Security Law of the State, each such reserve and sinking fund being treated as a separate fund for the purposes of Article four-a of the Retirement and Social Security Law of the State.

Any investment in any of the foregoing obligations may be made in the form of an entry made on the records of the issuer of the particular obligations or of a recognized securities depository.

Authorized Officer shall mean (i) the Chairman and the Vice Chairman, (ii) the Executive Director, the Comptroller, the Chief Financial Officer, the Secretary and any Assistant Secretary of the Issuer, (iii) the Chief Financial Officer, the Deputy Chief, Financial Services, the Director of Finance, and the Director of Budget and Financial Management of the MTA, and (iv) any other Person authorized by the Issuer to perform the act or sign the document in question.

Balloon Obligations shall mean Obligations which have been identified in a Certificate of Determination as a Balloon Obligation. Such Certificate of Determination shall set forth the expected refinancing, including the expected ultimate final maturity and amortization schedule of the refinancing or refinancings of such Balloon Obligation (including successor Balloon Obligations) and the Estimated Average Interest Rate for purposes of determining Calculated Debt Service of such Balloon Obligation.

Bank shall mean any (i) bank or trust company organized under the laws of any state of the United States of America, (ii) national banking association, (iii) savings bank or savings and

loan association chartered or organized under the laws of any state of the United States of America, or (iv) federal branch or agency pursuant to the International Banking Act of 1978 or any successor provisions of law, or domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America.

Business Day shall mean any day of the year other than (i) Saturday or Sunday, (ii) any day on which Banks located in New York, New York or the city in which the Principal Office of the Trustee is located are required or authorized by law to remain closed, or (iii) any day on which the New York Stock Exchange is closed.

Calculated Debt Service for any period shall mean, as of any date of calculation and with respect to any Series of Obligations or any Parity Debt, the sum of Debt Service for such period determined by the Issuer based on the following adjustments:

(1) Interest on Variable Interest Rate Obligations shall be based on the Estimated Average Interest Rate applicable thereto.

(2) Interest on any Obligation or Parity Debt in respect of which the Issuer has entered into a Qualified Swap shall be based on:

(a) the fixed rate or rates of the Qualified Swap if the Issuer has entered into what is generally referred to as a “floating-to-fixed” Qualified Swap (where the Issuer pays a fixed rate and receives a floating rate); or

(b) the lower of (i) the Estimated Average Interest Rate and (ii) the effective capped rate of any Obligation or Parity Debt if the Issuer has entered into a Qualified Swap that is generally referred to as an “interest rate cap” (where the Issuer receives a payment if a variable rate exceeds a certain amount); or

(c) the Estimated Average Interest Rate of the Qualified Swap if the Issuer has entered into either what is generally referred to as a “fixed-to-floating” Qualified Swap (where the Issuer pays a variable rate and receives a fixed rate) or a “floating-to-floating” Qualified Swap (where the Issuer pays a variable rate and receives a different variable rate).

(3) With respect to Put Obligations and Balloon Obligations of a Series (i) Principal Installments shall be deemed to amortize over a 30-year period from their date of issuance based on substantially level debt service as estimated by the Issuer, and (ii) interest shall be based on the actual interest rate or the Estimated Average Interest Rate, as applicable, or for both (i) and (ii) above, as otherwise set forth in a Supplemental Resolution or Certificate of Determination with respect to the issuance of such Obligations.

(4) If the Issuer has irrevocably deposited Authorized Investments or money with the Trustee (or otherwise in trust) for the payment of any portion of Debt Service, the expected future cash flow from such Authorized Investments and money shall be deducted from Debt Service.

(5) If the Issuer has, at any time, irrevocably called for redemption one or more Series of Obligations, including pursuant to a covenant to apply any portion of the Obligations Trust Estate to redeem Obligations or Parity Debt (which particular Obligations or Parity Debt need not be specifically identified in advance, except as to interest rate and maturity), the Issuer shall take into account such redemption for purposes of determining Calculated Debt Service.

(6) With respect to Parity Reimbursement Obligations, accelerated payments of principal shall only be taken into account if, at the time of calculation, such amounts are payable due to a draw under a credit or liquidity facility.

Capital Appreciation Obligations shall mean any Obligations denominated as such and issued as to which interest is payable only at the maturity or prior redemption of such Obligations. Except as otherwise provided by Supplemental Resolution, for the purposes of (i) receiving payment of the Redemption Price if a Capital Appreciation Obligation is redeemed prior to maturity, (ii) computing the principal amount of Obligations held by the registered owner of a Capital Appreciation Obligation in giving to the Issuer or the Trustee any notice, consent, request, or demand pursuant to the Resolution for any purpose whatsoever or (iii) computing Debt Service, the principal amount of a Capital Appreciation Obligation shall be deemed to be its Accreted Value (which in the case of clause (ii) may be the Accreted Value as of the immediately preceding Valuation Date).

Certificate of Determination shall mean a certificate of an Authorized Officer of the Issuer fixing terms, conditions and other details of Obligations, Parity Debt, Credit Facilities, Subordinated Indebtedness or Subordinated Contract Obligations in accordance with the delegation of power to do so under a Supplemental Resolution.

City shall mean The City of New York.

Costs of Issuance shall mean the costs of the authorization, sale and issuance of a Series of Obligations, Obligation Anticipation Notes, Subordinated Indebtedness, Parity Debt, Subordinated Contract Obligations or other obligations authorized under the Resolution, including with respect to any party to a transaction State bond issuance charges, document printing and reproduction costs, filing and recording fees, costs of credit ratings, fees and charges of the Trustee and other Fiduciaries and agents, legal fees and charges, professional consultants' fees, underwriting fees, fees and charges for execution, transportation and safekeeping of Obligations, premiums, fees and charges in order to obtain, renew, extend or terminate Credit Facilities and Qualified Swaps and other financial arrangements, costs and expenses of refunding such Obligations, Obligation Anticipation Notes, Subordinated Indebtedness, Parity Debt, Subordinated Contract Obligations or other obligations authorized under this Resolution, and other costs, charges and fees, including those of the Issuer and any other Related Entities, in connection with the foregoing.

Counsel's Opinion or Opinion of Counsel or Opinion shall mean an opinion signed by an attorney or firm of attorneys of recognized standing (who may be counsel to the Issuer) selected by the Issuer.

Credit Facility shall mean any letter of credit, standby bond purchase agreement, line of credit, policy of bond insurance, surety bond, guarantee or similar instrument, or any agreement relating to the reimbursement of any payment thereunder (or any combination of the foregoing), which is obtained by the Issuer and is issued by a financial institution, insurance provider or other Person and which provides security or liquidity in respect of any Outstanding Obligations, Parity Debt or Obligation Anticipation Notes.

Debt Service for any period shall mean, as of any date of calculation and with respect to any Series of Obligations or any Parity Debt outstanding, the sum of (i) interest on the Obligations of such Series and the interest components of Parity Debt accruing during such period and (ii) that portion of each Principal Installment for such Obligations and Parity Debt that would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the preceding Principal Installment payment date on Outstanding Obligations and Parity Debt; *provided, however, that*, unless otherwise set forth in a Supplemental Resolution, no Principal Installment shall be deemed to begin accruing until *the later of* one year prior to such Principal Installment's due date and the date of issuance or incurrence of the related Obligation or Parity Debt.

Debt Service Payment Date shall mean, with respect to any portion of Debt Service, the date on which the Debt Service shall be payable.

Defeasance Security shall mean

(a) an Authorized Investment as specified in clause (i) of the definition thereof (other than an obligation of the State), which is not redeemable at the option of the issuer thereof,

(b) an Authorized Investment as specified in clause (i) (which is an obligation of the State), (ii), (iii), (vi) or (vii) of the definition thereof, which is not redeemable at the option of the issuer thereof and which shall be rated at the time of the investment in the highest long-term Rating Category by each Rating Agency,

(c) any depositary receipt issued by a Bank as custodian with respect to any Defeasance Security which is specified in clause (a) above and held by such Bank for the account of the holder of such depositary receipt, or with respect to any specific payment of principal or interest on any such Defeasance Security which is so specified and held, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the Defeasance Security or the specific payment of principal or interest evidenced by such depositary receipt,

(d) any certificate of deposit specified in clause (iii) of the definition of Authorized Investments in Section A-101, including certificates of deposit issued by the Trustee or by a Paying Agent, secured by obligations specified in clause (a) above of a market value equal at all times to the amount of the deposit, which shall be rated at the time of the investment in the highest long-term Rating Category by each Rating Agency, or

(e) any other Authorized Investment designated in a Supplemental Resolution as a Defeasance Security for purposes of defeasing the Obligations authorized by such Supplemental Resolution, which is not redeemable at the option of the issuer thereof and which shall be rated at the time of the investment in the highest long-term Rating Category by each Rating Agency.

Deferred Income Obligation shall mean any Obligation (A) as to which interest accruing thereon prior to the Interest Commencement Date of such Obligation is (i) compounded on each Valuation Date for such Deferred Income Obligation and (ii) payable only at the maturity or prior redemption of such Obligations and (B) as to which interest accruing after the Interest Commencement Date is payable on the first interest payment date succeeding the Interest Commencement Date and periodically thereafter on the dates specified in or determined by Supplemental Resolution. Except as otherwise provided by Supplemental Resolution, for the purposes of (i) receiving payment of the Redemption Price if a Deferred Income Obligation is redeemed prior to maturity, (ii) computing the principal amount of Obligations held by the registered owner of a Deferred Income Obligation in giving to the Issuer or the Trustee any notice, consent, request, or demand pursuant to the Resolution for any purpose whatsoever or (iii) computing Debt Service, the principal amount of a Deferred Income Obligation shall be deemed to be its Appreciated Value (which in the case of clause (ii) may be the Appreciated Value as of the immediately preceding Valuation Date).

Estimated Average Interest Rate shall mean, as to any Variable Interest Rate Obligations or Qualified Swap and as of any date of calculation, the average interest rate or rates anticipated to be borne by such Obligations or Qualified Swap, or by the combination of such arrangements, over the period or periods for which such rate or rates are anticipated to be in effect, all as estimated by an Authorized Officer.

Fiduciary or Fiduciaries shall mean the Trustee, any Registrar, any Paying Agent, any tender agent or any or all of them, as may be appropriate, or any Person appointed to act as a Fiduciary as provided in the Resolution.

Fund or Funds shall mean each fund or all of the funds established in or pursuant to Article V of the Resolution.

Interest Commencement Date shall mean, with respect to any particular Deferred Income Obligation, the date determined by Supplemental Resolution after which interest accruing on such Obligation shall be payable on the first interest payment date succeeding such Interest Commencement Date and periodically thereafter on the dates determined pursuant to such Supplemental Resolution.

Issuer Act shall mean the MTA Act in the event that the MTA is defined in the Resolution as the Issuer or the TBTA Act in the event that the TBTA is defined in the Resolution as the Issuer, together with any other applicable law of the State authorizing the issuance of the related Obligations by the Issuer or expressly limiting the issuance thereof or governing the security therefor.

LIRR shall mean The Long Island Rail Road Company and any successor thereto.

MaBSTOA shall mean the Manhattan and Bronx Surface Transit Operating Authority and any successor thereto.

MNCRC shall mean the Metro-North Commuter Railroad Company and any successor thereto.

MTA shall mean the Metropolitan Transportation Authority, the corporation organized and existing under the MTA Act, and any successor thereto.

MTA Act shall mean the Metropolitan Transportation Authority Act, being Title 11 of Article 5 of the New York Public Authorities Law, as from time to time amended.

MTA Bus shall mean MTA Bus Company and any successor thereto.

Obligation Anticipation Notes shall mean any such notes issued and delivered pursuant to Section A-203, except to the extent (but only to the extent) that all or any portion of such notes either are not payable, or are anticipated by the Issuer not to be paid, from the proceeds of the Obligations in anticipation of which such notes are being issued.

Opinion of Bond Counsel shall mean an opinion signed by Nixon Peabody LLP, D. Seaton and Associates, P.A., P.C., Orrick, Herrington & Sutcliffe LLP, and Bryant Rabbino LLP, or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

Outstanding, when used with reference to Obligations or Obligations of a Series, shall mean, as of any date, Obligations or Obligations of such Series theretofore or thereupon to be delivered under the Resolution except:

- (i) Any Obligations canceled at or prior to such date;
- (ii) Obligations the principal and Redemption Price, if any, of and interest on which have been paid in accordance with the terms thereof;
- (iii) Obligations in lieu of or in substitution for which other Obligations shall have been delivered pursuant to Article A-III or Section A-406 or Section A-905;
- (iv) Obligations deemed to have been paid as provided in subsection 2 of Section A-1101;
- (v) Put Obligations tendered or deemed tendered in accordance with the provisions of the Supplemental Resolution authorizing such Obligations on the applicable tender date, if the Purchase Price thereof and interest thereon shall have been paid or amounts are available and set aside for such payment as provided in such Supplemental Resolution, except to the extent such tendered Put Obligations thereafter may be resold pursuant to the terms thereof and of such Supplemental Resolution; and

- (vi) For the purpose of any consent to be given or other action to be taken by or upon the direction of Owners of a specified portion of Obligations Outstanding, Obligations excluded pursuant to Section A-1111.

The principal component of any Parity Debt shall be deemed to be Outstanding in a principal amount equal to the principal amount of the obligation then owed by the Issuer thereunder in lieu of the related Obligation, regardless of the authorized amount of the principal component of such Parity Debt or the related Obligation and provided that, unless otherwise required pursuant to the related Supplemental Resolution, the principal component of such Parity Debt shall not by itself increase the Outstanding principal amount of Obligations.

Owner, or any similar terms, shall mean the registered owner of any Obligation as shown on the books for the registration and transfer of Obligations maintained in accordance with Section A-305.

Parity Debt shall mean any Parity Reimbursement Obligation, any Parity Swap Obligation or any other contract, agreement or other obligation of the Issuer designated as constituting “Parity Debt” in a certificate of an Authorized Officer delivered to the Trustee; *provided, however, that* any such Parity Reimbursement Obligation, Parity Swap Obligation, or other contract, agreement or other obligation shall not constitute Parity Debt solely to the extent of any obligations to pay termination or other fees, expenses, indemnification or other similar payments to the counterparty to such arrangement; *provided further that* Parity Reimbursement Obligations may include accelerated principal amortization provisions to the extent permitted by subsection 4 of Section A-202.

Parity Reimbursement Obligation has the meaning provided in subsection 4 of Section A-202.

Parity Swap Obligation has the meaning provided in subsection 6 of Section A-202.

Paying Agent shall mean any paying agent for the Obligations of any Series and its successor or successors and any other Person which may at any time be substituted in its place pursuant to the Resolution.

Person shall mean any individual, corporation, firm, partnership, joint venture, association, joint-stock company, trust, unincorporated association, limited liability company or other legal entity or group of entities, including any public benefit corporation, public instrumentality, quasi-governmental or governmental entity or any agency or subdivision thereof.

Principal Installments shall mean, as of any date of calculation and with respect to any Series of Obligations or any Parity Debt, as applicable, (a) the principal amount of Outstanding Obligations of such Series, due on the dates and in the amounts specified by Supplemental Resolution, reduced by the principal amount of such Obligations which would be retired by reason of the payment when due and application in accordance with the Resolution of Sinking Fund Installments payable before such dates, plus the unsatisfied balance (determined as provided in Section A-502 of the Resolution) of any Sinking Fund Installments due on any certain future date for Obligations of such Series, together with such redemption premiums, if any, applicable on any

such future date, and (b) with respect to any Parity Debt, the amount due thereunder on the dates and in the amounts established in accordance with Section A-202 as a principal component of such Parity Debt payable on a parity with the Obligations.

Principal Office of the Trustee shall mean the designated corporate trust office of the Trustee.

Purchase Price shall mean, with respect to any Obligation, 100% of the principal amount thereof plus accrued interest, if any, plus in the case of an Obligation subject to mandatory tender for purchase on a date when such Obligation is also subject to optional redemption at a premium, an amount equal to the premium that would be payable on such Obligation if redeemed on such date.

Put Obligations shall mean Obligations which by their terms may be tendered at the option of the Owner thereof, or are subject to a mandatory tender other than at the election of the Issuer or a Related Entity, for payment or purchase prior to the stated maturity or redemption date thereof.

Qualified Swap shall mean, to the extent from time to time permitted by law, with respect to Obligations, any financial arrangement (i) which is entered into by the Issuer with an entity that is a Qualified Swap Provider at the time the arrangement is entered into, (ii) which is a cap, floor or collar; forward rate; future rate; swap (such swap may be based on an amount equal either to the principal amount of such Obligations of the Issuer as may be designated or a notional principal amount relating to all or a portion of the principal amount of such Obligations); asset, index, price or market-linked transaction or agreement; other exchange or rate protection transaction agreement; other similar transaction (however designated); or any combination thereof; or any option with respect thereto, in each case executed by the Issuer for the purpose of moderating interest rate fluctuations, reducing debt service costs or creating either fixed interest rate Obligations or Variable Interest Rate Obligations on a synthetic basis or otherwise, and (iii) which has been designated in writing to the Trustee by an Authorized Officer as a Qualified Swap with respect to such Obligations.

Qualified Swap Provider shall mean an entity whose senior long term obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, or whose payment obligations under an interest rate exchange agreement are guaranteed by an entity whose senior long term debt obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, are rated either at least as high as (i) the third highest Rating Category of each Rating Agency then maintaining a rating for the Qualified Swap Provider or (ii) any such lower Rating Categories which each such Rating Agency indicates in writing to the Issuer and the Trustee will not, by itself, result in a reduction or withdrawal of its rating on the Outstanding Obligations subject to such Qualified Swap that is in effect prior to entering into such Qualified Swap.

Rating Agency shall mean each nationally recognized statistical rating organization then maintaining a rating on the Obligations at the request of the Issuer.

Rating Category shall mean one of the generic rating categories of any Rating Agency without regard to any refinement or gradation of such rating by a numerical modifier or otherwise.

Rating Confirmation shall mean evidence that no rating then in effect from a Rating Agency will be withdrawn or reduced solely as the result of an action to be taken hereunder; *provided, however, that* no action requiring Rating Confirmation shall be undertaken unless at least one Rating Agency at that time maintains a rating on Obligations.

Record Date, except as otherwise provided by Supplemental Resolution or a certificate of an Authorized Officer, shall mean the date that is fifteen (15) days immediately preceding a payment date or other date on which an action is to be taken.

Redemption Price shall mean, with respect to any Obligation, 100% of the principal amount thereof plus the applicable premium, if any, payable upon the redemption thereof pursuant to the Resolution.

Registrar shall mean any registrar for the Obligations of any Series and its successor or successors and any other Person which may at any time be substituted in its place pursuant to the Resolution.

Reimbursement Obligation has the meaning provided in subsection 4 of Section A-202.

Related Entity shall mean any of the MTA, TBTA, MaBSTOA, the Transit Authority, MNCRC, LIRR, SIRTOA, MTA Bus and any affiliate or subsidiary of any of the foregoing now or hereafter established and designated as a Related Entity by an Authorized Officer.

Responsible Officer shall mean any officer assigned to the corporate trust office of the Trustee, or any other officer of the Trustee customarily performing functions similar to those performed by any of such officers and who has direct responsibility for the administration of the Resolution, and also, with respect to a particular matter, any other officer, to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject.

Securities Depository shall mean a recognized securities depository selected by the Issuer to maintain a book-entry system in respect to all or any portion of a Series of Obligations (including, as appropriate, any nominee thereof), and shall include any substitute for or successor to the Securities Depository initially acting as Securities Depository.

Series shall mean all of the Obligations delivered on original issuance pursuant to a single Supplemental Resolution and denominated therein a single series, and any Obligations thereafter delivered in lieu of or in substitution therefor pursuant to Article A-III or Section A-406 or Section A-906, regardless of variations in maturity, interest rate, or other provisions.

Sinking Fund Installment shall mean, as of a particular date, any Sinking Fund Installment established pursuant to paragraph (m) of subsection 1 of Section A-201.

SIRTOA shall mean the Staten Island Rapid Transit Operating Authority and any successor thereto.

State shall mean the State of New York.

Subordinated Contract Obligation shall mean any payment obligation (other than a payment obligation constituting Parity Debt or Subordinated Indebtedness) arising under (a) any Credit Facility which has been designated as constituting a “Subordinated Contract Obligation” in a certificate of an Authorized Officer delivered to the Trustee, (b) any Qualified Swap or portion thereof which has been designated as constituting a “Subordinated Contract Obligation” in a certificate of an Authorized Officer delivered to the Trustee, and (c) any other contract, agreement or other obligation of the Issuer designated as constituting a “Subordinated Contract Obligation” in a certificate of an Authorized Officer delivered to the Trustee. Each Subordinated Contract Obligation shall be payable and secured in a manner permitted by Article V, and any lien on and pledge of any portion of the Obligations Trust Estate securing Subordinated Contract Obligations shall be junior and inferior to the lien on and pledge of the Obligations Trust Estate herein created for the payment of the Obligations and Parity Debt.

Subordinated Indebtedness shall mean any bond, note or other indebtedness authorized by Supplemental Resolution or other resolution of the Issuer and designated as constituting “Subordinated Indebtedness” in a certificate of an Authorized Officer delivered to the Trustee, which shall be payable and secured in a manner permitted by Article V of the Resolution, and any lien on and pledge of any portion of the Obligations Trust Estate securing Subordinated Indebtedness shall be junior and inferior to the lien on and pledge of the Obligations Trust Estate herein created for the payment of the Obligations and Parity Debt.

Supplemental Resolution shall mean any resolution supplemental to or amendatory of the Resolution adopted by the Issuer in accordance with the Resolution and, except as the context may otherwise require, including any related Certificate of Determination.

TA Act shall mean the New York City Transit Authority Act being Title 9 of Article 5 of the New York Public Authorities law, as amended from time to time.

Taxable Obligations shall mean any Obligations which are not Tax-Exempt Obligations.

Tax-Exempt Obligations shall mean any Obligations the interest on which is intended by the Issuer to be generally excluded from gross income for federal income tax purposes and which are designated as Tax-Exempt Obligations in the Supplemental Resolution authorizing such obligations.

TBTA shall mean the Triborough Bridge and Tunnel Authority, the corporation organized and existing under the TBTA Act, and any successor thereto.

TBTA Act shall mean the Triborough Bridge and Tunnel Authority Act, being Title 3 of Article 3 of the New York Public Authorities Law, as amended from time to time.

Transit Authority shall mean the New York City Transit Authority, the corporation organized and existing under the TA Act, and any successor thereto.

Transportation District shall mean the Metropolitan Commuter Transportation District created by Section 1262 of the MTA Act.

Transportation District Project shall mean any project, program or facility that the Issuer or any other Related Entity (in either case, by itself or with any other Person) is authorized from time to time by law to plan, design, acquire, establish, construct, effectuate, operate, maintain, renovate, improve, extend, rehabilitate or repair within, or for the benefit of, the Transportation District.

Trustee shall mean the trustee appointed by the Issuer pursuant to Section A-701, and its successor or successors and any other Person which may at any time be substituted in its place pursuant to the Resolution.

Valuation Date shall mean (i) with respect to any Capital Appreciation Obligations the date or dates set forth in the Supplemental Resolution authorizing such Obligations on which specific Accreted Values are assigned to the Capital Appreciation Obligations and (ii) with respect to any Deferred Income Obligations, the date or dates on or prior to the Interest Commencement Date set forth in the Supplemental Resolution authorizing such Obligations on which specific Appreciated Values are assigned to the Deferred Income Obligations.

Variable Interest Rate shall mean a variable interest rate to be borne by any Obligation. The method of computing such variable interest rate shall be specified in the Supplemental Resolution authorizing such Series of Obligations.

Variable Interest Rate Obligations shall mean Obligations which bear a Variable Interest Rate.

Section A-102. Rules of Construction.

1. Words of one gender shall be deemed and construed to include correlative words of any other gender. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations.

2. Except as otherwise specified herein, all references in the Resolution (including this Annex A) to Articles, Sections, and other subdivisions are to the corresponding Articles, Sections or subdivisions of the Resolution (including this Annex A), and the words herein, hereof, hereunder and other words of similar import refer to the Resolution as a whole (including this Annex A) and not to any particular Article, Section or subdivision of the Resolution or of this Annex A. References in the Resolution to Articles or Sections with "A-" preceding the number of an Article or Section are to such Article or Section of this Annex A.

3. This Annex A constitutes an integral part of the Resolution and, except to the extent provided in the next 2 sentences, has the same force and effect as if set forth in the forepart of the Resolution. To the extent expressly provided in the Resolution (not including this Annex A), the Issuer may negate, amend or modify any provision of this Annex A. In the event of any conflict between this Annex A and the forepart of the Resolution, the forepart of the Resolution shall control.

4. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof (including any table of contents in the Resolution), shall be

solely for convenience of reference and shall not limit or otherwise affect the meaning, construction or effect of the Resolution (including this Annex A) or describe the scope or intent of any provisions hereof.

5. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with applicable generally accepted accounting principles as in effect from time to time.

6. All references herein to resolutions, contracts or other agreements shall be deemed to include any amendments to such documents that are approved in accordance with the terms thereof and hereof.

7. Every “request,” “order,” “demand,” “application,” “appointment,” “notice,” “statement,” “certificate,” “consent,” or similar action hereunder by any party shall, unless the form thereof is specifically provided, be in writing signed by a duly authorized representative of such party with a duly authorized signature, which may be delivered and “signed” pursuant to facsimile or other electronic-mail transmission in accordance with applicable law and practice.

8. The word “or” is not exclusive.

9. The word “including” means including without limitation.

Section A-103. Authority for the Resolution. The Resolution is adopted pursuant to the Issuer Act.

Section A-104. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Obligations and Parity Debt authorized to be issued hereunder by those who are Owners of the Obligations and Parity Debt from time to time, the Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Obligations and Parity Debt; and the pledge made in the Resolution and the covenants and agreements therein set forth to be performed on behalf of the Issuer shall be for the equal benefit, protection and security of the Owners of any and all of the Obligations and Parity Debt, all of which, regardless of the time or times of their authentication, issuance and delivery, or maturity, shall be of equal rank without preference, priority or distinction of any of the Obligations or Parity Debt over any other Obligations or Parity Debt, except as expressly provided in or permitted by the Resolution.

ARTICLE A-II

GENERAL PROVISIONS FOR ISSUANCE OR INCURRENCE OF OBLIGATIONS, PARITY DEBT AND OBLIGATION ANTICIPATION NOTES

Section A-201. General Provisions for Issuance of Obligations. 1. Obligations may be issued pursuant to a Supplemental Resolution in such principal amount or amounts for each Series or subseries as may be specified in such Supplemental Resolution. Obligations of any Series or subseries shall be authorized by a Supplemental Resolution which shall specify, among other things, the following matters (or the manner of determining such matters):

(a) The authorized principal amount, designation and Series of such Obligations;

(b) The purpose or purposes for which such Obligations are being issued which shall be one or more of the purposes set forth in Section 201;

(c) The dates and the maturity dates of the Obligations of such Series;

(d) If the Obligations of such Series are interest bearing Obligations, the interest rates of the Obligations of such Series and the interest payment dates therefor;

(e) If Obligations of such Series are Capital Appreciation Obligations, the Valuation Dates for such Obligations and the Accreted Value on each such Valuation Date;

(f) If Obligations of such Series are Deferred Income Obligations, the Interest Commencement Date for such Obligations, the Valuation Dates prior to the Interest Commencement Date for such Obligations and the Appreciated Value on each such Valuation Date;

(g) If Obligations of such Series are Capital Appreciation Obligations or Deferred Income Obligations, the manner in which and the period during which principal and interest shall be deemed to accrue on such Obligations;

(h) If Obligations of such Series are Variable Interest Rate Obligations, the maximum interest rate, if any, or the method of calculating such maximum rate for such Obligations, and the provisions, if any, as to the calculation or change of Variable Interest Rates;

(i) If Obligations of such Series are Put Obligations, provisions regarding tender for purchase or redemption thereof and payment of the purchase or Redemption Price thereof;

(j) The denominations of and the manner of dating, numbering and lettering, the Obligations of such Series;

(k) The Paying Agents, if any, and the places of payment of the principal and Redemption Price, if any, of, and interest on, the Obligations of such Series;

(l) The Redemption Prices, if any, and the redemption terms, if any, for the Obligations of such Series, provided that Obligations of any maturity for which Sinking Fund Installments shall be established pursuant to paragraph (m) of this subsection 1 shall in any event be redeemable, or payable at maturity, by application of the Sinking Fund Installments for such Obligations on the due dates of such Sinking Fund Installments;

(m) The amount and due date of each Sinking Fund Installment, if any, for Obligations of like maturity of such Series;

(n) Provisions necessary to authorize, in compliance with all applicable law, Obligations of such Series to be issued in the form of Obligations issued and held in book-entry form on the books of the Issuer or any Fiduciary appointed for that purpose by the Issuer and, in connection therewith, make such additional changes in the Resolution, not adverse to the rights of the Owners of the Obligations, as are necessary or appropriate to accomplish or recognize such book-entry form Obligations and specify and determine the matters and things relative to the issuance of such book-entry form Obligations as are appropriate or necessary;

(o) To the extent applicable, the provisions relating to (a) any Credit Facility, Qualified Swap or other financial arrangement entered into in connection with the issuance of the Obligations of such Series and (b) the obligations payable thereunder;

(p) The amount, if any, to be deposited in the Obligations Proceeds Fund or any Account therein;

(q) If so determined by the Issuer, provisions for the application of any money available therefor to the purchase, exchange or redemption of Obligations of such Series and for the order of purchase, exchange or redemption of such Obligations;

(r) If so determined by the Issuer, provisions for the sale of the Obligations of such Series;

(s) The forms of the Obligations of such Series and of the Trustee's certificate of authentication if other than as provided in Section 301; and

(t) Such other matters, not contrary to or inconsistent with the Resolution, as the Issuer may deem advisable or necessary in connection with the authorization, issuance, sale, or delivery of such Series of Obligations.

An Authorized Officer to whom a Supplemental Resolution has delegated the power to determine any of the foregoing shall execute a Certificate of Determination evidencing such determinations or other actions taken pursuant to the delegation under such Supplemental Resolution, and such Certificate of Determination shall be conclusive evidence of the determinations or actions of such Authorized Officer as to the matters stated therein. The matters set forth in any such Certificate of Determination shall have the same effect as if set forth in the related Supplemental Resolution.

2. The Obligations may be sold in one or more Series or subseries (each of which shall contain a designation distinguishing it from other Series or subseries), and shall be delivered by the Issuer under the Resolution but only upon receipt by the Trustee of:

(a) An Opinion of Bond Counsel in customary form to the effect that (i) the Issuer has the right and power under the Issuer Act to adopt the Resolution, and the Resolution has been duly and lawfully adopted by the Issuer, is in full force and effect, and is valid and binding upon the Issuer, and enforceable in accordance with its terms, and no other authorization for the Resolution is required as of the date thereof; (ii) the Resolution creates the valid pledge which it purports to create of the Obligations Trust Estate in the manner and to the extent provided in Section 501; and (iii) the Obligations are valid and binding obligations of the Issuer, enforceable in accordance with their terms and the terms of the Resolution and entitled to the benefits of the Issuer Act as amended to the date of such Opinion of Bond Counsel, and (iv) such Obligations have been duly and validly authorized and issued in accordance with law and the Resolution;

(b) A copy of the Supplemental Resolution authorizing such Obligations, certified by an Authorized Officer;

(c) A written order of the Issuer as to the delivery of the Obligations, signed by an Authorized Officer;

(d) A certificate of an Authorized Officer to the effect that, upon the delivery of the Obligations of such Series (i) no event which constitutes a default under the Resolution or any of the Obligations shall have occurred and be continuing or, if such an event is continuing, upon issuance of the Obligations such default shall be cured, and (ii) no such event would result from the authentication and delivery of the Obligations of such Series;

(e) If any Obligations are Variable Interest Rate Obligations or a Qualified Swap is being entered into that will result in a variable interest rate obligation of the Issuer, a determination by an Authorized Officer of the Estimated Average Interest Rate;

(f) If any Obligations of such Series are Put Obligations, a determination by an Authorized Officer of the method or methods to be employed to provide for the purchase or redemption of all Put Obligations of such Series if the Owners thereof elected to tender for purchase or redemption the entire aggregate Outstanding principal amount of the Put Obligations of such Series; and

(g) Such further documents and money as are required by the provisions of Article II, this Article A-II or Article A-VIII.

3. If Obligations are to be listed on a domestic or foreign stock exchange, the Authorized Officers are hereby authorized to take all such actions as they deem necessary or appropriate to comply with the listing requirements of such exchange, including the appointment of a member of such exchange as listing agent, the publication where required by such exchange of all redemption notices, the appointment of a special clearing agent and paying agent, and the execution of an undertaking letter with such exchange.

4. The Obligations shall not be a debt of the State or the City and neither the State nor the City shall be liable thereon, nor shall Obligations be payable out of any funds other than those of the Issuer as provided in the Resolution.

Section A-202. Credit Facilities; Qualified Swaps and Other Similar Arrangements; Parity Debt. 1. The Issuer may include such provisions in a Supplemental Resolution authorizing the issuance of a Series of Obligations secured by a Credit Facility as the Issuer deems appropriate, and no such provisions shall be deemed to constitute an amendment to the Resolution requiring action under Article A-VIII or Article A-IX, including:

(a) So long as the Credit Facility is in full force and effect and payment on the Credit Facility is not in default, then (i) the issuer of the Credit Facility shall be deemed to be the sole Owner of the Outstanding Obligations the payment of which such Credit Facility secures or (ii) in the alternative or with respect to particular matters, the approval, consent or action of the issuer of the Credit Facility shall be required in addition to the approval, consent or action of the applicable percentage of the Owners of the Outstanding Obligations, in either case when the approval, consent or action of the Owners for such Obligations is required or may be exercised under the Resolution including Section A-903 hereof and following an Obligations Event of Default hereunder; *provided, however, that* no issuer of a Credit Facility shall be deemed to be the sole Owner of Outstanding Obligations pursuant to this provision in the event that the Credit Facility or Credit Facilities securing such Obligations provide only liquidity support.

(b) In the event that the principal, Sinking Fund Installments, if any, and Redemption Price, if applicable, and interest due on any Outstanding Obligations (or Purchase Price of any Outstanding Obligations to the extent the issuer of the Credit Facility has not been reimbursed) shall be paid under the provisions of the Credit Facility, all covenants, agreements and other obligations of the Issuer to the Owners of such Obligations shall continue to exist and such issuer of the Credit Facility shall be subrogated to the rights of such Owners in accordance with the terms of such Credit Facility.

2. In addition, such Supplemental Resolution may establish such provisions as are necessary (i) to comply with the provisions of each such Credit Facility, (ii) to provide relevant information to the issuer of the Credit Facility, (iii) to provide a mechanism for paying Principal Installments and interest on Obligations secured by the Credit Facility, and (iv) to make provision for any events of default or for additional or improved security required by the issuer of a Credit Facility.

3. The Issuer may enter into such agreements with the issuer of such Credit Facility providing for, *inter alia*: (i) the payment of fees and expenses to such issuer for the issuance of such Credit Facility, (ii) the terms and conditions of such Credit Facility and the Obligations affected thereby, and (iii) the security, if any, to be provided for the issuance of such Credit Facility.

4. The Issuer may secure such Credit Facility by an agreement providing for the purchase of the Obligations secured thereby with such adjustments to the rate of interest, method of determining interest, maturity, or redemption provisions as specified by the Issuer in the

applicable Supplemental Resolution. The Issuer may also in an agreement with the issuer of such Credit Facility agree to directly reimburse such issuer for amounts paid under the terms of such Credit Facility (together with interest thereon, the **“Reimbursement Obligation”**); *provided, however, that* no amounts shall be payable by the Issuer under a Reimbursement Obligation for purposes of the Resolution, until amounts are paid under such Credit Facility by the issuer thereof. As determined by Supplemental Resolution, any such Reimbursement Obligation, which may include interest calculated at a rate higher than the interest rate on the related Obligation and accelerated principal amortization, (i) may be secured by a pledge of, and a lien on, the Obligations Trust Estate on a parity with the lien created by Section 501 of the Resolution to secure the Obligations (a **“Parity Reimbursement Obligation”**), but only to the extent that (prior to any acceleration of all Obligations, if permitted) any principal amortization requirements are *either* (A) commensurate with the amortization requirements for such related Obligations, without acceleration or (B) accelerated to no greater extent than to require repayment in equal principal installments over 5 or more years, or (ii) may constitute a Subordinated Contract Obligation, as determined by the Issuer. Parity Reimbursement Obligations shall not include any payments (other than interest calculated at a higher rate pursuant to a Credit Facility) (i) of any fees or expenses, (ii) pursuant to any indemnification provisions or (iii) pursuant to term-loan or other principal amortization requirements in reimbursement of any such advance that are more accelerated than permitted by clauses (A) and (B) of the preceding sentence, and any such payments of the items specified in clauses (i), (ii) or (iii) shall constitute Subordinated Contract Obligations.

5. Any such Credit Facility shall be for the benefit of and secure such Obligations or portion thereof as specified in any applicable Supplemental Resolution.

6. In connection with the issuance of any Obligations or at any time thereafter so long as Obligations remain Outstanding, the Issuer may, to the extent permitted pursuant to law, from time to time enter into Qualified Swaps. The Issuer’s obligation to pay any amount under *any* Qualified Swap may be secured by a pledge of, and a lien on, the Obligations Trust Estate on a parity with the lien created by Section 501 of the Resolution to secure the Obligations (a **“Parity Swap Obligation”**), or may constitute a Subordinated Contract Obligation, as determined by the Issuer. Parity Swap Obligations shall not include any payments of any termination or other fees, expenses, indemnification or other obligations to a counterparty to a Qualified Swap, which payments shall be Subordinated Contract Obligations.

7. Parity Debt shall not be a debt of the State or the City and neither the State nor the City shall be liable thereon, nor shall Parity Debt be payable out of any funds other than those of the Issuer pledged therefor pursuant to the Resolution.

8. Except to the extent that an Authorized Officer directs that such amounts be deposited in any other Fund or Account pledged to the payment of Obligations, any amounts paid to the Issuer under a Qualified Swap shall be deposited in the Senior Debt Service Fund.

9. To the extent applicable and not readily apparent with respect any Parity Debt, either the terms of such Parity Debt shall specify (or an Authorized Officer shall specify in writing) the interest and principal components of, or the scheduled payments corresponding to principal and interest under, such Parity Debt or the manner of determining the foregoing.

Section A-203. Obligation Anticipation Notes. Whenever the Issuer shall have, by Supplemental Resolution, authorized the issuance of a Series of Obligations, the Issuer may by resolution authorize the issuance of Obligation Anticipation Notes in anticipation of the issuance of such authorized Series of Obligations, in a principal amount not exceeding the principal amount of the Obligations of such Series so authorized. The principal of and premium, if any, and interest on such Obligation Anticipation Notes and any renewals of such Obligation Anticipation Notes shall be payable only from any or all of the following items designated by the Issuer at or prior to issuance of any such series of Obligation Anticipation Notes (i) the proceeds of any renewals of such Obligation Anticipation Notes issued to repay such Obligation Anticipation Notes, (ii) the proceeds of the sale of the Series of Obligations in anticipation of which such Obligation Anticipation Notes are issued, (iii) amounts available to pay Subordinated Indebtedness, or (iv) any other money available therefor and not pledged under the Resolution. Such proceeds and other amounts set forth in clauses (i), (ii), (iii) and (iv) may be pledged for the payment of the principal of and premium, if any, and interest on such Obligation Anticipation Notes, and any such pledge of the items set forth in clauses (i) and (ii) shall have priority over any other pledge created by the Resolution, including Section 501. In any case, such Obligation Anticipation Notes shall be retired or provision shall be made for their retirement not later than the date of authentication and delivery of the Series of Obligations in anticipation of which they are issued. The proceeds of the sale of Obligation Anticipation Notes other than renewals thereof shall be applied to the purposes for which the Obligations in anticipation of which such Obligation Anticipation Notes are authorized and shall be deposited in the appropriate Fund or Account established by the Resolution for such purposes or, if so provided in the resolution authorizing renewals of Obligation Anticipation Notes issued to pay outstanding Obligation Anticipation Notes, applied directly to such payment. Investment earnings from any amounts on deposit in any Fund or Account under the Resolution representing the proceeds of any Obligation Anticipation Notes shall be applied in the manner set forth in the resolution authorizing such Obligation Anticipation Notes.

ARTICLE A-III

GENERAL TERMS AND PROVISIONS OF OBLIGATIONS

Except as otherwise provided by Supplemental Resolution, the Obligations shall be subject to the terms and provisions of these Standard Resolution Provisions.

Section A-301. Medium of Payment; Form and Date.

1. The Obligations and Parity Debt shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts (or to the extent permitted by law, in any other coin or currency authorized pursuant to a Supplemental Resolution for related Obligations and Parity Debt).

2. Obligations shall be issued in the form of fully registered Obligations without coupons. Obligations, the certificate of authentication, if any, and the form of assignment shall be in substantially the form provided for in Exhibit One with such appropriate variations, omissions, substitutions and insertions as are permitted or required hereby or thereby or are required by law, and may have such letters, numbers or other marks of identification and such legends and endorsements placed thereon as may be required to comply with any applicable laws or rules or regulations, or as may, consistent herewith, be determined by the officers executing such Obligations, as evidenced by their execution of the Obligations. Any portion of the text of any Obligation may be set forth on the reverse thereof, with an appropriate reference thereto on the face of such Obligation, or as multiple pages (with or without such a reference). Obligations may be typewritten, printed, engraved, lithographed or otherwise produced.

3. Obligations shall be dated, and shall bear or not bear interest, as provided in the Supplemental Resolution authorizing such Obligations.

Section A-302. Legends. Obligations may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of the Resolution as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, or otherwise, as may be determined by the Issuer.

Section A-303. Execution and Authentication.

1. The Obligations shall be executed in the name of the Issuer by the manual or facsimile signature of an Authorized Officer or in such other manner as may be required by law or specified in a Supplemental Resolution. In case any of the officers who shall have signed any of the Obligations shall cease to be such officer before the Obligations so signed shall have been actually delivered, such Obligations may, nevertheless, be delivered as herein provided, and may be issued as if the Persons who signed such Obligations had not ceased to hold such offices. Any Obligation may be signed on behalf of the Issuer by such Persons as at the actual time of the execution of such Obligation shall be duly authorized or hold the proper office in the Issuer, although at the date of the Obligations such Persons may not have been so authorized or have held such office.

2. Obligations of each Series shall bear thereon a certificate of authentication, executed manually by the Trustee. Only such Obligations as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under the Resolution and no Obligation shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Obligation executed on behalf of the Issuer shall be conclusive evidence that the Obligation so authenticated has been duly authenticated and delivered under the Resolution and that the Owner thereof is entitled to the benefits of the Resolution.

Section A-304. Interchangeability of Obligations. Obligations, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Owner or his duly authorized attorney, may, at the option of such Owner, be exchanged for an equal aggregate principal amount of Obligations of the same Series, maturity and interest rate of any other authorized denomination.

Section A-305. Negotiability, Transfer and Registry. All the Obligations issued under the Resolution shall be negotiable, subject to the provisions for registration and registration of transfer contained in the Resolution and in the Obligations. So long as any of the Obligations shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and registration of transfer of Obligations; and, upon presentation thereof for such purpose at said office and under such reasonable regulations as it or the Registrar may prescribe, the Issuer shall register or cause to be registered therein, and permit to be transferred thereon, the registration of any Obligation entitled to registration or registration of transfer. So long as any of the Obligations remain Outstanding, the Issuer shall make all necessary provision to permit the exchange of Obligations at the office of the Registrar.

Section A-306. Transfer of Obligations.

1. The transfer of each Obligation shall be registerable only upon the books of the Issuer, which shall be kept by the Registrar, by the Owner thereof in person or by his attorney authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar executed by the Owner or his authorized attorney. Upon the registration of transfer of any such Obligation, the Issuer shall issue in the name of the transferee a new Obligation of the same aggregate principal amount, Series, maturity and interest rate as the surrendered Obligation.

2. The Issuer and each Fiduciary may deem and treat the Person in whose name any Outstanding Obligation shall be registered upon the books of the Issuer as the absolute owner of such Obligation, whether such Obligation shall be overdue or not, for the purpose of receiving payment of or on account of, the principal and Redemption Price, if any, of and interest on such Obligation and for all other purposes, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Obligation to the extent of the sum or sums so paid, and neither the Issuer nor any Fiduciary shall be affected by any notice to the contrary. The Issuer agrees to indemnify and save each Fiduciary harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, unless acting in bad faith or with negligence under the Resolution, in so treating such registered owner.

Section A-307. Regulations With Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging Obligations or registering the transfer of Obligations is exercised, the Issuer shall execute and the Registrar shall deliver Obligations in accordance with the provisions of the Resolution. All Obligations surrendered in any such exchanges or registrations of transfer shall forthwith be canceled by the Registrar. For every such exchange or registration of transfer of Obligations, whether temporary or definitive, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

Section A-308. Obligations Mutilated, Destroyed, Stolen or Lost. In case any Obligation shall become mutilated or be destroyed, stolen or lost, the Issuer shall execute, and thereupon the Trustee and Registrar shall deliver, a new Obligation of like tenor, Series, maturity, interest rate and principal amount as the Obligation so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Obligation, upon surrender and cancellation of such mutilated Obligation, or in lieu of and substitution for the Obligation destroyed, stolen or lost, upon filing with the Trustee and Registrar evidence satisfactory to the Issuer and the Trustee and Registrar that such Obligation has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Issuer and the Trustee and Registrar with indemnity satisfactory to them and complying with such other reasonable regulations as the Issuer and the Trustee and Registrar may prescribe and paying such expenses as the Issuer and Trustee and Registrar may incur. All Obligations so surrendered to the Registrar shall be canceled by it. If any such Obligation shall have matured, or if such Obligation shall have been called for redemption or a redemption date pertaining thereto shall have passed, instead of issuing a new Obligation the Issuer may cause the same to be paid without surrender thereof upon indemnity satisfactory to the Issuer and the Trustee. Any such new Obligations issued pursuant to this Section in substitution for Obligations alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Issuer, whether or not the Obligations so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Obligations issued under the Resolution, in any money or securities held by the Issuer or the Fiduciary for the benefit of the Owners of Obligations.

Section A-309. Book-Entry-Only System. The Issuer may employ a book-entry-only system of registration with respect to any Obligations and may utilize the procedures regarding such registration set forth in this Section A-309, as such procedures may be modified or superseded pursuant to the Supplemental Resolution authorizing such Obligations. Any provisions of the Resolution inconsistent with book-entry-only Obligations shall not be applicable to such book-entry-only Obligations.

Any Authorized Officer is hereby authorized to take all actions required for each Series of Obligations to be eligible under the rules and regulations of The Depository Trust Company (“DTC”) for investment and trading as uncertificated securities. DTC is hereby appointed as the initial Securities Depository for the Obligations, with Cede & Co., a nominee thereof, being the initial registered owner of the Obligations. In the event that any Securities Depository resigns or is removed, any Authorized Officer may select a substitute Securities Depository. The Issuer and any Fiduciary, and any agent of the Issuer or any Fiduciary, may treat any Securities Depository in whose name any Obligations is registered as the owner of such Obligation for all purposes under the Resolution. For so long as the Securities Depository is the registered owner of the Obligations,

procedures with respect to the transmission of notices and the transfer of ownership of, redemption of and payment of principal or Redemption Price, if any, of and interest on such Obligations so held shall be in accordance with arrangements among the Trustee, the Issuer and the Securities Depository.

So long as the Obligations are registered in the name of the Securities Depository, the Issuer and the Trustee shall have no responsibility or obligation to any Securities Depository participant, indirect participant or beneficial owner of the Obligations. Without limiting the immediately preceding sentence, the Issuer and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of any Securities Depository or any Securities Depository participant or indirect participant with respect to any beneficial ownership interest in the Obligations, (ii) the delivery to any Securities Depository participant, indirect participant, beneficial owner or any other person, other than the Securities Depository, of any notice with respect to the Obligations, including any notice of redemption or tender, or (iii) the payment to any Securities Depository participant, indirect participant, beneficial owner or any other person, other than the Securities Depository, of any amount with respect to the principal of or Redemption Price or interest on the Obligations.

The Issuer, in its sole discretion and without the consent of any other person, may terminate the services of any Securities Depository with respect to any Series of Obligations. Notice of such termination shall be given by the Issuer to the Trustee prior to or simultaneously with such termination. In the event the book-entry only system is discontinued with respect to the Obligations, principal and Redemption Price of and interest on the Obligations shall be paid as provided in the Resolution.

Consistent with DTC book-entry provisions, one or more typewritten certificates shall be prepared for each maturity of the Obligations of a Series and registered in the name of the Securities Depository. There shall be no physical distribution of bond or other certificates to beneficial owners of such Obligations. In the event that the Obligations do not qualify to be held by the Securities Depository or that either the Issuer determines to discontinue the book-entry only system or DTC determines to discontinue providing its service with respect to the Obligations and there is no successor Securities Depository, the bond or other certificates shall be delivered in the form required by the Resolution.

Unless otherwise directed by an Authorized Officer, "CUSIP" identification numbers will be imprinted on the Obligations, but such numbers shall not constitute a part of the contract evidenced by the Obligations and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the Obligations. As a convenience to the Owners of the Obligations, the Issuer and the Trustee may use such CUSIP numbers in any notices to the Owners of the Obligations, including any notices of redemption of the Obligations. Failure on the part of the Issuer or the Trustee to use such CUSIP numbers in any notice to Owners of the Obligations shall not constitute an Obligations Event of Default or any similar violation of the Issuer's contract with such Owners. The Issuer will promptly notify the Trustee of any change in the CUSIP numbers.

ARTICLE A-IV

REDEMPTION AND TENDER OF OBLIGATIONS

Section A-401. Privilege of Redemption and Redemption Price. Except as otherwise provided in the Resolution or a Supplemental Resolution, Obligations subject to redemption pursuant to a Supplemental Resolution shall be subject to redemption only in accordance with this Article A-IV.

Obligations subject to redemption prior to maturity pursuant to a Supplemental Resolution shall be redeemable, upon written notice as provided in this Article A-IV, at such times, at such Redemption Prices and upon such terms as may be specified in the Supplemental Resolution authorizing such Obligations.

Section A-402. Redemption at the Election of the Issuer; Tender to Related Entities. In the case of any redemption of Obligations at the election of the Issuer, the Issuer shall give written notice to the Trustee of its election so to redeem, of the redemption date, of the Series, of the principal amounts of the Obligations of each maturity and interest rate of such Series to be redeemed (which Series, maturities, interest rates and principal amounts thereof to be redeemed shall be determined by the Issuer in its sole discretion, subject to any limitations with respect thereto contained in any Supplemental Resolution). Such notice shall be given at least 45 days prior to the redemption date or such shorter period as may be provided in the Supplemental Resolution or as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as in Section A-405 provided but subject to the second paragraph of Section A-405, the Issuer shall on or prior to the redemption date cause to be paid out to the appropriate Paying Agent or Paying Agents out of money available therefor an amount in cash which, in addition to other money, if any, available therefor held by such Paying Agent or Paying Agents, will be sufficient to redeem on the redemption date at the Redemption Price thereof, all of the Obligations to be redeemed.

The Issuer may, in its sole discretion, purchase or grant to any Related Entity the option to purchase, at any time and from time to time, any Obligations which are redeemable at the election of the Issuer at a purchase price equal to the redemption price therefor. To exercise any such option, the Issuer or the Related Entity shall give the Trustee a written request exercising such option within the time periods specified in the related Supplemental Resolution as though such written request were a written request of the related Issuer for redemption, and the Trustee shall thereupon give the Owners of the Obligations to be purchased notice of such purchase in the manner specified in the related Supplemental Resolution as though such purchase were a redemption. On the date fixed for purchase pursuant to any exercise of such an option, the Issuer or the Related Entity shall pay the purchase price of the Obligations then being purchased to the Trustee in immediately available funds, and the Trustee shall pay the same to the sellers of such Obligations against delivery thereof. Following such purchase, the Trustee shall cause such Obligations to be registered in the name of the Issuer or the Related Entity or its nominee and shall deliver them to the Issuer, the Related Entity or its nominee. Except to the extent otherwise directed by an Authorized Officer, no purchase of Obligations pursuant to such an option shall operate to extinguish the indebtedness of the Issuer evidenced thereby. Any such option to purchase by a Related Entity either shall be conditioned on the provision of sufficient money

therefor by the Related Entity or shall be an obligation of the Issuer in the event that the Related Entity does not provide sufficient money therefor.

Section A-403. Redemption Otherwise Than at the Issuer's Election. Whenever by the terms of the Resolution Obligations are required to be redeemed otherwise than at the election of the Issuer, the Trustee shall select the Obligations to be redeemed, give the notice of redemption and pay out of money available therefor the Redemption Price to the appropriate Paying Agents in accordance with the terms of this Article A-IV. The Trustee shall have no liability in making such selection.

Section A-404. Selection of Obligations to Be Redeemed. In the event of redemption of less than all the Outstanding Obligations of like tenor, Series, maturity and interest rate, the Trustee shall select, as directed by the Issuer (as to the timing of such selection, manner of such selection or otherwise) or otherwise in such manner as the Trustee in its discretion shall deem appropriate and fair, the numbers of the Obligations to be redeemed and portions of any thereof to be redeemed in part. Obligations of denominations equal or less than the minimum authorized denomination thereof may be redeemed only as a whole. Obligations of denominations of more than the minimum authorized denomination thereof may be redeemed either as a whole or in part (which, if redeemed in part, must assure that the portion of the Obligation which is not redeemed is an authorized denomination). For the purposes of this Section A-404, Obligations, or portions thereof, which have theretofore been selected for redemption shall not be deemed Outstanding.

Section A-405. Notice of Redemption. When the Trustee shall receive notice from the Issuer of its election to redeem Obligations pursuant to Section A-402, and when redemption of Obligations is required by the Resolution pursuant to Section A-403, the Trustee shall give notice, in the name of the Issuer, of the redemption of such Obligations, which notice shall specify the Series (including CUSIP numbers), maturities and, if any maturity shall include Obligations bearing different interest rates and all Obligations of such maturity are not being redeemed, the interest rate of the Obligations to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Obligations of any like tenor, Series, maturity and interest rate are to be redeemed, the letters and numbers or other distinguishing marks of such Obligations so to be redeemed, and, in the case of Obligations to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed, and, if applicable, that such notice is conditional and the conditions that must be satisfied. Such notice shall further state that on such date there shall become due and payable upon each Obligation to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Obligations to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Such notice shall be given not less than 20 days nor more than 45 days, or for such other period as may be specified in a Supplemental Resolution authorizing a particular Series, before the redemption date, to the Owners of any Obligations or portions of Obligations which are to be redeemed. Failure so to give any such notice to any particular Owner shall not affect the validity of the proceedings for the redemption of Obligations not owned by such Owner and failure of any Owner to receive such notice shall not affect the validity of the proposed redemption of Obligations. The Issuer may provide notices of redemption at such additional times as it may determine necessary or appropriate.

Any notice of optional redemption given pursuant to this Section may state that it is conditional upon receipt by the Trustee of money sufficient to pay the Redemption Price of such Obligations or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such Redemption Price if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Trustee to affected Owners of Obligations as promptly as practicable upon the failure of such condition or the occurrence of such other event.

Unless otherwise provided by Supplemental Resolution, notices of redemption shall be sent by first class mail, postage prepaid.

Notice of redemption of any Series of Obligations shall also be sent by the Trustee to such additional Persons as may be specified in the Supplemental Resolution authorizing such Series.

Section A-406. Payment of Redeemed Obligations. Notice having been given in the manner provided in Section A-405, the Obligations or portions thereof so called for redemption shall, subject to the second paragraph of Section A-405, become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Obligations, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date. If there shall be called for redemption less than all of an Obligation, the Issuer shall execute and cause to be delivered, upon the surrender of such Obligation, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Obligation so surrendered, at the option of the owner thereof, Obligations of like tenor, Series, maturity and interest rate in any of the authorized denominations. If, on the redemption date, money for the redemption of all the Obligations or portions thereof of any like tenor, Series, maturity and interest rate to be redeemed, together with interest to the redemption date, shall be held by the Paying Agents so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Obligations or portions thereof of such Series, maturity and interest rate so called for redemption shall cease to accrue. If said money shall not be so available on the redemption date, such Obligations or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

ARTICLE A-V

INVESTMENT OF FUNDS; SINKING FUND INSTALLMENTS; CANCELLATION AND DISPOSITION OF OBLIGATIONS

Section A-501. Investment of Funds.

1. Subject to the provisions of Section A-1104, amounts in the Funds and Accounts established by Section 502 of the Resolution may be invested only in Authorized Investments and only when and as specifically directed in writing by an Authorized Officer.

2. The Trustee or the Issuer shall sell any Authorized Investments held in any Fund, Account or subaccount to the extent required for payments from such Fund, Account or subaccount. The proceeds of such sales, and of all payments at maturity or upon redemption of such investments, shall be held in the applicable Fund, Account or subaccount to the extent required to meet the requirements of such Fund, Account or subaccount. Except as provided by Supplemental Resolution, in computing the amount of such Funds, Accounts and subaccounts, investments shall be valued at par, or if purchased at other than par, shall be valued at Amortized Value. Accrued interest received upon the sale of any Authorized Investment to the extent such amount exceeds any accrued interest paid on the purchase of such Authorized Investment shall be treated as interest earned on such Authorized Investment for purposes of this Section.

3. Nothing in the Resolution shall prevent any Authorized Investments acquired as investments of or security for any Fund, Account or subaccount held under the Resolution from being held in book-entry form.

4. In making any investment in any Authorized Investments with money in any Fund or Account established under the Resolution, the Trustee or the Issuer may combine such money with money in any other Fund or Account held by it, but solely for purposes of making such investment in such Authorized Investments.

Section A-502. Satisfaction of Sinking Fund Installments.

1. Any amount accumulated in the Senior Debt Service Fund in respect of and up to the unsatisfied balance of each Sinking Fund Installment shall be applied by the Trustee to either (a) or (b) below as directed by the Issuer (together with amounts accumulated in the Senior Debt Service Fund with respect to interest on the Series of Obligations for which such Sinking Fund Installment was established) if so directed by an Authorized Officer prior to the 45th day preceding the due date of such Sinking Fund Installment as follows:

(a) to the purchase of Obligations for which such Sinking Fund Installment was established, at prices (including any brokerage and other charges) not exceeding the principal amount of such Obligations plus unpaid interest accrued to the date of purchase, such purchases to be made in such manner as the Issuer shall direct; or

(b) to the redemption of Obligations for which such Sinking Fund Installment was established, if then redeemable by their terms at the prices referred to in clause (a) of this subsection 1 of this Section A-502.

All Obligations so purchased or redeemed shall be canceled by the Trustee prior to the 45th day preceding the due date of such Sinking Fund Installment.

2. Upon the purchase or redemption of any Obligation pursuant to subsection 1 of this Section, an amount equal to the principal amount of the Obligations so purchased or redeemed shall be credited toward the next Sinking Fund Installment thereafter to become due with respect to the Obligations of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Installment shall be credited by the Trustee against future Sinking Fund Installments for such Series as specified by an Authorized Officer. Prior to the purchase or redemption of such Obligations, the Issuer shall deliver to the Paying Agent and to the Trustee a certificate of an Authorized Officer specifying (i) the principal amount, Series, maturity, interest rate and numbers of the Obligations so to be purchased or redeemed, (ii) the date and Series of the Sinking Fund Installment in satisfaction of which such Obligations are so to be purchased or redeemed, (iii) the aggregate principal amount of the Obligations so to be purchased or redeemed, and (iv) the unsatisfied balance of each such Sinking Fund Installment after giving effect to the delivery of such Obligations.

3. In satisfaction, in whole or in part, of any Sinking Fund Installment, the Issuer may deliver to the Trustee at least 45 days prior to the date of such Sinking Fund Installment, for cancellation, Obligations acquired by purchase or redemption, except Obligations acquired by purchase or redemption pursuant to the provisions of subsection 1 of this Section, of the maturity and interest rate entitled to such Sinking Fund Installment. All Obligations so delivered to the Trustee in satisfaction of a Sinking Fund Installment shall reduce the amount thereof by the amount of the aggregate principal amount of such Obligations. Concurrently with such delivery of such Obligations the Issuer shall deliver to the Paying Agent and to the Trustee a certificate of an Authorized Officer, specifying (i) the principal amount, Series, maturity, interest rate and numbers of the Obligations so delivered, (ii) the date and Series of the Sinking Fund Installment in satisfaction of which such Obligations are so delivered, (iii) the aggregate principal amount of the Obligations so delivered, and (iv) the unsatisfied balance of each such Sinking Fund Installment after giving effect to the delivery of such Obligations.

4. The Trustee shall, upon receipt of the notice and in the manner required by the Resolution, call for redemption, on the date of each Sinking Fund Installment falling due prior to maturity, such principal amount of Obligations of the Series, interest rate and maturity entitled to such Sinking Fund Installment as is required to exhaust the unsatisfied balance of such Sinking Fund Installment.

Section A-503. Cancellation and Disposition of Obligations. All Obligations that have been paid (whether at maturity or by acceleration, call for redemption, purchase by the Issuer and presentation for cancellation, or otherwise) or delivered to the Trustee for cancellation shall be canceled and not reissued, except as otherwise provided in a Supplemental Resolution with respect to Put Obligations. Unless otherwise directed by the Issuer, the Trustee shall treat canceled Obligations in accordance with its document retention policies. Notwithstanding any other

provision of the Resolution, the Issuer may in its sole discretion purchase any obligations of the Issuer or any Related Entity for investment purposes and any such obligations shall remain outstanding unless and until presented for cancellation.

ARTICLE A-VI

PARTICULAR COVENANTS OF THE ISSUER

The Issuer covenants and agrees with the Trustee and the Owners of Obligations as follows:

Section A-601. Payment of Obligations and Parity Debt. The Issuer shall duly and punctually pay or cause to be paid from the Obligations Trust Estate as provided in the Resolution the principal or Redemption Price, if any, of every Obligation and the interest thereon and all Parity Debt, at the dates and places, and in the manner provided in the Obligations and Parity Debt, according to the true intent and meaning thereof.

Section A-602. Extension of Payment of Obligations. The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Obligations or the time of payments of any claims for interest by the purchase or funding of such Obligations or claims for interest or by any other arrangement and in case the maturity of any of the Obligations or the time for payment of such claims for interest shall be extended, such Obligations or claims for interest shall not be entitled, in case of any Obligations Event of Default, to the benefit of the Resolution or to any payment out of the Obligations Trust Estate, except subject to the prior payment of the principal of all Obligations Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Obligations as shall not be represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the Issuer (i) to issue refunding obligations as provided in the Resolution and such issuance shall not be deemed to constitute an extension of maturity of the Obligations, (ii) to issue Put Obligations and neither such issuance nor the operation of the provisions of such Put Obligations shall be deemed to constitute an extension of maturity of the Obligations, (iii) to apply any amount in any Fund held under the Resolution for such purpose to the purchase or redemption of Obligations or (iv) to issue securities having a maturity date, including any extension of maturity contemplated at the time of issuance, of no more than 270 days from the issue date.

Section A-603. Offices for Servicing Obligations. Except as otherwise provided in the Resolution, the Issuer shall at all times maintain one or more offices or agencies in the City and State of New York where Obligations may be presented for payment, registration, transfer or exchange, and where notices, demands and other documents may be served upon the Issuer in respect of the Obligations or of the Resolution. The Issuer may appoint the Trustee or any other Fiduciary as its agent to maintain such office or agency for the payment, redemption, registration, transfer or exchange of Obligations and for the service upon the Issuer of such notices, demands and other documents. The Issuer may also maintain one or more offices or agencies outside of the City or State for the same purposes.

Section A-604. Further Assurance. To the extent permitted by law, the Issuer from time to time shall make, do, execute, adopt, acknowledge and deliver, and take all and every such further acts, deeds, conveyances, assignments, resolutions, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights and interests in the Obligations Trust Estate or assigned, or intended so to be, or which the Issuer may become bound to pledge or assign.

Section A-605. Accounts and Reports.

1. The Issuer shall keep proper books of record and account of its operations. Such books of account are to be audited at least annually by independent certified public accountants experienced in governmental accounting selected by the Issuer. A copy of each audit report, annual balance sheet and income and expense statement shall be filed with the Trustee and sent to any Owner filing with the Issuer a written request therefor.

2. The Issuer shall annually, within 6 months after the close of each fiscal year or at such other time required under applicable law or a subsequent contract with all or certain Owners (or, if not available by such date, when and if available), file with the Trustee, and otherwise as provided by law, a copy of an annual report for such year, accompanied by the opinion of the accountants specified in subsection 1 of this Section.

Section A-606. General.

1. The Issuer shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Issuer under the provisions of the Resolution and, to the extent material to the interests of Owners, the Issuer Act.

2. Upon the date of authentication and delivery of any of the Obligations, all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in connection with the issuance of such Obligations (and any related Parity Debt then being incurred) shall exist, shall have happened and shall have been performed and the issuance of such Obligations (and any related Parity Debt then being incurred), together with all other indebtedness of the Issuer, shall be within every debt and other limit prescribed by the laws of the State, as applicable.

ARTICLE A-VII

CONCERNING THE TRUSTEE, PAYING AGENTS AND THE REGISTRAR

Section A-701. Trustee; Appointment and Acceptance of Duties. The Trustee shall be appointed in the Supplemental Resolution authorizing the issuance of the first Series of Obligations under the Resolution. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Issuer a written acceptance thereof.

Section A-702. Duties, Liabilities and Rights of the Trustee.

(a) Prior to the occurrence of an Obligations Event of Default of which a Responsible Officer of the Trustee has written notice or actual knowledge, and after the curing or waiver of any Obligations Event of Default which may have occurred:

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Resolution, and no implied covenants or obligations shall be read into the Resolution against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Resolution; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee is under a duty to examine same to determine whether or not they conform to the requirements of the Resolution.

(b) In case an Obligations Event of Default of which a Responsible Officer of the Trustee has written notice or actual knowledge has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Resolution and use the same degree of care and skill in their exercise as a prudent Person would exercise or use in the conduct of such Person's own affairs.

(c) No provision of the Resolution shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this subsection (c) shall not be construed to limit the effect of subsection (a) of this Section A-702;

(2) the Trustee is not and shall not be liable for any error of judgment made in good faith by a Responsible Officer of the Trustee, unless it is proven that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee is not and shall not be liable with respect to any action taken or omitted to be taken by it in good faith (i) in accordance with the direction of the Owners of the applicable percentage of Obligations then Outstanding relating to the time, method

and place of conducting any proceeding for any remedy available to the Trustee, or (ii) which it believes to be authorized or within its rights or powers under the Resolution;

(4) no provision of the Resolution shall require the Trustee to expend or risk its own funds or otherwise incur any personal or financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, for which it has not received a satisfactory indemnity;

(5) the Trustee may rely on any document believed by it to be genuine and to have been signed or presented by the proper Person and shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit;

(6) the Trustee shall not be charged with knowledge of an Obligations Event of Default unless a Responsible Officer of the Trustee shall have received written notice from an Owner or the Issuer or have actual knowledge; provided that the Trustee shall be deemed to have actual knowledge of any failure to pay principal or Redemption Price of or interest on Obligations when due;

(7) the Trustee shall not be under any obligation to take any action that is discretionary hereunder;

(8) neither the Trustee nor any of its directors, officers, employees or agents shall be personally liable for any action taken, suffered or omitted by the Trustee in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon the Trustee by the Resolution;

(9) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians, or nominees and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, attorney, custodians or nominees appointed with due care by it hereunder; and

(10) the Trustee may request that the Issuer deliver a certificate of an Authorized Officer setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant hereto, which certificate may be signed by any Person authorized to sign such a certificate, including any Person specified as so authorized in any such certificate previously delivered and not superseded.

(d) Whether or not expressly so provided, every provision of the Resolution relating to the conduct or affecting the liability of or affording protection to the Trustee is subject to the provisions of this Section A-702.

(e) In the event that the Trustee is also acting as Paying Agent or Registrar hereunder, the rights and protections afforded to the Trustee pursuant to this Article A-VII shall also be afforded to the Paying Agent and Registrar.

Section A-703. Paying Agents and Registrars; Appointment and Acceptance of Duties.

1. The Trustee is hereby appointed the Registrar and a Paying Agent with respect to the Obligations. The Issuer may at any time or from time to time appoint one or more other Paying Agents and Registrars in the manner and subject to the conditions set forth in Section A-713 for the appointment of a successor Paying Agent or Registrar. The Issuer may be appointed a Paying Agent or Registrar.

2. Each Paying Agent and Registrar other than the Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Issuer and to the Trustee a written acceptance thereof.

Section A-704. Responsibilities of Fiduciaries. The recitals of fact contained in the Resolution and in the Obligations shall be taken as the statements of the Issuer and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of the Resolution or of any Obligations issued thereunder or in respect of the security afforded by the Resolution, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the issuance of the Obligations for value or the application of the proceeds thereof or the application of any money paid to the Issuer. No Fiduciary shall be under any responsibility or duty with respect to the application of any money paid to any other Fiduciary. No Fiduciary shall be liable in connection with the performance of its duties under the Resolution, or for any losses, fees, taxes or other charges incurred upon the purchase or sale or redemption of any securities purchased for or held in any Fund under the Resolution, including any losses incurred by reason of having to sell securities prior to their maturity date, except in each case for its own willful misconduct, negligent action or negligent failure to act.

Section A-705. Evidence on Which Fiduciaries May Act.

1. Each Fiduciary shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel of its selection, who may or may not be counsel to the Issuer, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, omitted to be taken or suffered by it under the Resolution in good faith and in accordance therewith.

2. Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of the

Resolution; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

3. Except as otherwise expressly provided in the Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Issuer to any Fiduciary shall be sufficiently executed if executed in the name of the Issuer by an Authorized Officer.

Section A-706. Compensation. The Issuer shall pay to each Fiduciary from time to time such compensation as shall be agreed to in writing between the Fiduciary and the Issuer for all services rendered under the Resolution (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under the Resolution. To the extent permitted by law, the Issuer further agrees to indemnify and save each Fiduciary and its officers, directors, agents, and employees harmless against any and all liabilities, losses, damages, claims or expenses which it may incur in the acceptance, exercise and performance of its powers and duties hereunder and which are not due to its willful misconduct, negligence or bad faith. The obligations of this Section A-706 shall survive the discharge of the Resolution. No obligation of the Issuer to make any payment to any Fiduciary shall have the benefit of any lien on or pledge or assignment of the Obligations Trust Estate.

A Fiduciary shall notify the Issuer promptly of any claim for which it may seek indemnity. The Issuer shall defend the claim and the Trustee shall cooperate in the defense. The Fiduciary may have separate counsel and the Issuer shall pay the reasonable fees and expenses of such counsel.

Section A-707. Certain Permitted Acts. Any Fiduciary may become the owner of any Obligations or any other obligations of the Issuer, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law and pursuant to the Resolution, any Fiduciary may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Obligations or the holders of any other obligations of the Issuer or to effect or aid in any reorganization growing out of the enforcement of the Obligations or any other obligations of the Issuer or the Resolution, whether or not any such committee shall represent the Owners of a majority in principal amount of the Obligations then Outstanding.

Section A-708. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by the Resolution by giving not less than 60 days' written notice to the Issuer and mailing notice thereof to the Owners of the Obligations, specifying the date when such resignation shall take effect, at least 45 days prior to the effective date, provided that such resignation shall take effect upon *the later of* (i) the day specified in such notice and (ii) the day a successor shall have been appointed by the Issuer or the Owners of Obligations as provided in Section A-710 and shall have qualified therefor.

Section A-709. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Owners

of a majority in principal amount of the Obligations then Outstanding or their attorneys-in-fact duly authorized, excluding any Obligations held by or for the account of the Issuer or any Related Entity. In addition, so long as no Obligations Event of Default shall have occurred and be continuing hereunder and the Trustee is not pursuing any right or remedy available to it pursuant to the Resolution, the Trustee may be removed by the Issuer at any time for failure to provide reasonably acceptable services, failure to charge reasonably acceptable fees or any other reasonable cause, all as determined by a certificate of an Authorized Officer filed with the Trustee. Any such removal shall not be effective until a successor shall have been appointed by the Issuer or the Owners of Obligations as provided in Section A-710 and shall have qualified therefor.

Section A-710. Appointment of Successor Trustee.

1. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the Owners of a majority in principal amount of the Obligations then Outstanding, excluding any Obligations held by or for the account of the Issuer, by an instrument or concurrent instruments in writing signed and acknowledged by such Owners of Obligations or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Issuer and the predecessor Trustee; *provided, nevertheless, that* unless a successor Trustee shall have been appointed by the Owners of Obligations as aforesaid, the Issuer by a duly executed written instrument signed by an Authorized Officer of the Issuer shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the Owners of Obligations as authorized in this Section A-710. The Issuer shall mail notice of any such appointment made by it to all Owners within 20 days after such appointment. Any successor Trustee appointed by the Issuer shall, immediately and without further act, be superseded by a Trustee appointed by the Owners of Obligations.

2. If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 45 days after the Trustee shall have given to the Issuer written notice as provided in Section A-708 or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, the Trustee or the Owner of any Obligation may, at the expense of the Issuer, apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

3. Any Trustee appointed under the provisions of this Section A-710 in succession to the Trustee shall be a Bank that is organized under the laws of the State, or, if organized under the laws of another state, authorized to do business in the State of New York, or is a national banking association organized under the laws of the United States of America, doing business and having a corporate trust office in The City of New York, and which at the time of selection meets all thresholds for being well capitalized or adequately capitalized under the prompt corrective action framework applicable to insured depository institutions under Section 38 of the Federal Deposit Insurance Act as in effect from time to time or all thresholds for substantially equivalent categories in any successor legislation, if there be such a Bank willing and able to accept the office on

reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

Section A-711. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under the resolution shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Issuer, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all money, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Issuer, or of the successor Trustee, and, upon the payment of all of its charges hereunder, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under the Resolution, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Issuer be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Issuer. Any successor Trustee shall promptly notify the Registrar and the Paying Agents of its appointment as Trustee.

Section A-712. Merger or Consolidation. Any Person into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its municipal corporate trust business, provided such Person shall be a Bank that is organized under the laws of the State, or, if organized under the laws of another state, authorized to do business in the State of New York, or is a national banking association organized under the laws of the United States of America, doing business and having a corporate trust office in The City of New York, and which at the time of selection meets all thresholds for being well capitalized or adequately capitalized under the prompt corrective action framework applicable to insured depository institutions under Section 38 of the Federal Deposit Insurance Act as in effect from time to time or all thresholds for substantially equivalent categories in any successor legislation, if there be such a Bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution, and shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

Section A-713. Resignation or Removal of Paying Agent or Registrar and Appointment of Successor. 1. Any Paying Agent or Registrar may at any time resign and be discharged of the duties and obligations created by the Resolution by giving at least 60 days' written notice to the Issuer, the Trustee, and the other Paying Agents or Registrar, as the case may be. Any Paying Agent or Registrar may be removed at any time by an instrument filed with such Paying Agent or Registrar and the Trustee and signed by the Issuer. Any successor Paying Agent or Registrar shall be appointed by the Issuer, with the approval of the Trustee, and (subject to the requirements of Section A-603) shall be a Bank that is organized under the laws of the State, or, if organized under the laws of another state, authorized to do business in the State of New York, or

is a national banking association organized under the laws of the United States of America, doing business and having a corporate trust office in The City of New York, and which at the time of selection meets all thresholds for being well capitalized or adequately capitalized under the prompt corrective action framework applicable to insured depository institutions under Section 38 of the Federal Deposit Insurance Act as in effect from time to time or all thresholds for substantially equivalent categories in any successor legislation, if there be such a Bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

2. In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any money held by it as Paying Agent to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

3. In the event of the resignation or removal of any Registrar, such Registrar shall transfer and deliver all records, certificates and documents held by it as Registrar to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Registrar, the Trustee shall act as such Registrar.

Section A-714. Adoption of Authentication. In case any of the Obligations contemplated to be issued under the Resolution shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Obligations and deliver the Obligations so authenticated; and in case any of such Obligations shall not have been authenticated, any successor Trustee may authenticate such Obligations in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Obligations or in the Resolution provided that the certificate of the Trustee shall have.

Section A-715. Continuing Disclosure Agreements. The Trustee shall be entitled to the same rights and the same degree of indemnification in its execution and performance of each continuing disclosure agreement entered into pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 as amended, as it is under the Resolution.

ARTICLE A-VIII

SUPPLEMENTAL RESOLUTIONS

Section A-801. General Provisions.

1. The Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article VIII of the Resolution, this Article A-VIII and Article A-IX hereof. Nothing contained in Article VIII of the Resolution, this Article or in Article A-IX shall affect or limit the right or obligation of the Issuer to execute and deliver to any Fiduciary any instrument which elsewhere in the Resolution it is provided shall be delivered to said Fiduciary.

2. Any Supplemental Resolution referred to and permitted or authorized by Section 801 of the Resolution may be adopted by the Issuer without the consent of any of the Owners, but shall become effective only on the conditions, to the extent and at the time provided in said Section. The copy of every Supplemental Resolution when filed with the Trustee shall be accompanied by a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Issuer and enforceable in accordance with its terms; *provided, however, that* the concurrent delivery of an Opinion of Bond Counsel required by Section A-201.2(a) shall satisfy this requirement.

3. No Supplemental Resolution shall change or modify any of the rights or obligations of any Fiduciary without its written consent.

ARTICLE A-IX

AMENDMENTS

Section A-901. Mailing. Any provision in this Article for the mailing of a notice or other paper to Owners shall be fully complied with if it is mailed postage prepaid to each Owner of any affected Obligation then Outstanding at such Owner's address, if any, appearing upon the registry books of the Issuer, and (ii) to the Trustee; or, in each case, to such parties by facsimile or other means to the extent permitted by applicable law and arrangements.

Section A-902. Powers of Amendment. Any modification or amendment of the Resolution and of the rights and obligations of the Issuer and of the Owners, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in Section A-903, (i) of the Owners of a majority in principal amount of the Obligations Outstanding at the time such consent is given, and (ii) in case less than all of the Obligations then Outstanding are affected by the modification or amendment, of the Owners of a majority in principal amount of the Obligations so affected and Outstanding at the time such consent is given; *provided, however, that* if such modification or amendment will, by its terms, not take effect so long as particular Obligations remain Outstanding, the consent of the Owners of such Obligations shall not be required and such Obligations shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Obligations under this Section. No such modification or amendment shall (a) permit a change in the terms of redemption or maturity of the principal of any Outstanding Obligation or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Owner of such Obligation, (b) reduce the percentages or otherwise affect the classes of Obligations the consent of the Owners of which is required to waive an Obligations Event of Default or otherwise effect any such modification or amendment, (c) create a preference or priority of any Obligation or Obligations over any other Obligation or Obligations, without the consent of the Owners of all such Obligations, (d) create a lien prior to or on parity with the lien of the Resolution securing Obligations, without the consent of the Owners of all of the Obligations then Outstanding, or (e) change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For the purposes of this Section, an Obligation shall be deemed to be affected by a modification or amendment of the Resolution if the same materially and adversely affects the rights of the Owner of such Obligation. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment particular Obligations would be affected by any modification or amendment of the Resolution and any such determination shall be binding and conclusive on the Issuer and all Owners of Obligations. The Trustee may request and receive an opinion of counsel, including a Counsel's Opinion, as conclusive evidence as to whether particular Obligations would be so affected by any such modification or amendment of the Resolution and the Trustee shall have no duty or obligation to take any action hereunder unless and until it has received such opinion. Notwithstanding anything in this Section or the Resolution to the contrary, the consent of Owners of any Series of additional Obligations to be issued hereunder to any modification or amendment of the Resolution, which modification or amendment, as well as such consent, is disclosed in the official statement or other offering document prepared in connection with the primary offering of such Series of additional Obligations, shall be deemed given and irrevocable and no other evidence of such consent shall be required.

Section A-903. Consent of Owners of Obligations. The Issuer at any time may adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section A-902 to take effect when and as provided in this Section. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee) together with a request to the Owners for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Issuer to the Owners (but failure to mail such copy and request shall not affect the validity of the Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of Owners of the percentages of Outstanding Obligations specified in Section A-902 and (b) a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Issuer in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Issuer and enforceable in accordance with its terms, and (ii) a notice shall have been mailed to Owners as hereinafter in this Section A-903 provided. Any such consent, including any consent provided pursuant to the last sentence of Section A-902, shall be irrevocable and binding upon the Owner of the Obligations giving such consent and, anything in Section A-1102 to the contrary notwithstanding, upon any subsequent Owner of such Obligations and of any Obligations issued in exchange therefor (whether or not such subsequent Owner thereof has notice thereof). At any time after the Owners of the required percentages of Obligations shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Issuer and the Trustee a written statement that the Owners of such required percentages of Obligations have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter, notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Issuer on a stated date, a copy of which is on file with the Trustee) has been consented to by the Owners of the required percentages of Obligations and will be effective as provided in this Section A-903, may be given to Owners of Obligations by the Issuer by mailing such notice to Owners of Obligations (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section A-903 provided). The Issuer shall file with the Trustee proof of the mailing of such notice. A record, consisting of the papers required or permitted by this Section A-903 to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Issuer, the Fiduciaries and the Owners of all Obligations at the expiration of 40 days after the filing with the Trustee of the proof of the mailing of such last-mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such 40-day period; *provided, however, that* any Fiduciary and the Issuer during such 40-day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

Section A-904. Modifications by Unanimous Consent. The terms and provisions of the Resolution and the rights and obligations of the Issuer and of the Owners of Obligations may be modified or amended in any respect upon the adoption and filing by the Issuer of a Supplemental Resolution and the consent of the Owners of all of the Obligations then Outstanding, such consent to be given as provided in Section A-903 except that no notice to Owners of Obligations shall be required; *provided, however, that* no such modification or amendment shall change or modify any

of the rights or obligations of any Fiduciary without the filing with the Trustee of the written consent thereto of such Fiduciary in addition to the consent of the Owners of Obligations.

Section A-905. Notation on Obligations. Obligations issued and delivered after the effective date of any action taken as in Article A-VIII or this Article provided may, and, if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the Issuer and the Trustee as to such action, and in that case upon demand of the Owner of any Obligation Outstanding at such effective date and presentation of its Obligation for the purpose at the corporate trust office of the Trustee, suitable notation shall be made on such Obligation by the Trustee as to any such action. If the Issuer or the Trustee shall so determine, new Obligations so modified as in the opinion of the Trustee and the Issuer to conform to such action shall be prepared, authenticated and delivered. Upon demand of the Owner of any Obligations then Outstanding and the surrender of such Obligations, there shall be authenticated and exchanged therefor, new Obligations having the same terms, other than the noted modification, as the Obligations surrendered.

ARTICLE A-X

DEFAULT AND REMEDIES

Section A-1001. Abrogation of Right to Appoint Statutory Trustee; Preservation of Statutory Rights and Remedies. Any right of the Owners of Obligations to appoint a trustee under the Issuer Act is hereby abrogated. Subject to the foregoing sentence of this Section A-1001 and the provisions of Section 701 of the Resolution, the Owners of Obligations and the Trustee acting on behalf of the Owners of Obligations shall be entitled to all of the rights and remedies provided or permitted by law.

ARTICLE A-XI

MISCELLANEOUS

Section A-1101. Defeasance. 1. If the Issuer shall pay or cause to be paid to the Owners of all Obligations then Outstanding the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the Resolution, then, at the option of the Issuer, expressed in an instrument in writing signed by an Authorized Officer and delivered to the Trustee, the covenants, agreements and other obligations of the Issuer to the Owners of Obligations shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Issuer, execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction and the Fiduciaries shall pay over or deliver to the Issuer all money, securities and funds held by them pursuant to the Resolution which are not required for the payment or redemption of Obligations not theretofore surrendered for such payment or redemption.

2. Outstanding Obligations or any portions thereof for the payment or redemption of which money shall have been set aside and shall be held in trust by the Paying Agents shall at the respective maturity or redemption dates thereof be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section A-1101. Outstanding Obligations or any portions thereof shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section either (A) with respect to the defeasance of Taxable Obligations, Tax-Exempt Obligations or otherwise, as provided in the Supplemental Resolution authorizing their issuance or (B) if (a) in case any of said Obligations are to be redeemed on any date prior to their maturity, the Issuer shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail as provided in Article A-IV notice of redemption on said date of such Obligations, (b) there shall have been irrevocably deposited with the Trustee either money in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall be sufficient, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, to pay when due, the principal or Redemption Price, if applicable, and interest due and to become due on such Obligations or such portions thereof on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event such Obligations are not by their terms maturing or are not subject to redemption within the next succeeding 60 days, the Issuer shall have given the Trustee in form satisfactory to it irrevocable instructions to mail, as soon as practicable, a notice to the Owners of such Obligations that the deposit required by (b) above has been made with the Trustee and that said Obligations are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which money is to be available for the payment of the principal or Redemption Price, if applicable, on such Obligations. Neither Defeasance Securities nor money deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Obligations; *provided, however, that* any money on deposit with the Trustee, (i) to the extent such money will not be required at any time for such purpose, shall be paid over to the Issuer as received by the Trustee, free and clear of any trust, lien or pledge securing said Obligations or otherwise existing under the Resolution, and (ii) to the extent such

money will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient, together with any money available to the Trustee for such purpose, to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Obligations on and prior to such redemption date or maturity date thereof, as the case may be. Notwithstanding any other provision hereof, the Issuer may at the time of defeasance elect to retain the right to redeem or require the tender of any obligations deemed paid pursuant to subsection 2 of this Section A-1101. The Trustee shall, at the direction of the Issuer, select the Obligations or portions thereof that are deemed to have been paid in advance of the redemption of such Obligations.

3. Anything in the Resolution to the contrary notwithstanding, any money held by a Fiduciary in trust for the payment and discharge of the principal or Redemption Price of or interest on any of the Obligations which remains unclaimed for 2 years after the date when such principal, Redemption Price or interest, respectively, has become due and payable, either at stated maturity dates or by call for earlier redemption, if such money was held by the Fiduciary at such date, or for 2 years after the date of deposit of such money if deposited with the Fiduciary after the date when such principal, Redemption Price, or interest, respectively, became due and payable, shall, at the written request of the Issuer, be repaid by the Fiduciary to the Issuer, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Owners of Obligations shall look only to the Issuer for the payment of such principal, Redemption Price, or interest, respectively. Notwithstanding the foregoing or anything in the Resolution to the contrary, any money held by a Fiduciary in trust for the payment and discharge of any Obligations which remains unclaimed after such money was to be applied to the payment of such Obligations in accordance with the Resolution may be applied in accordance with the provisions of the Abandoned Property Law of the State, being Chapter 1 of the Consolidated Laws of the State or any successor provision thereto, and upon such application, the Fiduciary shall thereupon be released and discharged with respect thereto and the Owners of Obligations shall look only to the Issuer or the Comptroller of the State for the payment of such Obligations. Before being required to make any such payment to the Issuer or to apply such money in accordance with the Abandoned Property Law of the State, the Fiduciary shall, at the expense of the Issuer, cause to be mailed to the Owners entitled to receive such money a notice that said money remains unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of the mailing, the balance of such money then unclaimed will be returned to the Issuer or applied in accordance with the Abandoned Property Law of the State, as the case may be.

Section A-1102. Evidence of Signatures of Owners of Obligations and Ownership of Obligations. 1. Any request, consent, revocation of consent or other instrument which the Resolution may require or permit to be signed and executed by the Owners of Obligations may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners of Obligations in Person or by their attorneys-in-fact appointed in writing or by such electronic or other means as may be recognized pursuant to applicable law. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any Person of the Obligations shall be sufficient for any purpose of the Resolution (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(a) The fact and date of the execution by any Owner or his attorney-in-fact of such instrument may be proved by the certificate of a signature guarantor, or of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership such certificate or affidavit shall also constitute sufficient proof of his authority;

(b) The ownership of Obligations and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

2. Any request or consent by the Owner of any Obligation shall bind all future Owners of such Obligation in respect of anything done or suffered to be done by the Issuer or any Fiduciary in accordance therewith.

Section A-1103. Money Held for Particular Obligations. The amounts held by any Fiduciary for the payment of the interest, principal or Redemption Price due on any date with respect to particular Obligations shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of Obligations entitled thereto.

Section A-1104. General Regulations as to Money and Funds. 1. Each of the Funds and Accounts established by the Resolution shall be a trust fund for the purposes thereof.

2. All amounts of the Issuer held or set aside under the Resolution shall, until paid over to the Fiduciaries or otherwise invested or applied as provided in the Resolution, be deposited by the Issuer in its name, on demand or time deposit, in such Banks as shall be selected by the Issuer. Any amounts held by any Fiduciary under the Resolution shall be deposited in such Banks as the Issuer may select. Any such deposit may be made in the commercial banking department of any Fiduciary which may honor checks on such deposit with the same force and effect as if it were not such Fiduciary, and without any duty to inquire into whether any withdrawals of such funds are in accordance with or might violate any of the provisions of the Resolution. Such deposits shall be continuously secured by the obligations of the United States of America or of the State, which obligations shall have a market value (exclusive of accrued interest) at all times at least equal to the amount of such deposits, which obligations shall be segregated in trust for the account of the Issuer, or shall be otherwise held as the Issuer and the depository may agree. Securities deposited with the Federal Reserve Bank to secure all trust accounts of a depository shall be deemed to comply with the foregoing requirement.

3. Unless otherwise specified in a Supplemental Resolution authorizing the issuance of Obligations, all money held by any Fiduciary, as such, may be deposited by such Fiduciary in its banking department on demand or, if and to the extent directed by the Issuer and acceptable to such Fiduciary, on time deposit, and all such deposits shall be continuously secured by the obligations of the United States of America or of the State which obligations shall have a market value (exclusive of accrued interest) at all times at least equal to the amount of such deposits. Securities deposited with the Federal Reserve Bank to secure all trust accounts of the Fiduciary shall be deemed to comply with the foregoing requirement. Such Fiduciary shall allow and credit

on such money such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

Section A-1105. Preservation and Inspection of Documents. All documents received by a Fiduciary under the provisions of the Resolution shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Issuer, any other Fiduciary, and any Owners of at least 5% aggregate principal amount of Obligations and their agents and their representatives, any of whom may make copies thereof.

Section A-1106. Parties Interest Herein. Nothing in the Resolution expressed or implied is intended or shall be construed to confer upon, or to give to any Person, other than the Issuer, the Fiduciaries, the Owners of Obligations and the holders of Parity Debt, any right, remedy or claim under or by reason of the Resolution or any covenant, condition or stipulation thereof, and all the covenants, stipulations, promises and agreements in the Resolution contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Fiduciaries, the Owners of Obligations and the holders of Parity Debt.

Section A-1107. No Recourse on the Obligations. No recourse shall be had for the payment of the principal or Redemption Price of or interest on the Obligations or Parity Debt or for any claim based thereon or on the Resolution against any member, officer, or employee of the Issuer or any Person executing the Obligations.

Section A-1108. Successors and Assigns. Whenever in the Resolution the Issuer is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in the Resolution contained by or on behalf of the Issuer shall bind and ensure to the benefit of its successors and assigns whether so expressed or not.

Section A-1109. Business Days. Except as otherwise provided pursuant to a Supplemental Resolution, if the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in the Resolution, is not a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if made or done on the nominal date provided in the Resolution and no interest shall accrue during the intervening period with respect to any payment so deferred.

Section A-1110. Severability of Invalid Provisions. If any term or provision of this Annex A or the Resolution shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever, and such term and provision shall be valid and enforced to the fullest extent permitted by law.

The invalidity of any one or more phrases, sentences, clauses or Sections of the Resolution shall not affect the remaining portions of the Resolution, or any part hereof, including any part of this Annex A.

Section A-1111. Exclusion of Obligations. Obligations owned or held by or for the account of the Issuer or any Related Entity shall not be deemed Outstanding for the purpose of any consent to be given or other action to be taken by or upon the direction of Owners of a specified portion of Obligations Outstanding, and the Issuer or any Related Entity shall not be entitled with respect to such Obligations to give any such consent or to take, or direct the taking of, any such action. At the time of any such consent or action, the Issuer shall furnish to the Trustee a certificate of an Authorized Officer, upon which the Trustee may conclusively rely, describing all Obligations so to be excluded.

Section A-1112. Governing Law. The Resolution, including this Annex A, shall be governed by and interpreted in accordance with internal laws of the State, without regard to conflict of law principles thereof.

FORM OF OBLIGATIONS

THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR THE CITY OF NEW YORK AND NEITHER THE STATE NOR THE CITY SHALL BE LIABLE THEREON.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Resolution referred to herein, until the termination of the system of book-entry-only transfers through DTC and notwithstanding any other provision of the Resolution to the contrary, a portion of the principal amount of this Bond may be paid or redeemed without surrender hereof to the Paying Agent. DTC or a nominee, transferee or assignee of DTC of this Bond may not rely upon the principal amount indicated hereon as the principal amount hereof outstanding and unpaid. The principal amount hereof outstanding and unpaid shall for all purposes be the amount determined in the manner provided in the Resolution.

**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY
REAL ESTATE TRANSFER TAX REVENUE BOND,
SERIES _____
(TBTA CAPITAL LOCKBOX FUND)**

**REGISTERED
NO.**

**DOLLARS
\$**

INTEREST RATE

MATURITY DATE

DATED DATE

CUSIP

Registered Owner:

Principal Sum:

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY (herein called “TBTA”), a body corporate and politic constituting a public benefit corporation, organized and existing under and by virtue of the laws of the State of New York, acknowledges itself indebted to, and for value received hereby promises to pay to the Registered Owner stated above, or registered assigns, on the Maturity Date set forth above, but solely from the Obligations Trust Estate defined below, upon presentation and surrender of this Bond at the office or agency of TBTA designated for such payment in the Borough of Manhattan, City and State of New York; or, at the option of the

Registered Owner hereof, at any other office or agency of TBTA designated by TBTA for such payment, the Principal Sum set forth above in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay to the Registered Owner hereof interest on such Principal Sum, such payment to be made by _____, as Paying Agent, from the Dated Date set forth above or such later date to which interest has been paid, at the Interest Rate per annum set forth above, payable on the ____ days of _____ and _____ in each year, commencing ____ 1, 20__, until TBTA's obligation with respect to the payment of such Principal Sum shall be discharged. Interest on the Series ____ Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Interest will be paid by check mailed on the interest payment date by the Paying Agent to the Registered Owner at his address as it appears on the registration records or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series ____ Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner, provided such Owner has notified the Trustee (as hereinafter defined) in writing of such Owner's wire transfer address (which shall be in the continental United States) at least 15 days prior to the relevant payment date. *In the event that any payment date is not a business day, payment will be made on the next business day with the same force and effect as if made on the nominal date provided in the Resolution and no interest shall accrue during the intervening period with respect to any payment so deferred.*

This Bond is one of a duly authorized issue of obligations of TBTA designated as its "Real Estate Transfer Tax Revenue Obligations Bonds (TBTA Capital Lockbox Fund)" (herein called the "Bonds") issued under and pursuant to the Triborough Bridge and Tunnel Authority Act, Title 3 of Article 3 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York, as amended (herein called the "TBTA Act"), and under and pursuant to a resolution of TBTA adopted on _____, 2024, entitled "Special Obligation Resolution Authorizing Real Estate Transfer Tax Revenue Obligations (TBTA Capital Lockbox Fund)", as supplemented. Said resolution, as supplemented and amended, is herein called the "Resolution". This Bond is one of a series of Bonds designated as "Real Estate Transfer Tax Revenue Bonds, Series ____ (TBTA Capital Lockbox Fund)" (herein called the "Series ____ Bonds"), issued in the aggregate principal amount of \$____ under said Resolution. All capitalized terms used but not otherwise defined have the respective meanings ascribed by the Resolution.

Copies of the Resolution are on file at the office of TBTA and at the principal corporate trust office of _____, New York, New York as Trustee under the Resolution, or its successor as Trustee (herein called the "Trustee"), in the Borough of Manhattan, City and State of New York, and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the TBTA Act is hereby made for a complete description of the pledge and covenants securing the Series ____ Bonds, the nature, extent and manner of enforcement of and limitations with respect to, such pledge, the rights and remedies of the registered owners of the Series ____ Bonds with respect thereto, and the terms and conditions upon which the Bonds are issued and may be issued thereunder.

This Bond is a direct and special obligation of TBTA, secured by a pledge, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, of all right, title and interest of TBTA in the "Obligations Trust Estate", being (i) the proceeds of the sale of the Bonds, (ii) the Revenue Fund, any money on deposit therein and any money received and held by TBTA which is required to be

deposited therein, including the Transfer Tax Receipts, (iii) certain Funds, Accounts and subaccounts established by the Resolution (but not the Rebate Fund or the Excess Revenues Fund) including the investments, if any, thereof, and (iv) certain funds, moneys and securities and any all other rights and interests in property, whether tangible or intangible, from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred as and for additional security for the Bonds as provided in the Resolution.

To the extent provided in the Resolution, the Bonds may be issued from time to time pursuant to Supplemental Resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Resolution. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all Bonds issued and to be issued under the Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution. The Bondholders, by their acceptance and holding of the Bonds, waive, to the extent provided in the Resolution, all rights under subdivisions 2 and 3 of Section 563 of the TBTA Act with respect to certain competitive connections for vehicular traffic across the East River in The City of New York.

To the extent and in the manner permitted by the terms of the Resolution, the Series _____ Bonds are subject to redemption as provided in the Certificate of Determination relating thereto. The Series _____ Bonds may be subject to conditional redemption to the extent and in the manner permitted by the terms of the Resolution and the Certificate of Determination relating thereto. Any redemption notice or other notices required by the Resolution shall be sent only to the Securities Depository Nominee, initially Cede & Co., as nominee of DTC, so long as the Series _____ Bonds are held in book-entry-only form.

The events specified in the Resolution as such shall constitute Obligations Events of Default and the Trustee and the Owners shall have the rights and remedies provided by the Resolution.

To the extent provided in the Resolution, Parity Debt, secured on a parity with the Bonds with respect to all right, title and interest of TBTA in the Obligations Trust Estate may be issued or entered into by TBTA. The aggregate principal amount of Parity Debt which may be issued or entered into under the Resolution is not limited except as provided in the Resolution.

Neither the principal of the Bonds nor the principal of Parity Debt may be declared due and payable before maturity thereof.

To the extent and in the manner permitted by the terms of the Resolution, modification or amendment of the Resolution and of the rights and obligations of TBTA and of the Owners of the Bonds may be made by a Supplemental Resolution, in certain instances without the written consent of the Owners, of the Bonds. Reference is made to the Resolution for the terms and provisions thereof relating to amendments and supplements.

The Series _____ Bonds are issued by means of a book-entry-only system, with no physical distribution of bond certificates to be made except as provided in the Resolution. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant

to rules and procedures established by the Securities Depository and its participants. TBTA and the Trustee will recognize the Securities Depository Nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including payments of principal of and Redemption Price and interest on this Bond, notices and voting. In the event the Series _____ Bonds are no longer held in book-entry-only form, the Series _____ Bonds would be issuable in the form of fully registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

The TBTA Act provides that neither the members of TBTA nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed and that the issue of the Series _____ Bonds, together with all other indebtedness of TBTA, is within every debt and other limit prescribed by the laws of the State of New York.

This Bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

IN WITNESS WHEREOF, TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of its Authorized Officer as of the Dated Date.

**TRIBOROUGH BRIDGE AND TUNNEL
AUTHORITY**

BY: _____
[Authorized Officer]

[FORM OF CERTIFICATE OF AUTHENTICATION]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution.

Date of Authentication: _____, 20__

_____, as Trustee

BY: _____
Authorized Signatory

[Form of Assignment]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

[PLEASE INSERT SOCIAL SECURITY NUMBER OR OTHER IDENTIFYING NUMBER OF ASSIGNEE]

[PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE]

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Date: _____

In the Presence of:

NOTICE: The signature must be guaranteed by an “eligible guarantor Institution” meeting the requirements of membership or participation in the Security Transfer Agent Medallion Program (“STAMP”) or such other “signature guarantee program” as may be determined by the Trustee in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

NOTE: The signature to this assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

Staff Summary

Subject Authorization to Issue 2025 MTA and TBTA New Money Bonds, Bond Anticipation Notes, and Refunding Obligations; Reimbursement Resolutions for Federal Tax Purposes
Department Finance
Department Head Name Kevin Willens, Chief Financial Officer
Department Head Signature
Project Manager Name Olga Chernat, Deputy Chief, Financial Services

Date December 18, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/16/24	X		
2	Board	12/18/24	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal	2	Chief of Staff

PURPOSE:

The MTA Finance Department is seeking the MTA and TBTA Boards’ authorization and approval of the necessary documentation to issue new money bond anticipation notes (BANs) and bonds to finance (i) capital projects set forth in approved transit and commuter capital programs, (ii) MTA short-term (12 months or less) interim working capital borrowings, (iii) capital projects set forth in MTA Bridges and Tunnels capital programs, and (iv) costs of the TBTA central business district tolling program (the “CBDTP”). In order to provide additional flexibility relating to the issuance of such BANs and bonds during the year, the aggregate principal amounts authorized hereby reflect amounts consistent with the most recent Financial Plan, as such Financial Plan may be amended from time to time (the “Authorized Maximum Amounts”), currently (i) up to \$7.0 billion in the case of transit and commuter capital programs (including transit and commuter capital programs financed under the TBTA RETT resolution referred to below), (ii) up to \$550 million in the case of MTA Bridges and Tunnels capital programs (other than CBDTP), (iii) up to \$506 million to fund project expenses necessary for implementation of CBDTP, and (iv) up to \$1.2 billion in the case of MTA working capital borrowings.

In addition, the MTA and TBTA Boards periodically adopt reimbursement resolutions to maintain the ability of MTA and MTA Bridges and Tunnels to finance (i) capital projects in the capital improvement programs and for the CBDTP and (ii) working capital and liquidity needs on a tax-exempt or tax-advantaged basis, consistent with Federal tax law. The MTA Finance Department also seeks adoption of the consolidated supplemental resolutions to preserve the ability to finance certain capital projects on a tax-exempt or tax-advantaged basis.

Staff Summary

With respect to short-term working capital/liquidity notes, the MTA Finance Department believes it is in the best interests of MTA to maintain sufficient liquidity to provide secure levels of resources to address seasonal liquidity needs. This is necessary both to properly manage cash flow risk and support MTA's credit ratings. The working capital notes are expected to mature and be repaid from available dedicated taxes and subsidies within 12 months of issuance and to be used to address a timing mismatch between expenses and revenues rather than be used as deficit financing. Although the primary security of such working capital notes will be refunding notes or bonds, the authorizing resolution sets forth the intention of MTA to deposit funds from available revenues or subsidies amounts necessary to pay principal and interest on such maturing notes rather than issue refunding notes or bonds. This is to establish that the working capital notes are intended solely as interim working capital for 12 months or less rather than as longer-term deficit financing.

The MTA Finance Department will report to the MTA and TBTA Boards on the results of each note and bond issue, and planned note and bond issues. It is expected that the MTA Finance Department will seek renewed authorization and approval for debt issuance annually hereafter to update debt issuance expectations; however, the authorization granted by the MTA and TBTA Boards today will remain in effect as described in the Recommendation below.

The attached annual supplemental resolutions provide for capital project and working capital financings with the issuance of MTA's Transportation Revenue obligations, Dedicated Tax Fund senior and subordinate obligations and Payroll Mobility Tax working capital obligations; and of TBTA's General Resolution senior and subordinate obligations, Payroll Mobility Tax senior and subordinate obligations, Sales Tax Revenue senior and subordinate obligations, Real Estate Transfer Tax (RETT) Revenue senior and subordinate obligations and CBDTP obligations.

DISCUSSION:

The MTA and TBTA Boards' approval is sought for the following two resolutions, documents and activities in connection with the issuance of bonds and BANs in an aggregate principal amount not to exceed the amount necessary to finance, as applicable, (i) capital projects for the transit and commuter systems set forth in approved capital programs and capital projects set forth in MTA Bridges and Tunnels capital programs, (ii) certain MTA working capital projects ("New Money Working Capital Notes"), and (iii) costs of CBDTP:

- Multiple credit supplemental resolution authorizing MTA new money bonds, bond anticipation notes, refunding obligations and parity reimbursement obligations for transit and commuter programs and/or working capital purposes (collectively, "MTA Obligations"), including providing for the following:
 - Issuance of new money bonds and bond anticipation notes in an amount sufficient to produce net proceeds of up to the Authorized Maximum Amount applicable to transit and commuter programs (excluding obligations issued to refinance such new money bonds and bond anticipation notes), in one or more series from time to time, necessary to finance MTA transit or commuter capital programs (less amounts issued for such purposes under the TBTA multiple credit supplemental resolution referenced below), or to retire such

Staff Summary

- obligations when due, plus accrued interest, applicable issuance costs and any original issue discount;
- Issuance of new money bonds and bond anticipation notes (including the New Money Working Capital Notes) to finance MTA working capital in one or more series from time to time, or to retire such obligations when due, plus accrued interest, applicable issuance costs and any original issue discount;
 - Issuance of refunding obligations without limitation to refund and/or refinance other outstanding obligations that meet the Board’s adopted policy on refundings, if applicable;
 - Issuance of MTA Obligations in competitive or negotiated public sales, by direct placement or in connection with a revolving credit or other loan agreements;
 - Issuance of MTA Parity Reimbursement Obligations and other Parity Debt in an amount sufficient to secure any Credit Facilities entered into in connection with the issuance of MTA Obligations; and,
 - Reimbursement of expenditures for MTA capital programs and working capital/liquidity needs.
- Multiple credit supplemental resolution authorizing TBTA senior and subordinate new money bonds, bond anticipation notes, refunding obligations and parity reimbursement obligations (collectively, “TBTA Obligations”) for TBTA capital projects, MTA transit or commuter capital programs and costs of CBDTP, including providing for the issuance of the following:
 - Issuance of TBTA general resolution senior and subordinate new money bonds and bond anticipation notes in an amount sufficient to produce net proceeds of up to the Authorized Maximum Amount applicable to TBTA capital projects (excluding obligations issued to refinance such new money bonds and bond anticipation notes) in one or more series from time to time, necessary to finance TBTA capital projects, or to retire such obligations when due, plus accrued interest, applicable issuance costs and any original issue discount;
 - Issuance of new money bonds and bond anticipation notes in an amount sufficient to produce net proceeds of up to the Authorized Maximum Amount applicable to transit and commuter programs (excluding obligations issued to refinance such new money bonds and bond anticipation notes) in one or more series from time to time, necessary to finance MTA transit or commuter capital programs (less amounts issued for such purposes under the MTA multiple credit supplemental resolution referenced above), or to retire such obligations when due, plus accrued interest, applicable issuance costs and any original issue discount;
 - Issuance of new money bonds and bond anticipation notes in an amount sufficient to produce net proceeds of up to the Authorized Maximum Amount applicable to the CBDTP (excluding obligations issued to refinance such new money bonds and bond anticipation notes) in one or more series from time to time, necessary to finance or refinance the costs of the CBDTP pursuant to a previously approved resolution of TBTA;
 - Issuance of refunding obligations without limitation to refund and/or refinance other outstanding obligations that meet the Board’s adopted policy on refundings, if applicable;

Staff Summary

- Issuance of TBTA Obligations in competitive or negotiated public sales, or by direct placement;
- Issuance of Parity Reimbursement Obligations and other Parity Debt in an amount sufficient to secure any Credit Facilities entered into in connection with the issuance of TBTA Obligations; and,
- Reimbursement of expenditures for each of the MTA Bridges and Tunnels capital programs, the MTA capital programs and the CBDTP.

With respect to the above-referenced financial transactions, the MTA and TBTA Boards' approval, as applicable, is sought:

(a) delegating authority to the Chairman, the Chief Financial Officer or the Deputy Chief, Financial Services of MTA, or their designees, to award the obligations either pursuant to competitive bid or to members (or entities related to such firms) of the Board-approved MTA underwriting syndicate or authorized purchasers under a federal or State of New York program and to execute and/or deliver in each case, where appropriate:

- Notices of Sale and bid forms,
- Purchase Agreements with underwriters and other authorized purchasers,
- Direct Purchase Agreements,
- Revolving Credit Agreements or other Loan Agreements,
- Official Statements and other disclosure documents,
- Continuing Disclosure Agreements and related filings,
- Remarketing Agreements and Firm Remarketing Agreements,
- Dealer and Broker/Dealer Agreements,
- Issuing and Paying Agent and Tender Agent Agreements,
- Credit Facilities and related Parity Reimbursement Obligations and Parity Debt,
- Related Subordinated Contract Obligations,
- Escrow Agreements, and
- Investment Agreements.

Any such documents will be in substantially the form of any document previously entered into by MTA or TBTA for previous issues, with such changes as approved by any one or more of the foregoing officers.

(b) authorizing such officers to terminate, amend, supplement, replace or extend any such documents, including Credit Facilities (and related Parity Reimbursement Obligations and Parity Debt), as they shall deem advisable, and to take such other actions as may be necessary or desirable to effectuate the issuance of the new money bonds and BANs and other financial transactions set forth above, on behalf of MTA, TBTA or other MTA subsidiaries and affiliates.

ALTERNATIVES:

There are no viable funding alternatives to (i) meeting the bond funded portion of approved capital programs, and (ii) financing working capital to address seasonal liquidity needs as well as to support MTA's credit ratings.

Staff Summary

RECOMMENDATION:

The MTA and TBTA Boards approve the above-referenced resolutions and documents and all other actions described above, including the execution and delivery of such other documents, and the taking of all other actions, from time to time deemed necessary or desirable by such officers in connection therewith. The authorization to issue the bonds and bond anticipation notes and take other related actions hereunder shall continue in effect without any further action by the MTA and TBTA Boards until the adoption by the MTA and TBTA Boards of subsequent bond supplemental resolutions authorizing future BANs and bond issues (except that rollover 2025 BANs and bonds may still be issued to refinance 2025 BANs outstanding at any time, and the authorization to issue obligations to finance working capital/liquidity needs and the CBDTP shall continue until modified or repealed) unless (a) the MTA and TBTA Boards shall have confirmed the effectiveness of this authorization for an additional period, or (b) the MTA and TBTA Boards shall have modified or repealed this authorization.

METROPOLITAN TRANSPORTATION AUTHORITY

**MULTIPLE CREDIT AND SERIES 2025 SUPPLEMENTAL RESOLUTION AUTHORIZING
OBLIGATIONS, OBLIGATION ANTICIPATION NOTES AND REFUNDING OBLIGATIONS**

Adopted December 18, 2024

MULTIPLE CREDIT AND SERIES 2025 SUPPLEMENTAL RESOLUTION AUTHORIZING OBLIGATIONS, OBLIGATION ANTICIPATION NOTES AND REFUNDING OBLIGATIONS

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the “Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01. Supplemental Resolution. This Multiple Credit and Series 2025 Supplemental Resolution Authorizing Obligations, Obligation Anticipation Notes and Refunding Obligations (the “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of the Applicable Resolutions described below.

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given in the Applicable Resolution.

2. In this Supplemental Resolution:

“Applicable Project(s)” shall mean the Applicable Transit and Commuter Project and Applicable Working Capital Purpose, and any other project or purpose permitted to be financed under any other Applicable Resolution from time to time.

“Applicable Resolution(s)” shall mean the Applicable Transit and Commuter Resolutions and the Applicable Working Capital Resolutions.

“Applicable Transit and Commuter Project(s)” shall mean the DTF Transit and Commuter Project in the case of the DTF Resolution and the DTF Second Lien Resolution, the Resolution Transportation District Project in the case of the TRB Resolution and any transit or commuter project permitted to be financed under any other Applicable Resolution from time to time.

“Applicable Transit and Commuter Resolution(s)” shall mean each of the following resolutions of the Issuer, as applicable:

- a. the DTF Resolution;
- b. the TRB Resolution;
- c. the DTF Second Lien Resolution; and
- d. any other resolution adopted by the Issuer with the expectation that obligations may be issued thereunder during the term of this Supplemental Resolution for the Applicable Transit and Commuter Projects permitted to be financed or refinanced under this Supplemental Resolution, as such Supplemental Resolution may be amended or supplemented from time to time.

“Applicable Working Capital Purpose(s)” shall mean the purposes for which the Issuer may issue bonds, notes or other obligations in accordance with the MTA PMT Resolution or any other resolution or trust indenture, trust agreement or other financing agreement for deficit or working capital purposes by resolution of the Board from time to time.

“Applicable Working Capital Resolution(s)” shall mean each of the following resolutions of the Issuer, as applicable:

- a. the MTA PMT Resolution; and
- b. any other resolution adopted by the Issuer with the expectation that obligations may be issued thereunder during the term of this Supplemental Resolution for the Applicable Working Capital Purposes permitted to be financed or refinanced under this Supplemental Resolution, as such Supplemental Resolution may be amended or supplemented from time to time.

“Authorized Officer” shall include the officers designated as such in the Applicable Resolution, and, if not designated therein, the Chairman, the Chief Financial Officer or the Deputy Chief, Financial Services, or their designees, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, “Authorized Officer” shall not include the Secretary or any Assistant Secretary of the Issuer unless expressly delegated.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Continuing Disclosure Agreement” has the meaning set forth in Section 2.11.

“Cross-Credit Obligations” shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of “Capital Costs” under the Applicable Resolution, but excluding Obligations originally issued under the same Applicable Resolution.

“DTC” means The Depository Trust Company.

“DTF Resolution” shall mean the resolution adopted by the Issuer on March 26, 2002, entitled “Dedicated Tax Fund Obligation Resolution”, as heretofore supplemented and amended.

“DTF Second Lien Resolution” shall mean the resolution of the Issuer to be adopted entitled “Second Lien Dedicated Tax Fund Obligation Resolution”, as supplemented and amended from time to time.

“Loan Facility” shall mean a loan agreement, line of credit, revolving credit agreement or similar facility.

“MTA PMT Resolution” shall mean the resolution adopted by the Issuer on November 18, 2020, entitled “Payroll Mobility Tax Obligation Resolution”, as heretofore supplemented and amended.

“Noteholder”, “Holder” or “Holder of Notes”, or any similar term, means any person who shall be the registered owner of any Outstanding Series 2025 Note or Notes.

“Notice of Sale” shall mean the form of Notice of Sale to be distributed with the Preliminary Official Statement, hereinafter defined, and published in the event of a competitive sale of any Series 2025 Obligations.

“Official Statement” means a final official statement, offering circular or other disclosure document of the Issuer.

“Preliminary Official Statement” means a preliminary official statement, offering circular, or other disclosure document of the Issuer.

“Proceeds Account” shall mean the Proceeds Account or the Second Lien Proceeds Account established in accordance with the provisions of the Applicable Resolution.

“Purchase Agreement” means a bond purchase agreement, note purchase agreement, Loan Facility, continuing covenant agreement or similar agreement.

“Series 2025 Bonds” shall mean Series 2025 New Money Bonds and Series 2025 Refunding Obligations that are bonds.

“Series 2025 New Money Bonds” shall mean the Series 2025 New Money Transit and Commuter Bonds and the Series 2025 New Money Working Capital Bonds.

“Series 2025 New Money Notes” shall mean the Series 2025 New Money Transit and Commuter Notes and the Series 2025 New Money Working Capital Notes.

“Series 2025 New Money Transit and Commuter Bonds” shall mean the Bonds issued for Applicable Transit and Commuter Projects authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

“Series 2025 New Money Transit and Commuter Notes” shall mean the Notes (including Obligation Anticipation Notes) issued for Applicable Transit and Commuter Projects authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

“Series 2025 New Money Working Capital Bonds” shall mean the Bonds issued for Applicable Working Capital Purposes authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

“Series 2025 New Money Working Capital Notes” shall mean the Notes (including Obligation Anticipation Notes) issued for Applicable Working Capital Purposes authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

“Series 2025 Notes” shall mean the Series 2025 New Money Notes and the Series 2025 Refunding Obligations that are notes.

“Series 2025 Obligations” shall mean the Series 2025 Bonds, the Series 2025 Notes and the Series 2025 Refunding Obligations.

“Series 2025 Refunding Obligations” shall mean the bonds, notes (including Obligation Anticipation Notes) and other obligations authorized by Article II of this Supplemental Resolution that are (i) Refunding Obligations (as defined in the Applicable Resolutions and as authorized pursuant to Section 2.01(g)) and (ii) Obligations or Obligation Anticipation Notes for the purpose of refunding Cross-Credit Obligations, in each case in one or more Series or subseries, subject to redesignation as hereinafter provided, and any Series 2025 Refunding Obligations may be issued pursuant to this Supplemental Resolution to restructure principal amortization within the maturity limits permitted by law.

“SOFR” means the Secured Overnight Financing Rate published by The Federal Reserve Bank of New York.

“TBTA” means the Triborough Bridge and Tunnel Authority.

“TBTA Multiple Credit and Series 2025 Supplemental Resolution” shall mean the supplemental resolution adopted by TBTA on the date of adoption of this Supplemental Resolution authorizing the issuance of bonds, notes and other obligations for various purposes during 2025, as supplemented and amended from time to time.

“TRB Resolution” shall mean the resolution adopted by the Issuer on March 26, 2002, entitled “General Resolution Authorizing Transportation Revenue Obligations”, as heretofore supplemented and amended.

“Trustee” shall have the meaning set forth in the Applicable Resolution.

References herein to the terms “Bonds,” “Obligations,” “Obligation Anticipation Notes” and “Proceeds Account” as used in the Applicable Resolutions shall refer to the “Bonds,” “Obligations” and “Obligation Anticipation Notes” issued under, and the “Proceeds Account” established under, such Applicable Resolutions, notwithstanding the differences in the lien level at which such “Bonds,” “Obligations” and “Obligation Anticipation Notes” are secured at, or the “Proceeds Account” is established for, under such Applicable Resolutions. By way of example, the term “Obligation” as used herein refers, as the context requires, to “Obligations” issued under the DTF Resolution, as well as “Second Lien Obligations” issued under the DTF Second Lien Resolution.

Section 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Applicable Resolutions.

ARTICLE II

AUTHORIZATION OF SERIES 2025 OBLIGATIONS

Section 2.01. Principal Amount, Designation and Series. (a) Pursuant to the Applicable Transit and Commuter Resolutions and in order to finance, as applicable, Capital Costs for Applicable Transit and Commuter Projects, (i) Series 2025 New Money Transit and Commuter Bonds, and (ii) Series 2025 New Money Transit and Commuter Notes, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Applicable Transit and Commuter Resolutions, are hereby authorized to be issued in an aggregate principal amount not exceeding \$7.0 billion at any one time Outstanding to effectuate the purposes set forth in Section 2.02 hereof (the “Authorized Principal Amount”), which Authorized Principal Amount shall exclude any Series 2025

Obligations issued under the Applicable Transit and Commuter Resolutions issued to refinance Series 2025 New Money Transit and Commuter Notes and Series 2025 New Money Transit and Commuter Bonds. If determined to be advisable by an Authorized Officer in connection with the marketing of such Series 2025 Obligations, the proceeds of such Series 2025 Obligations to finance Capital Costs, after giving effect to any net original issue premium, may exceed the Authorized Principal Amount; provided, however, the Amount of Proceeds Delivered to the Capital Program shall not exceed the limitation imposed by Section 1269(12) of the Issuer Act. The “Amount of Proceeds Delivered to the Capital Program” shall mean, in connection with any issuance, the amount of proceeds spent on Capital Costs of the Applicable Transit and Commuter Project(s), which shall not take into account (i) Costs of Issuance, (ii) original issue premium or discount, if any, and (iii) any amounts to fund accrued interest, reserve funds or capitalized interest. The Authorized Principal Amount hereunder shall be reduced by the principal amount of bonds and notes issued under the TBTA Multiple Credit and Series 2025 Supplemental Resolution for transit and commuter projects.

(b) Pursuant to the MTA PMT Resolution and in order to finance the costs of working capital for any one or more Related Entity, (i) Series 2025 New Money Working Capital Notes, and (ii) Series 2025 New Money Working Capital Bonds, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the MTA PMT Resolution are hereby authorized to be issued in the aggregate principal amount of not to exceed \$1.2 billion at any one time outstanding in accordance with the provisions of the MTA PMT Resolution (including any amounts necessary to pay all costs incurred in connection with the issuance of such obligations). Such Series 2025 New Money Working Capital Notes and Series 2025 New Money Working Capital Bonds shall only be issued for an Authorized Purpose (as defined in the MTA PMT Resolution). Any Series 2025 New Money Working Capital Notes issued hereunder shall have a maturity date no later than 12 months from the date of issuance of such notes.

(c) The Issuer is hereby authorized to issue Series 2025 Refunding Obligations under any Applicable Resolution for the purposes permitted under such Applicable Resolution without limitation as to principal amount for the purposes provided in Section 2.02 hereof.

(d) The Series 2025 Obligations shall be designated as, and shall be distinguished from, the Obligations of all other Series by the title or titles set forth in one or more Certificates of Determination.

(e) The Series 2025 Notes may be issued in the form of a Loan Facility.

(f) The authority to issue the Obligations and Obligation Anticipation Notes and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Series 2025 Obligations and take other actions hereunder shall continue in effect without any action by the Issuer until the adoption by the Board of a subsequent supplemental resolution authorizing future new money financings and refundings; *provided, however*, the authorization to issue the Series 2025 Obligations to refinance the Series 2025 Notes authorized hereunder shall continue in effect until all of such Series 2025 Notes have been refinanced by Series 2025 Bonds or otherwise repaid.

(g) Nothing in this Supplemental Resolution is intended to preclude the issuance of Series 2025 Refunding Obligations as refunding obligations (including Cross-Credit Obligations) under the new money provisions of the Applicable Resolution.

(h) The Issuer hereby covenants and agrees for the benefit of the Holders and Beneficial Owners of the Series 2025 Notes that it will maintain issuance capacity pursuant to the Applicable Resolution to issue Bonds or additional Obligation Anticipation Notes in an amount sufficient to pay the principal of and interest on the Series 2025 Notes when due.

Section 2.02. Purposes. The purposes for which the Series 2025 Obligations are issued shall be set forth in one or more Certificates of Determination and may include (a) with respect to the Series 2025 New Money Bonds and Series 2025 New Money Notes (i) the payment of all or any part of (y) the Capital Costs, including Costs of Issuance relating to the applicable issuance or (z) any Authorized Purpose under an Applicable Working Capital Resolution, and (ii) the payment of principal of, redemption premium, if any, and interest on Outstanding Series 2025 Notes all to the extent and in the manner provided in this Supplemental Resolution, and (b) with respect to Series 2025 Refunding Obligations, the refunding, refinancing, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with the Applicable Resolutions.

Section 2.03. Dates, Maturities, Principal Amounts and Interest. The Series 2025 Obligations, except as otherwise provided in the Applicable Resolutions, shall be dated the date or dates determined in the related Certificate of Determination. The Series 2025 Obligations shall mature on the date or dates and in the year or years and in the principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination. The Series 2025 Notes shall be subject to redemption prior to maturity as provided in the Certificate of Determination.

Section 2.04. Interest Payments. The Series 2025 Obligations shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2025 Obligations shall be computed on the basis of twelve (12) 30-day months and a 360-day year.

Section 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2025 Obligations shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2025 Obligations shall be numbered and lettered as provided in the related Certificate of Determination.

Section 2.06. Places of Payment and Paying Agents. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2025 Obligations shall be payable to the registered owner of each Series 2025 Obligation when due upon presentation of such Series 2025 Obligation at the principal corporate trust office of the applicable Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2025 Obligations will be paid by check or draft mailed on the interest payment date by the applicable Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner or Holder of at least one million dollars (\$1,000,000) in principal amount of the Series 2025 Obligations, by wire transfer in immediately available funds on each interest payment date to such Owner or Holder thereof upon written notice from such Owner or Holder to the related Trustee, at such address as such Trustee may from time to time notify such Owner or Holder, containing the wire transfer address (which shall be in the continental United States) to which such Owner or Holder wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07. Sinking Fund Installments. Except as otherwise provided in the related Certificate of Determination, the Series 2025 Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of Series 2025 Bonds issued as Taxable Obligations), or (c) otherwise as determined in accordance with the Applicable Resolution, on each date in the year or years determined in the related Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from

mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2025 Bonds.

Section 2.08. Redemption Prices and Terms. The Series 2025 Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Applicable Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Applicable Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date; *provided, however*, that if any Series 2025 Obligations are redeemable at the election of the Issuer, such redemption may be a pro rata redemption and the Redemption Price may be determined as provided in clause of (f) of Section 2.10 hereof, all as determined in the related Certificate of Determination.

Section 2.09. Sources of Payment for Series 2025 Notes Issued as Obligation Anticipation Notes.

(a) The principal of and interest on the Series 2025 Notes issued as Obligation Anticipation Notes may be payable solely from (i) the proceeds of any other Series 2025 Notes issued for the same purposes as such Obligation Anticipation Notes, (ii) the proceeds of the Series 2025 Bonds issued for the same purposes as such Obligation Anticipation Notes, and (iii) the proceeds of notes or other evidences of indebtedness or any other amounts (which other amounts are not pledged under the Applicable Resolution), in each case if and to the extent such amounts may lawfully be used to make such payments. The interest on Series 2025 Notes issued as Obligation Anticipation Notes under an Applicable Resolution may also be payable from amounts available for transfer pursuant to such Applicable Resolution for the payment of Subordinated Indebtedness as defined therein.

(b) There are hereby pledged to the payment of principal and interest on the Series 2025 Notes issued as Obligation Anticipation Notes (i) the proceeds of other Series 2025 Notes issued to refinance such Series 2025 Notes issued as Obligation Anticipation Notes, and (ii) the proceeds of the Series 2025 New Money Bonds issued to refinance such Series 2025 Notes issued as Obligation Anticipation Notes, and such pledge has priority over any other pledge thereof created by the DTF Resolution or the TRB Resolution, including Section 501 thereof, or a similar section of other Applicable Resolutions. There is also hereby pledged to the payment of interest on the Series 2025 Notes issued as Obligation Anticipation Notes under an Applicable Resolution amounts available for transfer pursuant to such Applicable Resolution for the payment of Subordinated Indebtedness in accordance with and subject to the limitations contained in such Applicable Resolution. Proceeds and amounts described in clause (iii) of Section 2.09(a) hereof may be pledged to the payment of principal and interest on the Series 2025 Notes issued as Obligation Anticipation Notes to the extent set forth in a Certificate of Determination.

(c) With respect to any Series 2025 New Money Working Capital Notes issued hereunder, although the sources identified in paragraphs (a) and (b) above shall be pledged to secure repayment of principal and interest on such Series 2025 New Money Working Capital Notes, the Issuer intends to deposit with the Trustee funds from legally available revenues or subsidies necessary to pay principal and interest on such maturing Notes rather than issue Refunding Obligations hereunder.

Section 2.10. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2025 Obligations:

(a) to determine whether and when to issue any (i) Series 2025 New Money Bonds, the amount of the Series 2025 New Money Bonds to be applied to finance Capital Costs or other uses as provided in Section 2.02 hereof, and the amount of the proceeds of the Series 2025 New Money Bonds estimated to be necessary to pay the Costs of Issuance of the Series 2025 New Money Bonds and capitalized interest, if any, (ii) Series 2025 New Money Notes, the amount of the Series 2025 New Money Notes to be applied to finance Capital Costs or other uses as provided in Section 2.02 of this Supplemental Resolution and the amount of the proceeds of the Series 2025 New Money Notes estimated to be necessary to pay the Costs of Issuance of the Series 2025 New Money Notes and capitalized interest, if any, and (iii) Series 2025 Refunding Obligations constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Series 2025 Refunding Obligations to be applied to refunding purposes as well as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Series 2025 Refunding Obligations estimated to be necessary to pay the Costs of Issuance of the Series 2025 Refunding Obligations;

(b) to determine the purpose or purposes for which the Series 2025 Obligations are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2025 Obligations to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2025 Obligations, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and with respect to Series 2025 Bonds, to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2025 Obligations and with respect to Series 2025 Bonds, the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2025 Obligations shall be dated and the interest rate or rates of the Series 2025 Obligations or the manner of determining such interest rate or rates; provided, however, that (i) any Series 2025 New Money Bonds issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2025 New Money Bonds issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board, and (ii) the true interest cost (as calculated by the officers of the Issuer executing any Certificate of Determination, which calculation shall be conclusive) on the Series 2025 Notes bearing a fixed rate of interest shall not exceed 8.00% per annum and for Series 2025 Notes bearing interest at a variable interest rate shall not exceed a rate equal to SIFMA or SOFR, as applicable, or another short-term index generally accepted in the marketplace chosen by an Authorized Officer and set forth in the Certificate of Determination, in each case, plus 5.00% and any default rate or equivalent rate shall not exceed the sum of 12.00% plus either a specified prime rate, the federal funds rate or another index generally accepted in the marketplace, in which case the total default rate shall not exceed 25%;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2025 Obligations; provided, however, that if the Series 2025 Obligations are to be redeemable at the election of the Issuer, the Redemption Price shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2025 Obligations to be redeemed (the “Cap”), plus accrued interest thereon up to but not including the date of redemption, unless the Authorized Officer deems it advisable to provide for a make-whole redemption in excess of the Cap;

(g) to determine whether the sale of any or a portion of the Series 2025 Obligations shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2025 Obligations to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements or a bank direct purchase agreement, the purchase price for the Series 2025 Obligations to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.11 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that, in the case of Series 2025 Bonds sold on a negotiated basis (and not competitive sale), the underwriters’ discount reflected in such purchase price shall not exceed (i) \$7.00 for each one thousand dollars (\$1,000) principal amount of the Series 2025 Bonds and; (ii) \$3.50 for each one thousand dollars (\$1,000) principal amount of the Series 2025 Notes;

(h) to take all actions required for the Series 2025 Obligations to be eligible under the rules and regulations of DTC for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2025 Obligations issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2025 Obligations as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations or Obligation Anticipation Notes permitted by the Applicable Resolution or this Supplemental Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2025 Obligations, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine the items to be pledged to the Series 2025 Obligations from those permitted by Section A-203 of the Applicable Resolution, and to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2025 Obligations, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2025 Obligations, and to make any changes in connection therewith. Such changes

may include, but are not limited to, the making of any additional covenants with Holders or other parties deemed necessary or appropriate by the officer executing any Certificate of Determination;

(k) to determine that Series 2025 Refunding Obligations comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination, unless otherwise provided by the Board;

(l) to make such changes to the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2025 Obligations;

(m) to make such changes to the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(n) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding; and

(o) to determine any other matters provided for herein, or permitted by the provisions of the Applicable Resolutions, including the election and determination of matters relating to Tax-Exempt Obligations, and to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2025 Obligations are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the related Trustee concurrently with the authentication and delivery of the respective Series or subseries of Series 2025 Obligations by such Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2025 Obligations, as appropriate for any purposes, including to remove or replace Trustees under Applicable Resolutions as permitted by the Applicable Resolution, provided such substitute Trustee meets the requirements of the Applicable Resolution; to amend any Certificate of Determination to make such changes to the form thereof as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments providing for the private placement of Series 2025 Obligations with financial or governmental entities; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Series 2025 Obligation or Series 2025 Obligation Anticipation Note or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Series 2025 Obligations; if any Series 2025 Obligations shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or

subseries; or, if any Series 2025 Obligations consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Series 2025 Obligations, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations or Obligation Anticipation Notes to the extent applicable, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

Section 2.11. Sale of Series 2025 Obligations. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2025 Obligations through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale to be published in order to give notice of the competitive sale of the Series 2025 Obligations; (ii) to sell and award all or any portion of the Series 2025 Obligations through a negotiated sale to the purchasers who are referred to in the Purchase Agreement and who shall be selected from the then current list of approved underwriters or shall be an approved governmental lender under a federal or State program; (iii) to sell and award all or any portion of the Series 2025 Obligations through a direct sale to the financial or governmental institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement; or (iv) to issue all or any portion of the Series 2025 Notes in the form of a Loan Facility to any financial or governmental institution or institutions selected by the Authorized Officer. Each Authorized Officer is hereby authorized to sell and award the Series 2025 Obligations to the purchasers referred to in the preceding sentence in the case of a bond purchase agreement or note purchase agreement, in substantially the form most recently executed or delivered by the Issuer, to the extent applicable, in connection with the sale of Obligations or Obligation Anticipation Notes, or, with respect to a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer to the extent applicable, including, if applicable, that the requirement that the Loan Facility issuer or direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Series 2025 Obligations as may be approved by the Authorized Officer executing the Purchase Agreement. Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2025 Obligations shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2025 Obligations on the basis of a competitive bid, pursuant to the terms of a Notice of Sale, in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2025 Obligations in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a Preliminary Official Statement in connection with each public offering or any direct or private placement of the Series 2025 Obligations, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations or Obligation Anticipation Notes of the Issuer to the extent applicable, with such changes, omissions, insertions and revisions as such officer shall deem advisable, said distribution being conclusive evidence of the approval of such changes, omissions, insertions and revisions. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of an Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement to the extent applicable, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Series 2025 Obligations, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Notwithstanding the preceding two paragraphs, however, each Authorized Officer may make public and authorize the use and distribution of a final Official Statement in connection with the public offering of the Series 2025 Obligations meeting the requirements of the preceding two paragraphs and may deem such Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer to the extent applicable, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the “Continuing Disclosure Agreement”), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith deposit, if any, received by the Issuer from the purchasers of each issue of the Series 2025 Obligations under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith deposit for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2025 Obligations.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, dealer agreements, broker dealer agreements, tender agent agreements, escrow agreements, auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of the Series 2025 Obligations and for implementing the terms of the Series 2025 Obligations and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

Section 2.12. Forms of Series 2025 Obligations and Trustee’s Authentication Certificate.

(a) Subject to the provisions of the Applicable Resolution, the form of registered Series 2025 Bonds, and the related Trustee’s certificate of authentication, shall be substantially in the form set forth in Exhibit One (or any analogous attachment or reference thereto) to the Applicable Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or the related Certificate of Determination.

(b) The form of registered Series 2025 Notes, and the certificate of authentication, shall be of substantially the form and tenor provided in any Certificate of Determination.

Section 2.13. Appointment of Trustees and Paying Agents.

(a) With respect to the Series 2025 Bonds, unless otherwise provided by any Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under each of the Applicable Resolutions and the Paying Agent for the Series 2025 Bonds.

(b) With respect to the Series 2025 Notes, there is hereby delegated to any Authorized Officer executing any Certificate of Determination the right and authority to appoint any trustee, paying agent, fiscal agent or other agent with respect to the Series 2025 Notes deemed advisable by such Authorized Officer and to determine the terms and provisions of any arrangements with any such parties.

Section 2.14. General Provisions.

(a) As and to the extent provided in any Certificate of Determination, the provisions of the Applicable Resolutions relating to “General Terms and Provisions of Obligations,” “Redemption at Demand of the State or the City,” “Redemption and Tender of Obligations,” “Concerning the Trustee, Paying Agents and the Registrar,” “Amendments” and “Miscellaneous” (or similar provisions of Applicable Resolutions hereafter added) may apply equally to the Series 2025 Notes as though set forth in full herein but with each reference to Bonds being a reference to Series 2025 Notes, except as affected by the terms hereof and the procedures of the Securities Depository; provided that the Authorized Officer executing any Certificate of Determination may, in the alternative, set forth in any Certificate of Determination provisions relating to any such matters as deemed necessary or appropriate by such Authorized Officer.

(b) In addition to the delegations authorized by Section 2.10, there is hereby delegated to each Authorized Officer, subject to the limitations contained in any Applicable Resolution, the power to make such changes to any Applicable Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects, as provided in a Certificate of Determination. This Supplemental Resolution shall constitute a “Supplemental Resolution” under any section of an Applicable Resolution permitting the cure of any ambiguities, inconsistencies or other defects therein provided such changes are filed with the applicable trustee and accompanied by an Opinion of Bond Counsel.

ARTICLE III

DISPOSITION AND ALLOCATION OF SERIES 2025 OBLIGATION PROCEEDS

Section 3.01. Disposition and Allocation of Series 2025 New Money Bond Proceeds. Except as otherwise provided under Applicable Resolutions hereafter added or as otherwise provided in any Certificate of Determination, any proceeds of the sale of the Series 2025 Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Series 2025 Bonds, or shall otherwise be disposed of or applied pursuant to the related Certificate of Determination in accordance with the Applicable Resolution, as follows:

(a) such proceeds shall be (i) deposited in the Series 2025 Bond Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Capital Costs or the payment of principal of and redemption premium, if any, and interest on the Series 2025 Notes or (ii) otherwise applied to the payment of such amounts; and

(b) the balance of such proceeds shall be (i) deposited in the Series 2025 Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Section 3.02. Disposition of Series 2025 Note Proceeds. Except as otherwise provided under Applicable Resolutions hereafter added or as otherwise provided in any Certificate of Determination, the proceeds of the sale of the Series 2025 Notes shall be deposited in the Series 2025 Note Proceeds Account which is hereby established in the related Proceeds Fund and applied pursuant to the related Certificate of Determination to (i) the payment of Capital Costs, including any Costs of Issuance and accrued and capitalized interest or (ii) any Authorized Purpose under an Applicable Working Capital Resolution, and in each case the payment of principal of and interest on such Outstanding Series 2025 Notes.

Section 3.03. Disposition of Refunding Obligation Proceeds. Except as otherwise provided under Applicable Resolutions hereafter added or as otherwise provided in any Certificate of Determination, any proceeds of the sale of the Series 2025 Refunding Obligations, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Series 2025 Refunding Obligations, or shall otherwise be disposed of or applied pursuant to the related Certificate of Determination as follows:

(a) such proceeds shall be (i) deposited in the Series 2025 Refunding Obligations Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the refunding of any Obligations, Parity Debt or Cross Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof or (ii) otherwise applied to such refunding; and

(b) the balance of such proceeds shall be (i) deposited in the Series 2025 Refunding Obligations Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Section 3.04. Accrued Interest. Unless otherwise provided in the related Certificate of Determination, the accrued interest and capitalized interest (excluding capitalized interest on Series 2025 Refunding Obligations), if any, received on the sale of the Series 2025 Obligations shall be deposited in the Debt Service Fund created under the Applicable Resolution.

ARTICLE IV

TAX COVENANTS AND DEFEASANCE

Section 4.01. Tax Covenants Relating to the Series 2025 Obligations. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2025 Obligations issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Series 2025 Obligations issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Applicable Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with, the above covenant (a) the Owners or Holders of the Series 2025 Obligations, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 (or other analogous provision) of the Applicable Resolution (as though such provisions related to Series 2025 Notes rather than Bonds), and (b) neither the Owners of the Obligations or notes of any Series or holders of any Parity Debt (other than the Owners of the Series 2025 Obligations or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders, the Trustee or Noteholders under the Applicable Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Series 2025 Refunding Obligations, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

Section 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Applicable Resolution, all or less than all Outstanding Series 2025 Obligations issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of this Supplemental Resolution or the defeasance provisions of the Applicable Resolutions, the Series 2025 Obligations issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in the defeasance provisions of the Applicable Resolution unless (i) the Issuer has confirmed in writing that the Owners or Holders of the Series 2025 Obligations issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the related Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2025 Obligations issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

ARTICLE V

REIMBURSEMENT

Section 5.01. Capital Program Reimbursement. (a) The Issuer intends to finance Applicable Transit and Commuter Projects in 2025 (the “Capital Project”) (whether directly or as a reimbursement)

consisting of capital assets, whether in the nature of personal or real property, which are used for transit, commuter or transportation purposes as more fully described in the capital programs adopted by the Issuer (the “Capital Programs”).

(b) The Issuer desires to finance the Capital Project through the issuance of tax-exempt debt or tax-advantaged debt, if available, and other available sources, including moneys derived from the Issuer and its affiliates and subsidiaries, and expects to reimburse expenditures made from such other sources with proceeds of such tax-exempt or tax-advantaged debt.

(c) The statements contained in this Section 5.01 with respect to the reimbursement of the expenditures described in this Supplemental Resolution are intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e).

(d) The expenditures in connection with the Capital Project to be reimbursed pursuant to this Supplemental Resolution have been incurred and paid not more than 60 days prior to the date this Supplemental Resolution (or any amendment of or supplement to this Supplemental Resolution, as applicable) is adopted or will be incurred and paid after the date this Supplemental Resolution (or any amendment of or supplement to this Supplemental Resolution, as applicable) is adopted in connection with the Capital Project. The reimbursement of such expenditures with proceeds of tax-exempt or tax-advantaged debt will be made in compliance with Treasury Regulation Section 1.150-2(d).

(e) The Issuer reasonably expects that the maximum principal amount of tax-exempt or tax-advantaged debt (including bonds, commercial paper and bond anticipation notes) to be issued by the Issuer and/or by TBTA pursuant to the TBTA Multiple Credit and Series 2025 Supplemental Resolution subsequent to the date hereof to pay the Capital Project expenditures in 2025 (whether directly or as a reimbursement), in addition to amounts previously authorized by other resolutions intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e), is \$7.0 billion, which is the amount set forth in Section 2.01(a) of this Supplemental Resolution (plus associated financing costs).

(f) This Section shall take effect immediately.

Section 5.02. Working Capital Reimbursement.

(a) The Issuer intends to finance working capital expenditures in 2025 (the “Working Capital Purpose”) (whether directly or as a reimbursement) through the issuance of taxable, or tax-exempt or tax-advantaged debt if permitted under the Code, and other available sources, including moneys derived from the Issuer and its affiliates and subsidiaries, and expects to reimburse expenditures made from such other sources with proceeds of such debt.

(b) The statements contained in this Section 5.02 with respect to the reimbursement of the expenditures described in this Supplemental Resolution are intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e).

(c) The expenditures in connection with the Working Capital Purpose to be reimbursed with tax-exempt or tax-advantaged debt pursuant to this Supplemental Resolution have been incurred and paid not more than 60 days prior to the date this Supplemental Resolution (or any amendment of or supplement to this Supplemental Resolution, as applicable) is adopted or will be incurred and paid after the date this Supplemental Resolution (or any amendment of or supplement to this Supplemental Resolution, as applicable) is adopted in connection with the Working Capital Purpose. The reimbursement of such

expenditures with proceeds of tax-exempt or tax-advantaged debt will be made in compliance with Treasury Regulation Section 1.150-2(d) or such other applicable Treasury Regulations.

(d) The Issuer reasonably expects that the maximum principal amount of taxable, tax-exempt or tax-advantaged debt (including bonds, commercial paper and bond anticipation notes) to be issued by the Issuer subsequent to the date hereof to pay for the Working Capital Purposes in 2025 (whether directly or as a reimbursement), in addition to amounts previously authorized by other resolutions intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e), is \$1.2 billion, which is the amount set forth in Section 2.01(b) of this Supplemental Resolution (plus associated financing costs).

(e) This Section shall take effect immediately.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

**MULTIPLE CREDIT AND SERIES 2025
SUPPLEMENTAL RESOLUTION AUTHORIZING OBLIGATIONS, OBLIGATION
ANTICIPATION NOTES AND REFUNDING OBLIGATIONS**

Adopted December 18, 2024

**MULTIPLE CREDIT AND SERIES 2025
SUPPLEMENTAL RESOLUTION AUTHORIZING OBLIGATIONS, OBLIGATION
ANTICIPATION NOTES AND REFUNDING OBLIGATIONS**

BE IT RESOLVED by the Board of Triborough Bridge and Tunnel Authority (the “Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01 Supplemental Resolution. This Multiple Credit and Series 2025 Supplemental Resolution Authorizing Obligations, Obligation Anticipation Notes and Refunding Obligations (the “Supplemental Resolution”) is supplemental to, and is adopted in accordance with, each of the Applicable Resolutions described below.

Section 1.02 Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given in the Applicable Resolutions.

2. In this Supplemental Resolution:

“Applicable Bridge and Tunnel Project(s)” shall mean the financing of TBTA Facilities in the case of the Senior Resolution and the Subordinate Resolution, and any bridge or tunnel project permitted to be financed under any other Applicable Resolution from time to time.

“Applicable Bridge and Tunnel Resolution(s)” shall mean each of the following resolutions of the Issuer, as applicable:

- (1) the Senior Resolution;
- (2) the Subordinate Resolution; and
- (3) any other resolution adopted by the Issuer with the expectation that obligations may be issued thereunder during the term of this Supplemental Resolution for the Applicable Bridge and Tunnel Projects permitted to be financed or refinanced under this Supplemental Resolution, as such Supplemental Resolution may be amended or supplemented from time to time.

“Applicable CBD Tolling Project(s)” shall mean the financing of the Central Business District Tolling Program in the case of the CBD Tolling Resolution, and any Central Business District Tolling Program project permitted to be financed under any other Applicable Resolution from time to time.

“Applicable CBD Tolling Resolution(s)” shall mean each of the following resolutions of the Issuer, as applicable:

- (1) the CBD Tolling Resolution;
- (2) the City Sales Tax Resolution;
- (3) the RETT Resolution; and
- (3) any other resolution adopted by the Issuer with the expectation that obligations may be issued thereunder during the term of this Supplemental Resolution for the Applicable CBD Tolling Projects permitted to be financed or refinanced under this Supplemental Resolution, as such Supplemental Resolution may be amended or supplemented from time to time.

“Applicable Project(s)” shall mean the Applicable Bridge and Tunnel Project, the Applicable CBD Tolling Project and the Applicable Transit and Commuter Project, and any other project permitted to be financed under any other Applicable Resolution from time to time.

“Applicable Resolution(s)” shall mean the Applicable Bridge and Tunnel Resolution(s), the Applicable CBD Tolling Resolution(s) and the Applicable Transit and Commuter Resolution(s).

“Applicable Transit and Commuter Project(s)” shall mean the financing of (i) the TBTA Transit and Commuter Project in the case of the Senior Resolution, the Subordinate Resolution, the City Sales Tax Resolution and the RETT Resolution, (ii) the PMT Transit and Commuter Project in the case of the PMT Resolution, and (iii) any transit or commuter project permitted to be financed under any other Applicable Resolution from time to time.

“Applicable Transit and Commuter Resolution(s)” shall mean each of the following resolutions of the Issuer, as applicable:

- (1) the Senior Resolution;
- (2) the Subordinate Resolution;
- (3) the PMT Resolution;
- (4) the City Sales Tax Resolution
- (5) the RETT Resolution; and
- (6) any other resolution adopted by the Issuer with the expectation that obligations may be issued thereunder during the term of this Supplemental Resolution for the Applicable Transit and Commuter Projects permitted to be financed or refinanced under this Supplemental Resolution, as such

Supplemental Resolution may be amended or supplemented from time to time.

“Authorized Officer” shall include the officers designated as such in the Applicable Resolution, and, if not designated therein, the Chairman, the Chief Financial Officer of the MTA or the Deputy Chief, Financial Services of the MTA, or their designees, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, “Authorized Officer” shall not include the Secretary or any Assistant Secretary of the Issuer unless expressly delegated.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“CBD Tolling Resolution” shall mean the resolution adopted by the Issuer on December 18, 2019, entitled “CBDTP Second Subordinate Revenue Resolution Authorizing CBDTP Second Subordinate Revenue Obligations (Central Business District Tolling Program)”, as heretofore supplemented and amended.

“City Sales Tax Resolution” shall mean the resolution adopted by the Issuer on September 15, 2021, entitled “Special Obligation Resolution Authorizing Sales Tax Revenue Obligations (TBTA Capital Lockbox – City Sales Tax)”, as heretofore supplemented and amended.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Continuing Disclosure Agreement” has the meaning set forth in Section 2.11.

“Cross-Credit Obligations” shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of “Capital Costs” under the Applicable Resolution, but excluding Obligations originally issued under the same Applicable Resolution.

“DTC” means The Depository Trust Company.

“Loan Facility” shall mean a loan agreement, line of credit, revolving credit agreement or similar facility.

“MTA Multiple Credit and Series 2025 Supplemental Resolution” shall mean the supplemental resolution adopted by MTA on the date of adoption of this Supplemental Resolution authorizing the issuance of bonds, notes and other obligations for various purposes during 2025, as supplemented and amended from time to time.

“Noteholder”, “Holder” or “Holder of Notes”, or any similar term, means any person who shall be the registered owner of any Outstanding Series 2025 Note or Notes.

“Notice of Sale” shall mean the form of Notice of Sale to be distributed with the Preliminary Official Statement, hereinafter defined, and published in the event of a competitive sale of any Series 2025 Obligations.

“Official Statement” means a final official statement, offering circular or other disclosure document of the Issuer.

“PMT Resolution” shall mean the resolution adopted by the Issuer on March 17, 2021, entitled “Payroll Mobility Tax Obligation Resolution”, as heretofore supplemented and amended.

“Preliminary Official Statement” means a preliminary official statement, offering circular, or other disclosure document of the Issuer.

“Purchase Agreement” means a bond purchase agreement, note purchase agreement, Loan Facility, continuing covenant agreement or similar agreement.

“RETT Resolution” shall mean the resolution adopted by the Issuer on _____, entitled “Special Obligation Resolution Authorizing Real Estate Transfer Tax Revenue Obligations (TBTA Capital Lockbox)”, as supplemented and amended.

“Senior Resolution” shall mean the resolution adopted by the Issuer on March 26, 2002, entitled “General Resolution Authorizing General Revenue Obligations”, as heretofore supplemented and amended.

“Series 2025 Bonds” shall mean Series 2025 New Money Bonds and Series 2025 Refunding Obligations that are bonds.

“Series 2025 New Money Bonds” shall mean the Series 2025 New Money Bridge and Tunnel Bonds, the Series 2025 New Money CBD Tolling Bonds and the Series 2025 New Money Transit and Commuter Bonds.

“Series 2025 New Money Bridge and Tunnel Bonds” shall mean the Bonds issued for Applicable Bridge and Tunnel Projects authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

“Series 2025 New Money Bridge and Tunnel Notes” shall mean the Notes (including Obligation Anticipation Notes) issued for Applicable Bridge and Tunnel Projects authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

“Series 2025 New Money CBD Tolling Bonds” shall mean the Bonds issued for Applicable CBD Tolling Projects authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

“Series 2025 New Money CBD Tolling Notes” shall mean the Notes (including Obligation Anticipation Notes) issued for Applicable CBD Tolling Projects authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

“Series 2025 New Money Notes” shall mean the Series 2025 New Money Bridge and Tunnel Notes, the Series 2025 New Money CBD Tolling Notes and the Series 2025 New Money Transit and Commuter Notes.

“Series 2025 New Money Transit and Commuter Bonds” shall mean the Bonds issued for Applicable Transit and Commuter Projects authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

“Series 2025 New Money Transit and Commuter Notes” shall mean the Notes (including Obligation Anticipation Notes) issued for Applicable Transit and Commuter Projects authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

“Series 2025 Notes” shall mean the Series 2025 New Money Notes and the Series 2025 Refunding Obligations that are notes.

“Series 2025 Obligations” shall mean the Series 2025 New Money Bonds, the Series 2025 New Money Notes and the Series 2025 Refunding Obligations.

“Series 2025 Refunding Obligations” shall mean the bonds, notes (including Obligation Anticipation Notes) and other obligations authorized by Article II of this Supplemental Resolution that are (i) Refunding Obligations (as defined in the Applicable Resolutions and as authorized pursuant to Section 2.01(g)) and (ii) Obligations or Obligation Anticipation Notes for the purpose of refunding Cross-Credit Obligations, in each case in one or more Series or subseries, subject to redesignation as hereinafter provided, and any Series 2025 Refunding Obligations may be issued pursuant to this Supplemental Resolution to restructure principal amortization within the maturity limits permitted by law.

“Series 2025 Transit and Commuter Capital Cost Bonds” means the Series 2025 New Money Bonds and any similar bonds issued by MTA in accordance with the MTA Multiple Credit and Series 2025 Supplemental Resolution to finance projects that would be Applicable Transit and Commuter Projects under the Applicable Transit and Commuter Resolutions.

“Series 2025 Transit and Commuter Capital Cost Notes” means the Series 2025 Notes (including Obligation Anticipation Notes) and any similar notes issued by MTA in accordance with the MTA Multiple Credit and Series 2025 Supplemental Resolution to finance projects that would be Applicable Transit and Commuter Projects under the Applicable Transit and Commuter Resolutions.

“SOFR” means the Secured Overnight Financing Rate published by The Federal Reserve Bank of New York.

“Subordinate Resolution” shall mean the resolution adopted by the Issuer on March 26, 2002, entitled “2001 Subordinate Revenue Resolution Authorizing Subordinate Revenue Obligations”, as heretofore supplemented and amended.

“Trustee” shall have the meaning set forth in the Applicable Resolutions.

References herein to the terms “Bonds,” “Obligations,” “Obligation Anticipation Notes” and “Proceeds Account” as used in the Applicable Resolutions shall refer to the “Bonds,” “Obligations” and “Obligation Anticipation Notes” issued under, and the “Proceeds Account” established under, such Applicable Resolutions, notwithstanding the differences in the lien level at which such “Bonds,” “Obligations” and “Obligation Anticipation Notes” are secured at, or the “Proceeds Account” is established for, under such Applicable Resolutions. By way of example, the term “Obligation” as used herein refers, as the context requires, to “Obligations” issued under the Senior Resolution, as well as “Obligations” issued under the Subordinate Resolution.

Section 1.03 Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Applicable Resolutions.

ARTICLE II

AUTHORIZATION OF SERIES 2025 OBLIGATIONS

Section 2.01 Principal Amount, Designation and Series. (a) Pursuant to the Applicable Transit and Commuter Resolutions and in order to finance, as applicable, Capital Costs for Applicable Transit and Commuter Projects, (i) Series 2025 New Money Transit and Commuter Bonds, and (ii) Series 2025 New Money Transit and Commuter Notes, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Applicable Transit and Commuter Resolutions are hereby authorized to be issued in an aggregate principal amount not exceeding \$7.0 billion at any one time Outstanding under the Applicable Transit and Commuter Resolutions, to effectuate the purposes set forth in Section 2.02 hereof (the “Transit and Commuter Authorized Principal Amount”), which Transit and Commuter Authorized Principal Amount shall exclude any Series 2025 Obligations issued under the Applicable Transit and Commuter Resolutions issued to refinance Series 2025 New Money Transit and Commuter Notes and Series 2025 New Money Transit and Commuter Bonds. If determined to be advisable by an Authorized Officer in connection with the marketing of such Series 2025 Obligations, the proceeds of such Series 2025 Obligations to finance Capital Costs of the Applicable Transit and Commuter Project(s), after giving effect to any net original issue premium, may exceed the Transit and Commuter Authorized Principal Amount; provided, however, the Amount of Proceeds Delivered to the Transit and Commuter Capital Program shall not exceed the limitation imposed by Section 1269(12) of the MTA Act. The “Amount of Proceeds Delivered to the Transit and Commuter Capital Program” shall mean, in connection with any issuance, the amount of proceeds spent on Capital Costs of the Applicable Transit and Commuter Project(s), which shall not take into account (i) Costs of Issuance, (ii) original issue premium or discount, if any, and (iii) any amounts to fund accrued interest, reserve funds or capitalized interest. The Transit and Commuter Authorized Principal Amount shall be reduced by the principal amount of bonds and notes issued under the MTA Multiple Credit and Series 2025 Supplemental Resolution for transit and commuter projects.

(b) Pursuant to the Applicable Bridge and Tunnel Resolutions and in order to finance, as applicable, Capital Costs for Applicable Bridge and Tunnel Projects, (i) Series 2025 New Money Bridge and Tunnel Bonds, and (ii) Series 2025 New Money Bridge and Tunnel Notes, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Applicable Bridge and Tunnel Resolutions are hereby

authorized to be issued in an aggregate principal amount not exceeding \$550 million at any one time Outstanding to effectuate the purposes set forth in Section 2.02 hereof (the “Bridge and Tunnel Authorized Principal Amount”), which Bridge and Tunnel Authorized Principal Amount shall exclude any Series 2025 Obligations issued under the Applicable Bridge and Tunnel Resolutions issued to refinance Series 2025 New Money Bridge and Tunnel Notes and Series 2025 New Money Bridge and Tunnel Bonds. If determined to be advisable by an Authorized Officer in connection with the marketing of such Series 2025 Obligations, the proceeds of such Series 2025 Obligations to finance Capital Costs of the Applicable Bridge and Tunnel Project(s), after giving effect to any net original issue premium, may exceed the Bridge and Tunnel Authorized Principal Amount.

(c) Pursuant to the Applicable CBD Tolling Resolutions and in order to finance, as applicable, Capital Costs for Applicable CBD Tolling Projects, (i) Series 2025 New Money CBD Tolling Bonds, and (ii) Series 2025 New Money CBD Tolling Notes, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Applicable CBD Tolling Resolutions are hereby authorized to be issued in an aggregate principal amount not exceeding \$506 million at any one time Outstanding to effectuate the purposes set forth in Section 2.02 hereof (the “CBD Tolling Authorized Principal Amount”), which CBD Tolling Authorized Principal Amount shall exclude any Series 2025 Obligations issued under the Applicable CBD Tolling Resolutions issued to refinance Series 2025 New Money CBD Tolling Notes and Series 2025 New Money CBD Tolling Bonds. If determined to be advisable by an Authorized Officer in connection with the marketing of such Series 2025 Obligations, the proceeds of such Series 2025 Obligations to finance Capital Costs of the Applicable CBD Tolling Project(s), after giving effect to any net original issue premium, may exceed the CBD Tolling Authorized Principal Amount.

(d) The Issuer is hereby authorized to issue Series 2025 Refunding Obligations under any Applicable Resolution for the purposes permitted under such Applicable Resolution without limitation as to principal amount for the purposes provided in Section 2.02 hereof.

(e) The Series 2025 Obligations shall be designated as, and shall be distinguished from the Obligations of all other Series by the title or titles set forth in one or more Certificates of Determination.

(f) The Series 2025 Notes may be issued in the form of a Loan Facility.

(g) The authority to issue the Obligations and Obligation Anticipation Notes and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Series 2025 Obligations and take other actions hereunder shall continue in effect without any action by the Issuer until the adoption by the Board of a subsequent supplemental resolution authorizing future new money financings and refundings; provided, however, the authorization to issue the Series 2025 Obligations to refinance the Series 2025 Notes authorized hereunder shall continue in effect until all of such Series 2025 Notes have been refinanced by Series 2025 Bonds or otherwise repaid.

(h) Nothing in this Supplemental Resolution is intended to preclude the issuance of Series 2025 Refunding Obligations as refunding obligations (including Cross-Credit Obligations) under the new money provisions of the Applicable Resolution.

(i) The Issuer hereby covenants and agrees for the benefit of the Holders and Beneficial Owners of the Series 2025 Notes that it will maintain issuance capacity pursuant to the Applicable Resolution to issue Bonds or additional Obligation Anticipation Notes in an amount sufficient to pay the principal of and interest on the Series 2025 Notes when due.

Section 2.02 Purposes. The purposes for which the Series 2025 Obligations are issued shall be set forth in one or more Certificates of Determination and may include (a) with respect to the Series 2025 New Money Bonds and Series 2025 New Money Notes (i) the payment of all or any part of the Capital Costs, including Costs of Issuance relating to the applicable issuance, and (ii) the payment of principal of, redemption premium, if any, and interest on Outstanding Series 2025 Notes, all to the extent and in the manner provided in this Supplemental Resolution, and (b) with respect to Series 2025 Refunding Obligations, the refunding, refinancing, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with the Applicable Resolutions. Since the approval by the MTA Capital Program Review Board of the RETT Resolution, the Central Business District Tolling Program has received approval from the Federal Highway Administration, and the Central Business District Tolling Program is hereby added as an “Additional Project” for the purposes of the definition of “Capital Costs” under the RETT Resolution.

Section 2.03 Dates, Maturities, Principal Amounts and Interest. The Series 2025 Obligations, except as otherwise provided in the Applicable Resolutions, shall be dated the date or dates determined in the related Certificate of Determination. The Series 2025 Obligations shall mature on the date or dates and in the year or years and in the principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination. The Series 2025 Notes shall be subject to redemption prior to maturity as provided in the Certificate of Determination.

Section 2.04 Interest Payments. The Series 2025 Obligations shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2025 Obligations shall be computed on the basis of twelve (12) 30-day months and a 360-day year.

Section 2.05 Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2025 Obligations shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2025 Obligations shall be numbered and lettered as provided in the related Certificate of Determination.

Section 2.06 Places of Payment and Paying Agents. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2025 Obligations shall be payable to the registered owner of each Series 2025 Obligation when due

upon presentation of such Series 2025 Obligation at the principal corporate trust office of the applicable Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2025 Obligations will be paid by check or draft mailed on the interest payment date by the applicable Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner or Holder of at least one million dollars (\$1,000,000) in principal amount of the Series 2025 Obligations, by wire transfer in immediately available funds on each interest payment date to such Owner or Holder thereof upon written notice from such Owner or Holder to the related Trustee, at such address as such Trustee may from time to time notify such Owner or Holder, containing the wire transfer address (which shall be in the continental United States) to which such Owner or Holder wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07 Sinking Fund Installments. Except as otherwise provided in the related Certificate of Determination, the Series 2025 Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of Series 2025 Bonds issued as Taxable Obligations), or (c) otherwise as determined in accordance with the Applicable Resolution, on each date in the year or years as determined in the related Certificate of Determination at the principal amount thereof, plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2025 Bonds.

Section 2.08 Redemption Prices and Terms. The Series 2025 Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Applicable Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Applicable Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date; *provided, however*, that if any Series 2025 Obligations are redeemable at the election of the Issuer, such redemption may be a pro rata redemption and the Redemption Price may be determined as provided in clause of (f) of Section 2.10 hereof, all as determined in the related Certificate of Determination.

Section 2.09 Sources of Payment for Series 2025 Notes Issued as Obligation Anticipation Notes.

(a). The principal of and interest on the Series 2025 Notes issued as Obligation Anticipation Notes may be payable solely from (i) the proceeds of any other Series 2025 Notes issued for the same purposes as such Obligation Anticipation Notes, (ii) the proceeds of the Series 2025 Bonds issued for the same purposes as such Obligation Anticipation Notes, and (iii) the proceeds of notes or other evidences of indebtedness or any other amounts (which other amounts are not pledged under the Applicable Resolution), in each case if and to the extent such amounts may lawfully be used to make such payments. The interest on Series 2025 Notes issued as Obligation Anticipation Notes under an Applicable Resolution may also be payable from amounts available for transfer pursuant to such Applicable Resolution for the payment of Subordinated

Indebtedness, as defined therein. For purposes of clarification, Series 2025 Bonds issued under the CBD Tolling Resolution are Subordinated Indebtedness as described in the Subordinate Resolution and the payment of interest on the Series 2025 Notes issued as Obligation Anticipation Notes under the CBD Tolling Resolution is subordinate to the payment of principal of and interest on the Series 2025 Bonds issued under the CBD Tolling Resolution.

(b). There are hereby pledged to the payment of principal and interest on the Series 2025 Notes issued as Obligation Anticipation Notes (i) the proceeds of other Series 2025 Notes issued to refinance such Series 2025 Notes issued as Obligation Anticipation Notes, and (ii) the proceeds of the Series 2025 New Money Bonds issued to refinance such Series 2025 Notes issued as Obligation Anticipation Notes, and such pledge has priority over any other pledge thereof created by the Applicable Resolution, including Section 501 thereof, or a similar section of other Applicable Resolutions. There is also hereby pledged to the payment of interest on the Series 2025 Notes issued as Obligation Anticipation Notes under an Applicable Resolution amounts available for transfer pursuant to such Applicable Resolution for the payment of Subordinated Indebtedness in accordance with and subject to the limitations contained in such Applicable Resolution. Proceeds and amounts described in clause (iii) of Section 2.09(a) hereof may be pledged to the payment of principal and interest on the Series 2025 Notes issued as Obligation Anticipation Notes to the extent set forth in a Certificate of Determination.

Section 2.10 Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2025 Obligations:

(a) to determine whether and when to issue any (i) Series 2025 New Money Bonds, the amount of the Series 2025 New Money Bonds to be applied to finance Capital Costs or other uses as provided in Section 2.02 hereof, and the amount of the proceeds of the Series 2025 New Money Bonds, estimated to be necessary to pay the Costs of Issuance of the Series 2025 New Money Bonds and capitalized interest, if any, (ii) Series 2025 New Money Notes, the amount of the Series 2025 New Money Notes to be applied to finance Capital Costs or other uses as provided in Section 2.02 of this Supplemental Resolution and the amount of the proceeds of the Series 2025 New Money Notes estimated to be necessary to pay the Costs of Issuance of the Series 2025 New Money Notes and capitalized interest, if any, and (iii) Series 2025 Refunding Obligations constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Series 2025 Refunding Obligations to be applied to refunding purposes as well as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Series 2025 Refunding Obligations estimated to be necessary to pay the Costs of Issuance of the Series 2025 Refunding Obligations;

(b) to determine the purpose or purposes for which the Series 2025 Obligations are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2025 Obligations to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2025 Obligations, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and with respect to Series 2025 Bonds, to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2025 Obligations and with respect to Series 2025 Bonds, the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2025 Obligations shall be dated and the interest rate or rates of the Series 2025 Obligations or the manner of determining such interest rate or rates; provided, however, that (i) any Series 2025 New Money Bonds issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2025 New Money Bonds issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Board; and (ii) the true interest cost (as calculated by the officers of the Issuer executing any Certificate of Determination, which calculation shall be conclusive) on the Series 2025 Notes bearing a fixed rate of interest shall not exceed 8.00% per annum and for Series 2025 Notes bearing interest at a variable interest rate shall not exceed a rate equal to SIFMA or SOFR, as applicable, or another short-term index generally accepted in the marketplace chosen by an Authorized Officer and set forth in the Certificate of Determination, in each case, plus 5.00% and any default rate or equivalent rate shall not exceed the sum of 12.00% plus either a specified prime rate or the federal funds rate or another index generally accepted in the marketplace, in which case the total default rate shall not exceed 25%;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2025 Obligations; provided, however, that if the Series 2025 Obligations are to be redeemable at the election of the Issuer, the Redemption Price shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2025 Obligations to be redeemed (the "Cap"), plus accrued interest thereon up to but not including the date of redemption, unless the Authorized Officer deems it advisable to provide for a make-whole redemption in excess of the Cap;

(g) to determine whether the sale of any or a portion of the Series 2025 Obligations shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2025 Obligations to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements or a bank direct purchase agreement, the purchase price for the Series 2025 Obligations to be paid

by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.11 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that, in the case of Series 2025 Bonds sold on a negotiated basis (and not competitive sale), the underwriters' discount reflected in such purchase price shall not exceed (i) \$7.00 for each one thousand dollars (\$1,000) principal amount of the Series 2025 Bonds and (ii) \$3.50 for each one thousand dollars (\$1,000) principal amount of the Series 2025 Notes;

(h) to take all actions required for the Series 2025 Obligations to be eligible under the rules and regulations of DTC for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2025 Obligations issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2025 Obligations as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations or Obligation Anticipation Notes permitted by the Applicable Resolution or this Supplemental Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2025 Obligations, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine the items to be pledged to the Series 2025 Obligations from those permitted by Section A-203 of the Applicable Resolution, and to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2025 Obligations, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2025 Obligations, and to make any changes in connection therewith. Such changes may include, but are not limited to, the making of any additional covenants with Holders or other parties deemed necessary or appropriate by the officer executing any Certificate of Determination;

(k) to determine that Series 2025 Refunding Obligations comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination, unless otherwise provided by the Board;

(l) to make such changes to the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2025 Obligations;

(m) to make such changes to the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(n) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Obligations, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding; and

(o) to determine any other matters provided for herein, or permitted by the provisions of the Applicable Resolutions, including the election and determination of matters relating to Tax-Exempt Obligations, and to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2025 Obligations are delivered from time to time or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the related Trustee concurrently with the authentication and delivery of the respective Series or subseries of Series 2025 Obligations by such Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2025 Obligations, as appropriate for any purposes, including to remove or replace Trustees under Applicable Resolutions as permitted by the Applicable Resolution, provided such substitute Trustee meets the requirements of the Applicable Resolution; to amend any Certificate of Determination to make such changes to the form thereof as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments providing for the private placement of Series 2025 Obligations with financial or governmental entities; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Series 2025

Obligation or Series 2025 Obligation Anticipation Note or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Series 2025 Obligations; if any Series 2025 Obligations shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Series 2025 Obligations consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Series 2025 Obligations, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations or Obligation Anticipation Notes to the extent applicable, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

Section 2.11 Sale of Series 2025 Obligations. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2025 Obligations through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale to be published in order to give notice of the competitive sale of the Series 2025 Obligations; (ii) to sell and award all or any portion of the Series 2025 Obligations through a negotiated sale to the purchasers who are referred to in the Purchase Agreement and who shall be selected from the then current list of approved underwriters or shall be an approved governmental lender under a federal or State program; (iii) to sell and award all or any portion of the Series 2025 Obligations through a direct sale to the financial or governmental institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement; or (iv) to issue all or any portion of the Series 2025 Notes in the form of a Loan Facility to any financial or governmental institution or institutions selected by the Authorized Officer. Each Authorized Officer is hereby authorized to sell and award the Series 2025 Obligations to the purchasers referred to in the preceding sentence in the case of a bond purchase agreement or note purchase agreement, in substantially the form most recently executed or delivered by the Issuer, to the extent applicable, in connection with the sale of Obligations or Obligation Anticipation Notes, or, with respect to a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer to the extent applicable, including, if applicable, that the requirement that the Loan Facility issuer or direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Series 2025 Obligations as may be approved by the Authorized Officer executing the Purchase Agreement. Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase

Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2025 Obligations shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2025 Obligations on the basis of a competitive bid, pursuant to the terms of a Notice of Sale, in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2025 Obligations in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a Preliminary Official Statement in connection with each public offering or any direct or private placement of the Series 2025 Obligations or Obligation Anticipation Notes, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations or Obligation Anticipation Notes, to the extent applicable, with such changes, omissions, insertions and revisions as such officer shall deem advisable, said distribution being conclusive evidence of the approval of such changes, omissions, insertions and revisions. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission, as applicable.

The proceeds of each good faith deposit, if any, received by the Issuer from the purchasers of each issue of the Series 2025 Obligations under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith deposit for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2025 Obligations.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of an Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement to the extent applicable, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Series 2025 Obligations, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Notwithstanding the preceding two paragraphs, however, each Authorized Officer may make public and authorize the use and distribution of a final Official Statement in connection with the public offering of the Series 2025 Obligations meeting the requirements of the preceding two paragraphs and may deem such Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer to the extent applicable, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the “Continuing Disclosure Agreement”), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, dealer agreements, broker-dealer agreements, tender agent agreements, escrow agreements, auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of the Series 2025 Obligations and for implementing the terms of the Series 2025 Obligations and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

Section 2.12 Forms of Series 2025 Obligations and Trustee’s Authentication Certificate.

(a) Subject to the provisions of the Applicable Resolution, the form of registered Series 2025 Bonds, and the related Trustee’s certificate of authentication, shall be substantially in the form set forth in Exhibit One (or any analogous attachment or reference thereto) to the Applicable Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or the related Certificate of Determination.

(b) The form of registered Series 2025 Notes, and the certificate of authentication, shall be of substantially the form and tenor provided in any Certificate of Determination.

Section 2.13 Appointment of Trustees and Paying Agents.

(a) Unless otherwise provided in the related Certificate of Determination, The Bank of New York Mellon (as successor to U.S. Bank Trust National Association) shall be the Trustee under the Senior Resolution and the Paying Agent for the Series 2025 Obligations issued thereunder. Unless otherwise provided in the related Certificate of Determination, The Bank of New York Mellon shall also be the Trustee under the other Applicable Resolutions and the Paying Agent for the Series 2025 Bonds issued thereunder.

(b) With respect to the Series 2025 Notes, other than under the Senior Resolution, there is hereby delegated to any Authorized Officer executing any Certificate of Determination the right and authority to appoint any trustee, paying agent, fiscal agent or other agent with respect to the

Series 2025 Notes deemed advisable by such Authorized Officer and to determine the terms and provisions of any arrangements with any such parties.

Section 2.14 General Provisions.

(a) As and to the extent provided in any Certificate of Determination, the provisions of the Applicable Resolutions relating to “General Terms and Provisions of Obligations,” “Redemption at Demand of the State or the City,” “Redemption and Tender of Obligations,” “Concerning the Trustee, Paying Agents and the Registrar,” “Amendments” and “Miscellaneous” (or similar provisions of Applicable Resolutions hereafter added) may apply equally to the Series 2025 Notes as though set forth in full herein but with each reference to Bonds being a reference to Series 2025 Notes, except as affected by the terms hereof and the procedures of the Securities Depository; provided that the Authorized Officer executing any Certificate of Determination may, in the alternative, set forth in any Certificate of Determination provisions relating to any such matters as deemed necessary or appropriate by such Authorized Officer.

(b) In addition to the delegations authorized by Section 2.10, there is hereby delegated to each Authorized Officer, subject to the limitations contained in any Applicable Resolution, the power to make such changes to any Applicable Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects, as provided in a Certificate of Determination. This Supplemental Resolution shall constitute a “Supplemental Resolution” under any section of an Applicable Resolution permitting the cure of any ambiguities, inconsistencies or other defects therein provided such changes are filed with the applicable trustee and accompanied by an Opinion of Bond Counsel.

ARTICLE III

DISPOSITION AND ALLOCATION OF PROCEEDS

Section 3.01 Disposition and Allocation of Series 2025 New Money Bond Proceeds.

Except as otherwise provided under Applicable Resolutions hereafter added or as otherwise provided in any Certificate of Determination, any proceeds of the sale of the Series 2025 Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Series 2025 Bonds, or shall otherwise be disposed of or applied pursuant to the related Certificate of Determination in accordance with the Applicable Resolution, as follows:

(a) such proceeds shall be (i) deposited in the Series 2025 Bond Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Capital Costs or the payment of principal of and redemption premium, if any, and interest on the Series 2025 Notes or (ii) otherwise applied to the payment of such amounts; and

(b) the balance of such proceeds shall be (i) deposited in the Series 2025 Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Section 3.02 Disposition of Series 2025 Note Proceeds. Except as otherwise provided under Applicable Resolutions hereafter added or as otherwise provided in any Certificate of Determination, the proceeds of the sale of the Series 2025 Notes shall be deposited in the Series 2025 Note Proceeds Account which is hereby established in the related Proceeds Fund and applied pursuant to the related Certificate of Determination to the payment of Capital Costs, including any Costs of Issuance and accrued and capitalized interest, and the payment of principal of and interest on Outstanding Series 2025 Notes.

Section 3.03 Disposition of Refunding Obligation Proceeds. Except as otherwise provided under Applicable Resolutions hereafter added or as otherwise provided in any Certificate of Determination, any proceeds of the sale of the Series 2025 Refunding Obligations, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Series 2025 Refunding Obligations, or shall otherwise be disposed of or applied pursuant to the related Certificate of Determination as follows:

(a) such proceeds shall be (i) deposited in the Series 2025 Refunding Obligations Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the refunding of any Obligations, Parity Debt or Cross Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof or (ii) otherwise applied to such refunding; and

(b) the balance of such proceeds shall be (i) deposited in the Series 2025 Refunding Obligations Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Section 3.04 Accrued Interest. Unless otherwise provided in the related Certificate of Determination, the accrued interest and capitalized interest (excluding capitalized interest on Series 2025 Refunding Obligations), if any, received on the sale of the Series 2025 Obligations shall be deposited in the Debt Service Fund created under the Applicable Resolution.

ARTICLE IV

TAX COVENANTS AND DEFEASANCE

Section 4.01 Tax Covenants Relating to the Series 2025 Obligations. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2025 Obligations issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Series 2025 Obligations issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Applicable Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with the above covenant (a) the Owners or Holders of the Series 2025 Obligations, or the applicable Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the applicable Trustee under the Applicable Resolutions (for the Series 2025 Notes, as though such provisions related to Series 2025 Notes rather than Bonds), other than the right (which is hereby abrogated solely as to the Issuer's failure to observe, or refusal to comply with the above covenant) to declare the principal of all Obligations then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Owners of the Obligations or notes of any Series or holders of any Parity Debt (other than the Owners of the Series 2025 Obligations or the applicable Trustee acting on their behalf), nor the applicable Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the applicable Trustee or Noteholders under the Applicable Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Series 2025 Refunding Obligations, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

Section 4.02 Additional Covenants.

1. The Issuer covenants and agrees that it will not issue any Obligations under the Senior Resolution (other than pursuant to Section 205 thereof) unless in addition to satisfying the requirements of the Senior Resolution, an Authorized Officer delivers to the trustee under the Senior Resolution a certificate demonstrating that for any period of 12 consecutive calendar months out of the 18 complete calendar months next preceding the date of authentication and delivery of such issue of Senior Obligations, Net Revenues are at least equal to 1.10 times the Combined Maximum Annual Calculated Debt Service for all Obligations, and Parity Debt under each of the Resolutions.

2. The Issuer covenants and agrees that in addition to complying with the provisions of Section 6.04 of the Subordinate Resolution, the Issuer shall at all times establish, levy, maintain and collect, or cause to be established, levied, maintained and collected, such tolls, rentals and other charges in connection with the TBTA Facilities as shall always be sufficient, together with other money available therefor (including the anticipated receipt of proceeds of sale of Obligations or other bonds, notes or other obligations or evidences of indebtedness of the Issuer that will be used to pay the principal of Obligations issued in anticipation of such receipt, but not including any anticipated or actual proceeds from the sale of TBTA Facilities), to equal or exceed in each calendar year the greater of (a) an amount equal to the sum of amounts necessary in such calendar year (i) to pay all Operating Expenses of the Issuer, plus (ii) to pay the sum of Calculated Debt Service as defined in the Subordinate Resolution and Calculated Debt Service as defined in the Senior Resolution, plus (iii) to maintain any reserve established by the Issuer pursuant to the Senior Resolution, in such amount as may be determined from time to time by an Authorized Officer in his or her judgment, or (b) an amount such that Revenues less Operating Expenses shall equal at least 1.10 times the sum of Calculated Debt Service as defined in the Senior Resolution and Calculated Debt Service as defined in the Subordinate Resolution for such calendar year.

Section 4.03 Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in this Supplemental Resolution or in the Applicable Resolution, all or less than all Outstanding Series 2025 Obligations issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of this Supplemental Resolution or the defeasance provisions of the Applicable Resolutions, the Series 2025 Obligations issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in this Supplemental Resolution or the defeasance provisions of the Applicable Resolutions unless (i) the Issuer has confirmed in writing that the Owners or Holders of the Series 2025 Obligations issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the related Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2025 Obligations issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

ARTICLE V

REIMBURSEMENT

Section 5.01 Capital Program Reimbursement.

(a) The Issuer intends to finance Applicable Transit and Commuter Project expenditures, Applicable Bridge and Tunnel Project expenditures and Applicable CBD Tolling Project Expenditures in 2025 (together, the “Capital Project”) (whether directly or as a reimbursement) consisting of capital assets, whether in the nature of personal or real property, as more fully described in the capital programs (the “Capital Programs”) adopted by the Issuer or by the Metropolitan Transportation Authority (“MTA”).

(b) The Issuer desires to finance the Capital Project through the issuance of tax-exempt debt or tax-advantaged debt, if available, and other available sources, including moneys derived from the Issuer or MTA and its affiliates and subsidiaries, and expects to reimburse expenditures made from such other sources with proceeds of such tax-exempt or tax-advantaged debt.

(c) The statements contained in this Section 5.01 with respect to the reimbursement of the expenditures described in this Supplemental Resolution are intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e).

(d) The expenditures in connection with the Capital Project to be reimbursed pursuant to this Supplemental Resolution have been incurred and paid not more than 60 days prior to the date this Supplemental Resolution (or any amendment of or supplement to this Supplemental Resolution, as applicable) is adopted or will be incurred and paid after the date this Supplemental Resolution (or any amendment of or supplement to this Supplemental Resolution, as applicable) is adopted in connection with the Capital Project. The reimbursement of such expenditures with

proceeds of tax-exempt or tax-advantaged debt will be made in compliance with Treasury Regulation Section 1.150-2(d).

(e) The Issuer reasonably expects that the maximum principal amount of tax-exempt or tax-advantaged debt (including bonds, commercial paper and bond anticipation notes) to be issued by the Issuer and/or by MTA pursuant to the MTA Multiple Credit and Series 2025 Supplemental Resolution subsequent to the date hereof to pay the Capital Project consisting of Applicable Transit and Commuter Project expenditures, in 2025 (whether directly or as a reimbursement), in addition to amounts previously authorized by other resolutions intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e), is \$7.0 billion, which is the amount set forth in Section 2.01(a) of this Supplemental Resolution (plus associated financing costs).

(f) The Issuer reasonably expects that the maximum principal amount of tax-exempt or tax-advantaged debt (including bonds, commercial paper and bond anticipation notes) to be issued by the Issuer to pay the Capital Projects consisting of Applicable Bridge and Tunnel Project expenditures and Applicable CBD Tolling Project expenditures in 2025 (whether directly or as a reimbursement), in addition to amounts previously authorized by other resolutions intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e), are \$550 million, and \$506 million, respectively, which are the amounts set forth in Sections 2.01(b) and (c) of this Supplemental Resolution (plus associated financing costs).

(g) This Section shall take effect immediately.

Staff Summary

Subject Qualification and Selection of Banks to Provide New Working Capital Lines of Credit, Letters of Credit, Credit Facilities and Liquidity Facilities
Department Finance
Department Head Name Kevin Willens, Chief Financial Officer
Department Head Signature
Project Manager Name Olga Chernat, Deputy Chief, Financial Services

Date December 18, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm	12/16/24	X		
2	Board	12/18/24	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal	2	Chief of Staff

Summary:

The MTA Finance Department is seeking MTA Board and TBTA Board approval to update the previously approved ratings requirements for the selection of qualified commercial banks and financial institutions to provide new and replacement lines of credit for working capital purposes, letters of credit, credit facilities or liquidity facilities for variable interest rate bonds or revenue anticipation notes issued pursuant to certain MTA’s and TBTA’s bond and note resolutions.

Background:

On January 27, 2016, among other approvals and authorizations, the MTA Board and TBTA Board had authorized MTA Authorized Officers to compile and periodically update a list of banks and financial institutions qualifying to provide operating liquidity through revolving credit agreements or other loan arrangements and new credit and/or liquidity facilities subject to those banks and institutions meeting certain ratings requirements. In particular, those commercial banks and financial institutions were required to (i) have minimum long-term ratings of “A2”, “A” and “A” from Moody’s, Standard & Poor’s and Fitch, respectively, and (ii) carry, in the case of letters of credit, credit facilities or liquidity facilities for variable interest rate Bonds, the highest short-term ratings of “MIG 1” from Moody’s, “SP1+” or “SP1” from Standard & Poor’s and “F1+” or “F1” from Fitch, respectively.

On May 20, 2020, among other approvals and authorizations, the MTA Board and TBTA Board had updated the ratings requirements for the selection of financial institutions eligible to provide short-term liquidity under the Series 2013 Transportation Revenue Anticipation Note Resolution (Working Capital Revolving Credit Facility), adopted on July 24, 2013 to conform to the January 27, 2016 criteria. In particular, those commercial banks and financial institutions were required to have minimum long-term ratings of “A2”, “A” and “A” from Moody’s, S&P and Fitch, respectively.

Staff Summary

Purpose:

In order to attract a broader base of commercial banks and financial institutions eligible to provide new or replacement letters of credit, credit facilities, liquidity facilities, and lines of credit for working capital, MTA Finance seeks to amend requirements contained in the January 27, 2016 and May 20, 2020 MTA Board and TBTA Board approvals to reduce the minimum number of ratings for qualifying commercial banks and financial institutions from three to two ratings as further described below. In the current market, investors generally only require that financial institutions providing credit or liquidity support for variable interest rate bonds carry two ratings. As a result, MTA Finance does not anticipate any negative pricing consequences from potential investors in MTA bonds as a result of this change. Furthermore, MTA Finance expects that attracting a broader base of potential financial counterparties will increase competition and may result in lower fees payable by MTA.

Pursuant to the updated criteria, in order to qualify as eligible credit and liquidity facility providers, commercial banks and financial institutions (A) must have two of the three long-term ratings of at least "A2", "A" or "A" from Moody's, S&P and Fitch, respectively and (B) in the case of letters of credit, credit facilities or liquidity facilities for variable interest rate bonds, must also have two of the three ratings in the highest short-term ratings category: "MIG 1" from Moody's, "SP1+" or "SP1" from Standard & Poor's, and "F1+" or "F1" from Fitch.

Alternatives:

Keep the current criteria for the selection of commercial banks and financial institutions in place. Such action would limit the number of commercial banks and financial institutions eligible to provide liquidity and credit support to MTA and TBTA.

Recommendations:

To attract a broader base of qualifying banks and financial institutions, it is recommended that the Board approve the proposed changes to the ratings requirements applicable to the selection of commercial banks and financial institutions eligible to provide new and replacement lines of credit for working capital, letters of credit, credit facilities or liquidity facilities.

STAFF SUMMARY

Subject						Date			
Temporary Fare Promotions during the Rockaway Line Rehabilitation & Resiliency Project						December 18, 2024			
Department						Vendor Name			
Policy & External Relations						N/A			
Department Head Name						Contract Number			
John McCarthy						N/A			
Department Head Signature						Contract Manager Name			
						N/A			
Project Manager Name Lucille Songhai						Table of Contents Ref # N/A			
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Finance	12/16/24				1	Chief Financial Officer		
2	Board	12/18/24				2	Legal		
						3	Chief of Staff		
Narrative									

Purpose: To obtain Board approval to launch temporary fare promotions during the Rockaway Line (A Train) service outage as part of the Rockaway Line Rehabilitation and Resiliency Project, beginning January 17, 2025. These fare promotions would be in effect during the A Train outage to provide alternative forms of transportation between the Rockaway Peninsula and the rest of New York City.

Discussion: The Rockaway Line, served by the A and S Shuttle trains and carrying over 9,000 average weekday riders, is a vital link between the Rockaway Peninsula in Queens and the rest of New York City. In 2012, the line suffered extensive damage from Superstorm Sandy, and A Train service was suspended for seven months. While MTA was able to complete emergency repairs to restore service, more work is needed to make significant permanent repairs and protect the line from future storms.

The Rockaway Line Rehabilitation & Resiliency Project invests \$393 million to safeguard the bridges and viaducts on the Rockaway Line, guaranteeing the reliability of these critical connections for the next 50+ years. Beginning January 2025 and ending May 2025, MTA will reconstruct the elevated Hammels Wye and rehabilitate electrical and mechanical systems on the South Channel Bridge. Construction cannot be completed in piecemeal outages, and a 17-week outage is necessary to complete the work safely and cost-efficiently.

The MTA is proposing two temporary fare promotions to mitigate the effects of this long-term service outage and provide alternate forms of transportation between the Rockaway Peninsula and the rest of New York City.

- LIRR will discount the peak and off-peak Far Rockaway Ticket—currently \$7 in the peak and \$5 in the off-peak—to \$2.75 for trips to and from the Far Rockaway LIRR Station. Far Rockaway Tickets can be purchased at Far Rockaway Station or in the TrainTime app if customers share their location with the app to confirm they are near the station. This will allow customers who normally travel on the A Train to utilize LIRR service.
- S – Rockaway Park Shuttle service between Broad Channel and Rockaway Park – Beach 116 Street will be suspended during the 17-week outage and will be replaced by a special fare-free S Shuttle train serving all stations on the peninsula between Far Rockaway – Mott Avenue and Rockaway Park – Beach 116 Street. The special S Shuttle service will not operate during the first and last weekends of the 17-week outage and will be replaced by a modified free shuttle bus operation on those two weekends.

Impact on Funding: The revenue impact is estimated to be up to \$375,000.

Recommendation: It is recommended that the MTA Board adopt these temporary fare promotions.



MTA Headquarters Procurements

Lisette Camilo, Chief Administrative Officer/Interim Chief Procurement Officer

PROCUREMENTS

The Procurement Agenda this month includes 2 actions for a proposed estimated expenditure of \$4,794.8M.

Subject Request for Authorization to Award Various Procurements					
Department MTA Procurement					
Department Head Name Lisette Camilo					
Department Head Signature <i>Lisette Camilo</i>					
Project Manager Name Rose Davis					
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	12/16/24			
2	Board	12/18/24			

December 13, 2024			
Internal Approvals			
	Approval		Approval
	CAO		
	Legal		
	CFO		

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE

To obtain approval of the Board to award various contracts and purchase orders, and to inform the MTA Headquarters Committee of these procurement actions.

DISCUSSION

MTA Headquarters proposes to award Noncompetitive procurements in the following categories: None

MTA Headquarters proposes to award Competitive procurements in the following categories:

Procurements Requiring Majority Vote:	<u># of Actions</u>	<u>\$ Amount</u>
Schedule G: Miscellaneous Service Contracts	1	\$ 112.7 M
SUBTOTAL	1	\$ 112.7 M

MTA Headquarters proposes to award Ratifications in the following categories:

Schedules Requiring Majority Vote:	<u># of Actions</u>	<u>\$ Amount</u>
Schedule K: Ratification of Completed Procurement Actions	1	\$ 4,682.1 M
SUBTOTAL	1	\$ 4,682.1 M
TOTAL	2	\$ 4,794.8 M

COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C, and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

BUDGET IMPACT: The purchases/contracts will result in obligating funds in the amounts listed. Funds are available in the current 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

WHEREAS, in accordance with Sections 1265-a and 1209 of the Public Authorities Law and the All-Agency General Contract Procurement Guidelines, the Board authorizes the award of certain noncompetitive purchase and public work contracts, and the solicitation and award of requests for proposals regarding purchase and public work contracts; and

WHEREAS, in accordance with the All-Agency Service Contract Procurement Guidelines and General Contract Procurement Guidelines the Board authorizes the award of certain noncompetitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and

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

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.
2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.
3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.
4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein and ratifies each action for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: (i) the miscellaneous procurement contracts set forth in Schedule E; (ii) the personal service contracts set forth in Schedule F; (iii) the miscellaneous service contracts set forth in Schedule G; (iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; (v) the contract modifications to purchase and public work contracts set forth in Schedule I; 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.

December 2024

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

G. Miscellaneous Service Contracts

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

- | | | |
|--|----------------------|--------------------------------------|
| 1. McKissack – WSP JV | \$112,699,501 | <i>Staff Summary Attached</i> |
| Seven years | | |
| Contract # 0000015949 | | |
| Contract award for the management of the MTA’s Small Business Development and Mentoring Program. | | |

Schedule G: Miscellaneous Service Contracts

Item Number: 1

Vendor Name (Location) McKissack – WSP JV (New York, New York)	Contract Number 0000015949	Renewal? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description Small-Business Development & Mentoring Program Consultant	Total Estimated Amount: \$112,699,501	
Contract Term (including Options, if any): Seven years	Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> n/a	Requesting Department: MTA Construction & Development MTA Department of Diversity & Civil Rights	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive		
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other: Sole-Source		

Discussion:

MTA Headquarters is requesting Board approval to award a competitively negotiated estimated quantity miscellaneous service contract to McKissack-WSP JV (“McKissack-WSP”) for the management of the MTA’s Small Business Development and Mentoring Program (“SBDMP”) in the total estimated amount of \$112,699,501, for a term of seven years.

The MTA developed and implemented the SBDMP with the goal of increasing small business participation on public works contracts with the MTA. Through this program, small businesses are prospected, qualified, and enrolled to receive guidance on estimating, project scheduling, Quality Assurance/Quality Control plans and bidding strategies. This program is conducted in accordance with New York statute and the MTA policy encouraging growth of small businesses and is intended to expand the pool of qualified and diverse contractors who compete for MTA business and to enhance the ability of these firms to successfully compete for the MTA’s public work contracts.

This contract will be the first that the MTA has solicited for, and awarded, both the Small Business Development Program and the SBDMP via a single Request for Proposals (“RFP”). McKissack-WSP will manage both programs and work in conjunction with MTA agency project managers to provide mentoring services through all phases of construction, as well as bank loan repayment administration, payment tracking, and attending project meetings. Each MTA agency will be responsible for selecting projects estimated up to \$3 million, for which only firms participating in the SBDMP will be allowed to bid. The awarded firm will then receive the guidance necessary from McKissack-WSP to ensure successful completion of the identified project.

The RFP was publicly advertised and issued directly to 27 firms Procurement identified as prospective proposers. Of the 41 firms that attended the pre-proposal conference, four submitted proposals: McKissack-WSP; a joint venture led by Gannett Fleming; a joint venture between STV and Velez; and TDX Construction Corp (“TDX”), the incumbent. The proposals were evaluated based on: (1) the proposer’s capabilities to manage multiple construction projects and mentor firms that may do the same; (2) the proposer’s experience providing development and mentoring services; (3) the proposer’s direct experience with the MTA or similar organizations; (4) total cost of service; (5) responsiveness to the RFP and its requirements, and; (6) proposer’s status as a New York State–certified Minority/Women-owned or Service-Disabled Veteran-owned Business.

After evaluating the proposals, the Selection Committee (“SC”), composed of individuals from MTA Construction & Development and MTA Department of Diversity & Civil Rights (“DDCR”), recommended that all four proposers be invited for oral presentations. Upon conclusion of these presentations, the SC unanimously agreed that of the four proposers, McKissack-WSP was the most technically qualified to perform the work at the required level and elevate the SBMP program by implementing new industry-leading processes and technologies. The SC therefore recommended Procurement enter into negotiations with McKissack-WSP.

McKissack-WSP’s original cost proposal for a five-year base term with two 1-year options was \$136,818,238, not including firm escalations for the two option years, which at the time were unresolved. Negotiations included discussions with McKissack-WSP that resulted in a total reduction of \$24,118,737, or 17.63 percent compared to McKissack-WSP’s initial cost proposal. McKissack-WSP’s BAFO of \$112,699,501 is on average \$25,535,967, or 18.47 percent, less than the cost proposals submitted by the other three proposers who responded to this RFP, including that of TDX, the incumbent.

Based on the foregoing, McKissack-WSP’s BAFO provided the lowest cost with the best possible value to the MTA; it is considered fair and reasonable.

The contract has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state and local law and regulations. Any applicable cybersecurity requirements, to the extent required, shall be included in the contract terms and conditions prior to award.

McKissack-WSP has certified that pursuant to EO 16, they are not doing business in Russia.

While the MTA has not previously done business with this specific joint venture, both McKissack and WSP USA have held various contracts for the MTA and performed to expectation. McKissack recently completed a long-term contract as an Independent Engineer Consultant with their performance deemed satisfactory. WSP currently holds a handful of agreements for various construction/architecture consulting related tasks and has performed well.

M/W/DBE Information

DDCR has assigned goals of 15 percent MBE, 15 percent WBE, and 6 percent SDVOB for this procurement. McKissack-WSP has submitted a utilization plan to achieve the assigned MWBE and SDVOB goals. McKissack-WSP has not recently completed any MTA contracts; therefore, no assessment of their MWDBE performance is available at this time.

Impact on Funding

Funding will be made available from the Capital Program.

Alternatives

Perform all services in-house: This alternative is not practical. The Authority does not have the resources or the trained personnel capable of performing construction mentoring and management services.

December 2024

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

K. Ratification of Completed Procurement Actions (Involving Schedule E-J)
(Staff Summaries required for items estimated to be greater than \$1,000,000.)

- | | | |
|---|------------------------|--------------------------------------|
| 1. Aetna Life Insurance Company | \$4,682,050,000 | <i>Staff Summary Attached</i> |
| Nine years | | |
| Contract # 15118-0100.3 | | |
| Contract for NYC Transit Medical Benefits Program; Modification to add funding to cover the Retroactive Extension Period. | | |

Item Number:

Vendor Name (Location) Aetna Life Insurance Company (Hartford, Connecticut)
Description NYCT Medical Benefits Program
Contract Term (including Options, if any) January 1, 2017–December 31, 2025
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input 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:
Department, Department Head Name: Deputy Chief Benefit Admin Officer, Stephen Scholl

Contract Number 15118-0100	AWO/Modification # 3
Original Amount:	\$ 4,481,850,000
Prior Modifications:	\$ 209,820,000
Prior Budgetary Increases:	\$ 209,820,000
Current Amount:	\$ 9,163,900,000
This Request:	\$ 4,682,050,000
% of This Request to Current Amount:	104%
% of Modifications (including This Request) to Original Amount:	115%

Discussion:

Board approval is requested for a retroactive change order to the competitively negotiated personal service contract awarded to Aetna Life Insurance Company (“Aetna”) for NYC Transit Medical Benefits Program, for the period January 1, 2022, to December 31, 2025 (“Retroactive Extension Period”), and an additional not-to-exceed amount of \$4,682,050,000 to cover the Retroactive Extension Period, resulting in a total contract value of \$9,163,900,000. For the period from January 1, 2017, to December 31, 2021, the Board previously approved \$4,481,850,000 and now being asked to approve \$4,682,050,000 for the Retroactive Extension Period. Of the total contract value, fees are approximately 97.5 percent for medical claims, 2 percent for administration fees, and 0.5 percent based on the monthly premiums for the fully insured Medicare-Advantage plans.

The base contract term was five years (January 1, 2017–December 31, 2021) and covered the provision of medical health benefits for approximately 150,000 NYC Transit represented employees, retirees, and their dependents. Two types of plans are administered by Aetna: (1) self-insured medical plans (PPO and EPO); and (2) fully insured Medicare-Advantage (“MA”) plans. For the self-insured plans, the MTA pays Aetna a fixed fee to administer the plan and MTA is responsible for the medical claims. For the fully insured MA plans, MTA pays a fixed monthly premium, which covers medical claims and administration costs.

Prior to the expiration of this contract (15118-0100), successor Request for Proposal (“RFP”) 15650 was issued and received approval from the Board in September 2021 to award the new contract to Aetna for the period of January 1, 2022–December 31, 2026. After the September 2021 Board, a protest for RFP 15650 was received. The protest alleged that an error was made by the MTA’s benefit consultant engaged at the time when calculating the estimated plan cost of a competitor’s proposal in response to RFP 15650 for the contract. As further set forth in the protest, it was suspected that the proposer’s incorrect network was used to estimate the cost. The basis for the protest was evaluated and determined valid. As a result, RFP 15650 was canceled, and the contract with Aetna approved by the September 2021 Board was not executed.

The MTA retained Mercer Health & Benefits LLC (“Mercer”) to provide benefit consulting services for a contract extension with Aetna and to support the issuance of a replacement RFP. Aetna agreed to continue to provide benefit coverage during this Retroactive Extension Period. The new replacement, RFP 16000, was issued in Q3 of 2024 for the benefit plans effective on January 1, 2026. The first step of the RFP, for the pre-qualification of proposers has been completed. The second step, whereby the detailed RFP will be sent to prequalified proposers will be issued before the end of 2024. Mercer performed an analysis on MTA’s claim experience for the period of January 1, 2022–May 2024, using actual claims data as well as estimates for June 2024 through December 2025. The not-to-exceed amount of \$4,682,050,000 requested to cover the Retroactive Extension Period, is \$353,600,000 less than the projected amount approved by the September 2021 Board for the canceled RFP for the same period of 2022–2025. This is due to favorable emerging claim experience and movement of retirees to the MA plans as per the newly negotiated Collective Bargaining Agreement for the covered population. The pricing utilized during this Retroactive Extension Period is lower by approximately 13 percent for the self-insured administration fees and 89 percent less for the Medicare Advantage rates when compared to Contract No. 15118-0100 pricing, in effect from January 1, 2017, to December 31, 2021.

The MTA and Aetna have developed a valued partnership providing quality account management to the MTA as a buyer, as well as a high-level of customer service to MTA’s members. Aetna has provided satisfactory services.

Aetna has certified pursuant to Executive Order 16, that it is not doing business in Russia.

This contract has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, shall be included in the contract terms and conditions prior to award.

Impact on Funding

Funding is based on approved budgets for NYC Transit.

DECEMBER 2024

MTA REAL ESTATE

MTA C&D TRANSIT ORIENTED DEVELOPMENT

FINANCE COMMITTEE AGENDA ITEMS

1. TRANSACTIONAL ACTION ITEMS

MTA Metro-North Railroad

- a. Conveyance of property interests in the Wakefield section of the Bronx to facilitate adjacent transit-oriented development

2. INFORMATION ITEMS

- a. Memorandum of Understanding between the MTA and the City of New York in support of accessibility improvements at NYCT's Broadway Junction Station in Brooklyn, NY
- b. Short-term parking permit between MNR and Premium Outlet Partners, L.P. for the use of parking spaces at Harriman Station in Woodbury, NY

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

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

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

Staff Summary

Subject CONVEYANCE OF PROPERTY INTERESTS IN THE WAKEFIELD SECTION OF THE BRONX TO FACILITATE ADJACENT TRANSIT-ORIENTED DEVELOPMENT
Department TRANSIT ORIENTED DEVELOPMENT
Department Head Name ROBERT PALEY
Department Head Signature
Project Manager Name NICHOLAS ROBERTS

Date DECEMBER 18, 2024
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Metro-North	12/18/24		X	
2	Finance Committee	12/16/24	X		
3.	Board	12/18/24	X		

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

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

GRANTEE: Webster Leasing, LLC (“Webster Leasing”), a New York limited liability company, owned and controlled by Lawrence Blinn, PJ Mazzucca, Kevin Blinn and Greg Blinn.

LOCATION: Bullard Avenue and East 241st Street, The Bronx, New York - Block 5064, Lots 10 and 1 and Block 5101, Lots 10 and 41 (collectively, the “MTA Property”).

ACTIVITY: Sale in fee of a ± 62,650 square foot portion of the MTA Property (the “Fee Parcels”), grant of (i) a permanent, non-exclusive access easement over and across a portion of the MTA Property (the “Access Easement”), and (ii) a permanent, subsurface utility easement beneath a portion of the MTA Property (the “Utility Easement”) (collectively, the “MTA Property Interests”), and acquisition by MTA for the benefit of the MTA Property of a non-exclusive permanent perpetual access easement beneath or through the Project (as defined below) (the “MTA Access Easement”).

ACTION REQUESTED: Authorization to (i) conditionally designate Webster Leasing as the successful proposer under the RFP (as defined below), and (ii) negotiate and enter into a land development and disposition agreement (“LDDA”) with Webster Leasing substantially upon the terms and conditions set forth herein, to which the forms of the documents necessary or appropriate for the sale or transfer of the MTA Property Interests to Webster Leasing and the reservation or acquisition of the MTA Access Easement will be attached (the “Transaction Documents”). Note: The entry into the Transaction Documents themselves will be subject to further MTA/MNR Board action as referenced below.

COMPENSATION: \$14,000,000 for the MTA Property Interests, together with “in-kind” contributions in the form of the value of the MTA Access Easement and the construction and maintenance of the Access Drive (as defined below) through or beneath the completed Project and improvements to the existing access driveway located at the MTA Property.

COMMENTS:

The MTA Property is owned in fee by MTA and located in the Wakefield section of The Bronx, directly south of The Bronx/Mount Vernon border and in immediate proximity to MNR’s Wakefield Station. The MTA Property is bisected from above by an elevated portion of 241st Street that passes over the MTA Property, the rights of way of the Harlem and New

FINANCE COMMITTEE MEETING

CONVEYANCE OF PROPERTY INTERESTS IN THE WAKEFIELD SECTION OF THE BRONX TO FACILITATE ADJACENT TRANSIT-ORIENTED DEVELOPMENT (Cont'd.)

Page 2 of 2

Haven lines, and surrounding surface streets. The MTA Property is improved with trackage and equipment critical to the operation of MNR's Harlem and New Haven lines and paved areas used by MNR to gain access to these facilities. The portions of the MTA Property identified as the Fee Parcels are sandwiched between two properties owned by Webster Leasing: Bronx Block 5064, Lot 78, and Bronx Block 5064, Lot 85 (collectively, the "Development Parcels"). The Development Parcels are currently zoned for industrial use, as is the entirety of the MTA Property. Webster Leasing, in concert with the relevant City agencies, is actively advancing an ambitious proposal to develop the Development Parcels as a 1,200-unit, all-affordable, multifamily housing project (the "Project"). As part of the Project, Webster Leasing has proposed rezoning the Development Parcels and the Fee Parcels and combining them into a developable assemblage (the "Development Site"). Webster Leasing has also proposed utilizing portions of the MTA Property to gain vehicular and utility access to the Development Site. To assure MTA/MNR's continued access to the remaining portion of the MTA Property, including 24/7 vehicular access to the trackage and yard located at the junction of the Harlem and New Haven lines to the south of the Development Site, Webster Leasing has proposed to construct and maintain for MTA/MNR's use a covered access drive (the "Access Drive") through the completed Project within the MTA Access Easement area.

MTA Transit Oriented Development ("TOD") and MNR engaged in extensive discussions with Webster Leasing regarding the Project, including the location and design of the Access Drive, to ensure that the Project would not adversely impact MNR's current operation of the Harlem and New Haven lines or prevent MNR from improving or replacing existing facilities located at the MTA Property. TOD subsequently issued a request for proposals ("RFP") for the disposition of the MTA Property Interests. Webster Leasing was the sole respondent to the RFP. In its response to the RFP, Webster Leasing offered to pay a total of \$4,150,000 for the MTA Property Interests, as follows: \$3,150,000 for the Fee Parcels, \$750,000 for the Access Easement, and \$250,000 for the Utility Easement. After extensive negotiations with Webster Leasing regarding appraisal methodology and assumptions, TOD and Webster Leasing conditionally agreed to a "Total Purchase Price" of \$14,000,000 for the MTA Property Interests, as follows: \$13,000,000 for the Fee Parcels, \$750,000 for the Access Easement, and \$250,000 for the Utility Easement. The Total Purchase Price is supported by an independent appraisal of the MTA Property Interests obtained by TOD. Additionally, as mentioned above, Webster Leasing has agreed to grant to MTA the MTA Access Easement and, at its own expense, construct and maintain the Access Drive through the completed Project for MTA/MNR's non-exclusive use.

Webster Leasing has proposed to develop the Project in four phases as funding for the Project becomes available through allocations of affordable housing funds. For Phase 1 of the Project, Webster Leasing has proposed to acquire approximately 40% of the area comprising the Fee Parcels, as well as the Access Easement and the Utility Easement needed for the Project. The remaining portions of the Fee Parcels will be acquired by Webster Leasing in three additional phases. The Purchase Price will be payable as follows: \$8,100,000, at the closing on Phase 1 of the Project; \$2,700,000 at the closing on Phase 2 of the Project; \$1,850,000, at the closing on Phase 3 of the Project, and; \$1,350,000 at the closing on Phase 4 of the Project. Webster Leasing will be required to complete portions of the Access Drive as the work progresses on each phase of the Project and as a condition of closing on the next phase of the Project. Lastly, Webster Leasing will be required to ensure that MTA/MNR have unimpaired 24/7 access to the trackage and equipment located at the south end of the MTA Property at all times during the construction of the Project and thereafter.

Based on the foregoing, TOD requests Board authorization to (i) conditionally designate Webster Leasing as the successful proposer to the RFP (ii) negotiate and enter into the LDDA with Webster Leasing, to which the forms of Transaction documents will be attached, upon the terms and conditions set forth above and such other terms or conditions as the Chief Development Officer or his designee deems necessary or appropriate, provided that the LDDA by its terms will be subject to further Board action approving the transaction and authorizing the execution and delivery of the Transaction Documents attached to the LDDA following, and conditioned upon, compliance by MTA and MNR with SEQRA as it relates to the sale or transfer of the MTA Property Interests and the acquisition of the MTA Access Easement, including the adoption of SEQRA findings by the MTA/MNR Board in connection therewith.