Metropolitan Transportation Authority

Finance Committee Meeting

October 2026

Committee Members

N. Zuckerman, Chair

A. Albert

S. Chu

M. Hartzog

M. Herbst

D. Jones

C. Leathers

H. Mihaltses

M. Miller

M. Rand

J. Samuelsen

L. Sorin

E. Valente

Finance Committee Meeting

2 Broadway, 20th Floor Boardroom
New York, NY 10004

Monday, 10/26/2026
2:00 - 3:00 PM ET

1. Summary of Actions
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2. Public Comment Period

3. Financial Performance Report
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4. Administrative Items
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5. MTA Headquarters & All-Agency Items

Financial Actions (No Items)

Other Actions

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6. Information Items

Metropolitan Transportation Authority
Fuel Hedge Program Report - Page 39
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Metro-North Railroad & Long Island Rail Road (No Items)

New York City Transit, and MTA Bus Operations
NYCT Procurements - Page 54

Bridges and Tunnels (No Items)

7. MTA CONSOLIDATED REPORTS
Statement of Operations - Page 65
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Real Estate Transaction Taxes - Page 72
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8. REAL ESTATE AGENDA
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FINANCE COMMITTEE

October 2026

Action		Amount	Short Description
N/A			

Agency	Vendor Name	Total Amount	Short Description
MTAHQ	Hilti, Inc.	$7,262,123	Contract award for the as-needed supply and delivery of Hilti proprietary fastening products, industrial tools, and Maintenance, Repair, and Operating (“MRO”) services.
MTAHQ	Metropolitan Life Insurance ("MetLife")	$93,791,000	Contract award for the provision of life/accidental death and dismemberment (“Life/AD&D”), long-term disability (“LTD”), and short-term disability (“STD”) benefits for non-represented employees and certain represented and retired employees.
MTAHQ	Cubic Transportation Systems ("Cubic")	$38,269,771	Contract award for New Fare Payment System: Ratification of two modifications to (1) exercise a five-year option for Customer Call Center services; and (2) exercise a five-year option for Retail Point of Sale merchant services.

MTA Real Estate	Vendor Name	Amount	Short Description
Amended and restated property acquisition policy	N/A	N/A	Approval of terms and adoption of a new all-agency acquisition policy for the acquisition of real property rights, including access rights to real property, by MTA Agencies in connection with capital projects, ongoing operations, and maintenance and repairs related to MTA facilities and which will consolidate modify and replace the existing acquisition policies adopted and/or amended by the MTA Board"
Lease with GNC Holdings, LLC for retail space at 2 Broadway, New York, NY	GNC Holdings, LLC (“GNC”)	"$80,000 per annum escalating at three percent (3%) per annum, plus six percent (6%) of gross sales at a breakpoint of $525,000 escalating at three percent (3%) per annum"	Authorization to enter into a lease agreement for the retail sale of health and nutrition related products
Lease with DKG Group, Inc. for a retail unit at 168th Street Station	DKG Group, Inc.	"The greater of (a) $3,600 escalating at three percent (3%) per annum or (b) 6.5% of Gross Sales."	"Authorization to enter into a lease agreement in support of the operation of a concession stand for sale of coffee and non-alcoholic beverage items, New York State Lottery tickets, convenience food and snack items, and other prepackaged food prepared off-premises, and the operation of an ATM within the interior of the Premises."
Acquisition of easements from Veolia Water New York, Inc. in New Rochelle in support of the Penn Station Access project	Veolia Water New York, Inc. (“Veolia”)	157050	Authorization to acquire easements for Construction, operation, maintenance, and access to the New Rochelle Yard retaining wall and related improvements
Approval of final business terms with GO Westbury, LLC, for the ground lease at the former Westbury Commuter Parking lot.	GO Westbury, LLC, a New York limited liability company and affiliate of Gotham Organization. Inc. (“Developer”); Gotham Organization, Inc. (“Gotham”), including in the case of guaranties and environmental indemnities an acceptable guarantor or guarantors meeting the requirements of the transaction documents.	Upfront Rent: $2,250,000, payable in three $750,000 installments on MTA’s delivery of possession (the “Lease Commencement Date”) and the first and second anniversaries thereof. Base Rent: initially $550,000 annually, increasing by 12.5% every five years and subject to land-value resets in Lease Years 26, 51 and 76, as described below and in Attachment 1. Capital Transaction Payment: $500,000 at the earlier of permanent refinancing of the construction loan or the forty-eight anniversary of Lease Commencement Date. Additional consideration includes Supplemental Rent, subject to the permitted credits for local impact payments described below; reimbursement of Authority expenses; and construction, operation and maintenance of public realm improvements at Developer’s expense.	Approval of the Project and Transaction (as such terms are defined below); and authorization to finalize, execute, deliver and perform the Lease and related Project Documents (as such terms are defined below) on the material terms described in the staff summary.

Metropolitan Transportation Authority

MTA Finance Committee

Financial Performance Report

October 26, 2026

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Finance Summary

Summary of Financial Results, September 2026

$ in millions	Year-to-Date September 2026				September 2026			
	Mid-Year Forecast	Actual	Variance	% Diff	Mid-Year Forecast	Actual	Variance	% Diff
Operating Revenue	$7,607.3	$7,695.9	$88.6	1.2%	$831.1	$795.6	($35.4)	-4.3%
Operating Subsidies*	8,457.2	8,416.2	(40.9)	-0.5%	1,137.0	1,026.8	(110.2)	-9.7%
Operating Expenses	13,731.6	13,444.1	287.5	2.1%	1,603.9	1,604.4	(0.5)	0.0%
Debt Service	2,186.0	2,155.8	30.2	1.4%	249.9	244.3	5.6	2.2%
Surplus / (Deficit)			**$365.4**				**($140.5)**	

Operating results are preliminary and will be revised as financial results are reviewed and audited. Net preliminary operating results for YTD September were favorable to the Mid-Year Forecast by $365 million.

Overall Latest Condition (compared with the Mid-Year Forecast):

Operating Revenue for YTD September was $89 million (1%) favorable, with passenger revenue unfavorable by $25 million (less than 1%) and toll revenue unfavorable by $31 million (1%). This was offset by favorable other operating revenue of $145 million mainly due to the receipt of FEMA COVID reimbursement. In total, MTA has received $747 million from FEMA for reimbursement of COVID expenses, almost matching the $749 million MTA anticipated in the 2022 November Financial Plan. For the month of September, Operating Revenue was $35 million (4%) unfavorable.

Operating Subsidies, which include Investment Income, were unfavorable for YTD September by $41 million (1%). Excluding Investment Income, subsidies directed to the operating budget were unfavorable by $62 million (1%). This was primarily driven by unfavorable timing-related variances for City Subsidy for MTA Bus and CDOT Subsidy. In September, Operating Subsidies, including Investment Income, were $110 million (10%) unfavorable, primarily due to Station Maintenance payments, which were mostly received in August, one month earlier than budgeted. Excluding Investment Income, subsidies directed to the operating budget were unfavorable by $115 million (10%).

Operating Expenses for YTD September were $288 million (2%) favorable. In September, Operating Expenses were close to forecast.

Debt Service expenses were $30M (1%) favorable year-to-date, and $6M (2%) favorable for the month of September. Favorable results are primarily due to savings associated with working capital and refunding.

* Also captures Investment Income.

Operating Revenue

Farebox, Toll and Other Revenue

Revenue generated from subway, bus, and commuter rail fares and bridges and tunnels tolls. Other revenue includes but is not limited to fare and paratransit reimbursements, as well as advertising, rental, and parking revenue. This report represents revenues received on an accrual basis.

$ in millions	Year-to-Date September 2026				September 2026			
	Mid-Year Forecast	Actual	Variance	% Diff	Mid-Year Forecast	Actual	Variance	% Diff
Farebox Revenue	**$4,069.5**	**$4,044.3**	**($25.2)**	**-0.6%**	**$482.9**	**$471.5**	**($11.5)**	**-2.4%**
NYCT	2,859.7	2,844.4	(15.4)	-0.5%	338.0	329.7	(8.3)	-2.4%
Subway	2,355.2	2,352.4	(2.8)	-0.1%	281.4	272.7	(8.7)	-3.1%
Bus	452.3	440.4	(11.9)	-2.6%	50.5	51.2	0.7	1.5%
Other	52.3	51.6	(0.7)	-1.4%	6.1	5.8	(0.3)	-4.2%
Staten Island Railway	2.9	2.9	(0.1)	-2.9%	0.4	0.3	(0.0)	-5.3%
MTA Bus	145.6	134.6	(11.0)	-7.6%	17.9	15.4	(2.6)	-14.4%
LIRR	551.4	543.2	(8.2)	-1.5%	65.8	65.1	(0.7)	-1.1%
Metro-North	509.8	519.2	9.4	1.8%	60.8	60.9	0.1	0.2%
Toll Revenue	**$2,065.9**	**$2,034.6**	**($31.3)**	**-1.5%**	**$232.4**	**$216.4**	**($16.0)**	**-6.9%**
Other Revenue	**$1,471.9**	**$1,617.0**	**$145.1**	**9.9%**	**$115.7**	**$107.8**	**($8.0)**	**-6.9%**
Total	**$7,607.3**	**$7,695.9**	**$88.6**	**1.2%**	**$831.1**	**$795.6**	**($35.4)**	**-4.3%**

Passenger revenues were unfavorable by $25 million (less than 1%) for YTD September, reflecting lower paid ridership at NYCT, MTA Bus, the LIRR, partially offset by a favorable variance at MNR. For the month of September, passenger revenues were unfavorable by $12 million (2%), reflecting lower paid ridership for NYCT Subway, the LIRR and MTA Bus.

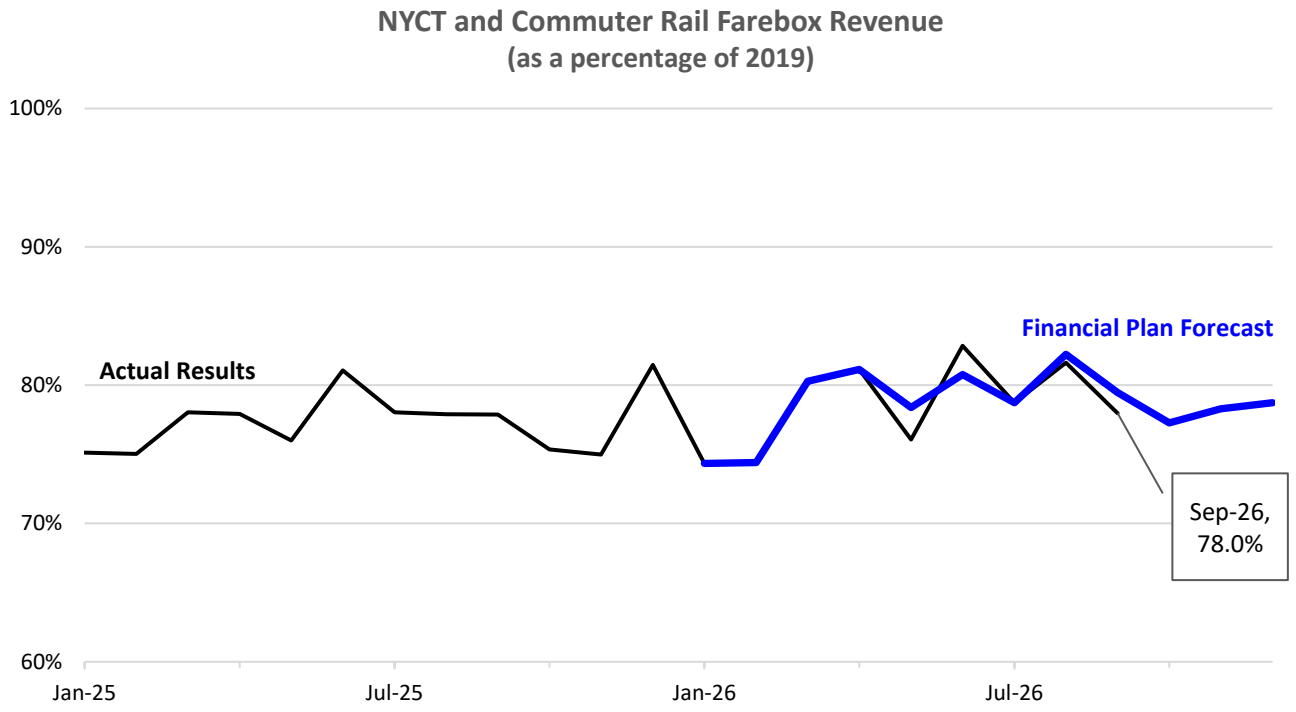
Toll revenue was unfavorable by $31 million for YTD September, primarily due to higher than anticipated bad debt reserves, lower than forecasted fee revenue, and lower than forecasted revenue per vehicle. For the month of September, toll revenue was unfavorable by $16 million, primarily due to higher than anticipated bad debt reserves, lower than forecasted fee revenue, and lower than forecasted revenue per vehicle.

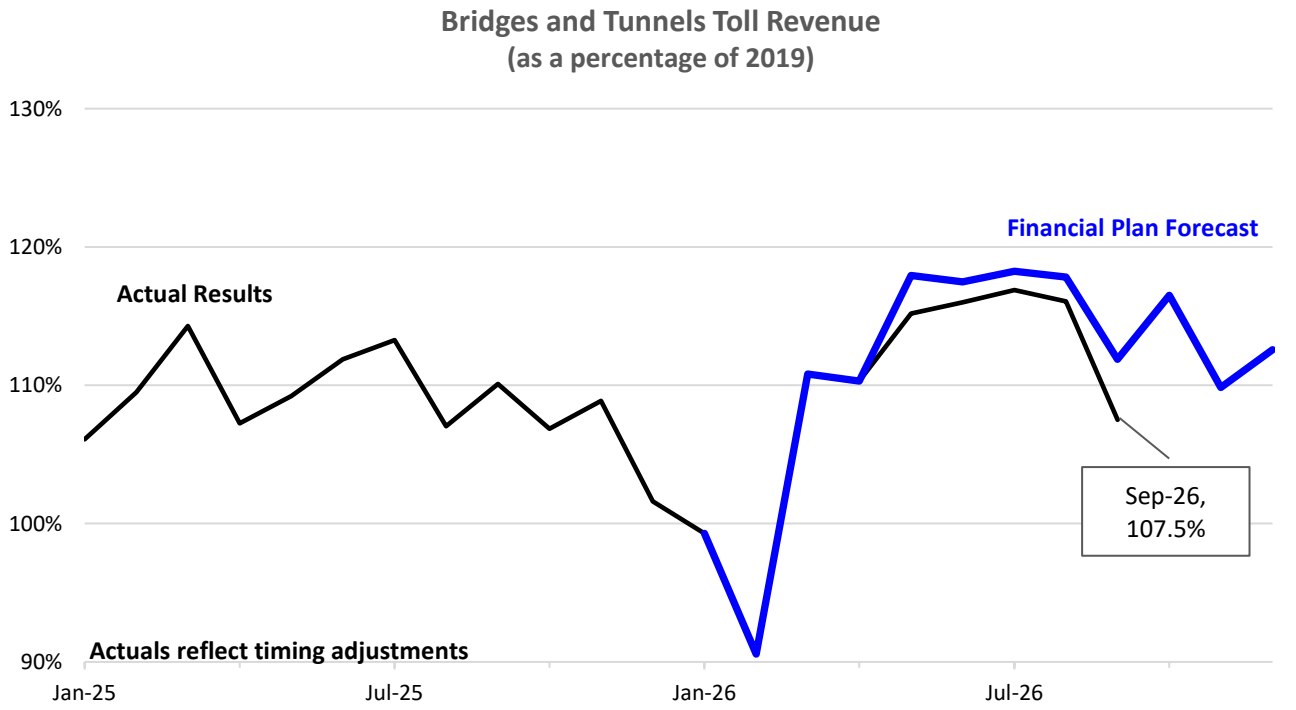
Passenger revenues remain significantly below pre-pandemic levels: YTD September passenger revenues were down $1,008 million (22%) compared with YTD September 2019. Toll revenue was higher by $119 million (8%). These changes from 2019 are adjusted to account for rate changes in fares and tolls during this period.

Other Revenue was favorable by $145 million for YTD September, mainly due to the receipt of FEMA COVID reimbursement, bringing total receipts from FEMA reimbursements to $747 million, almost matching the $749 million MTA anticipated in the 2022 November Financial Plan. For the month of September, other revenue was unfavorable by $8 million, mainly due to lower revenue at MTAHQ and B&T.

MTA Farebox and Toll Revenue vs. Financial Plan Projections

MTA farebox and toll revenue versus current financial plan projections as a percentage of pre-COVID levels.

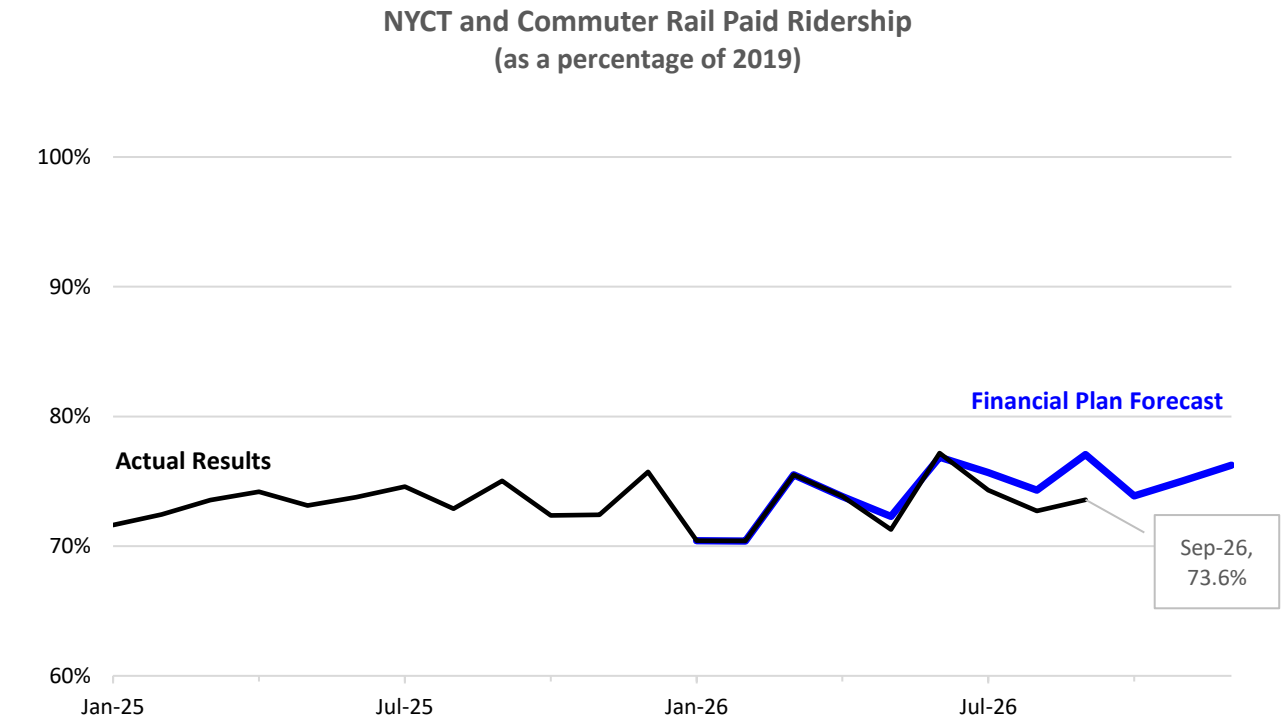


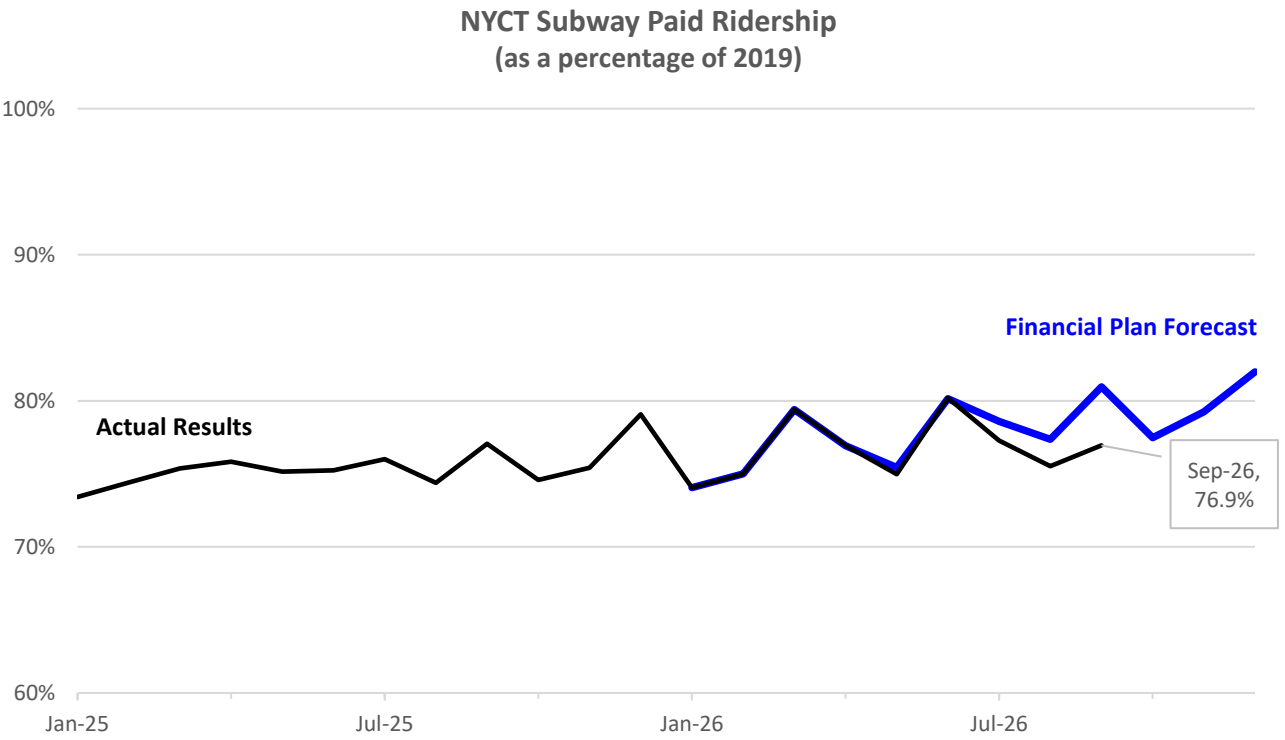


Excludes the impact of fare and toll increases.

MTA Paid Ridership vs. Financial Plan Projections

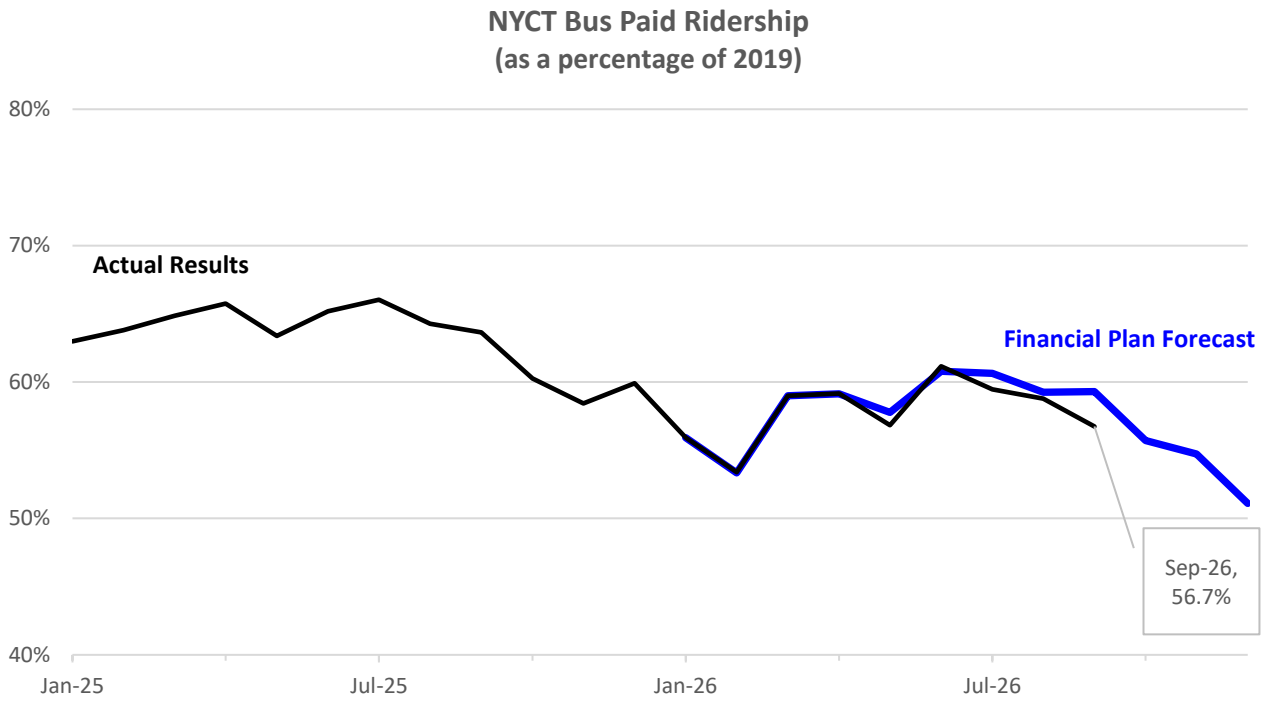
MTA paid ridership versus current financial plan projections as a percentage of pre-COVID levels.

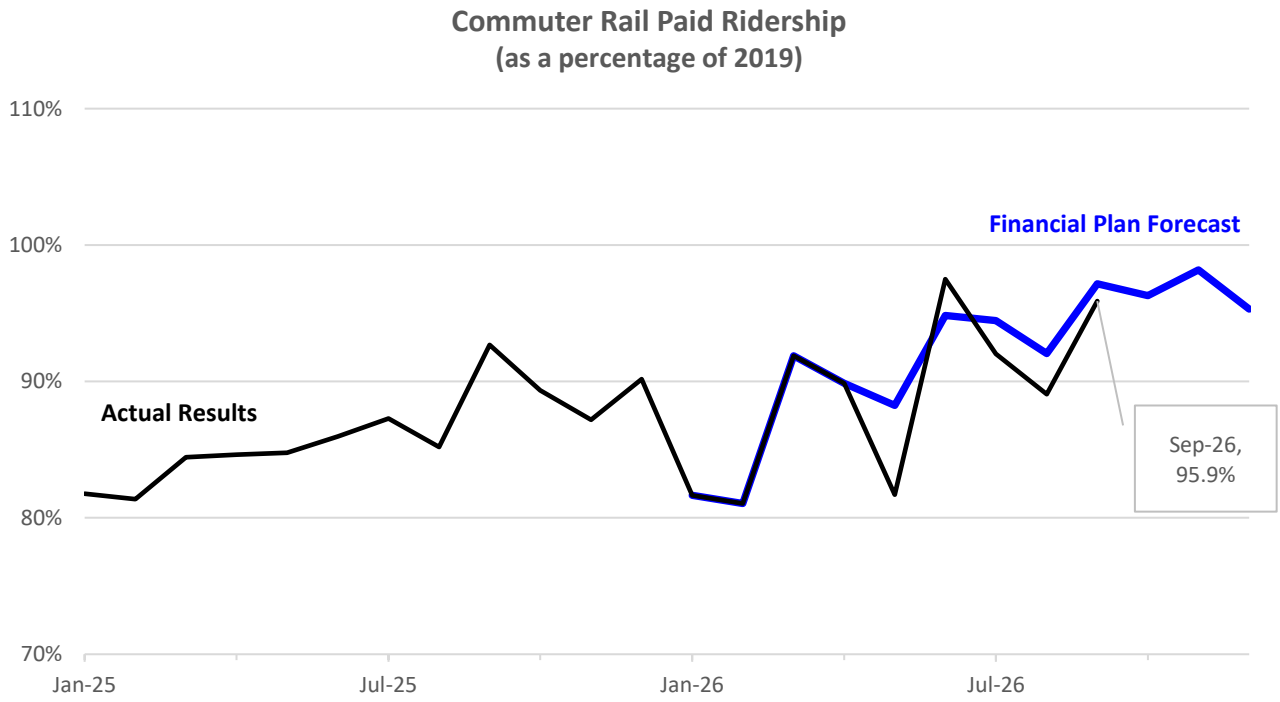




MTA Paid Ridership vs. Financial Plan Projections

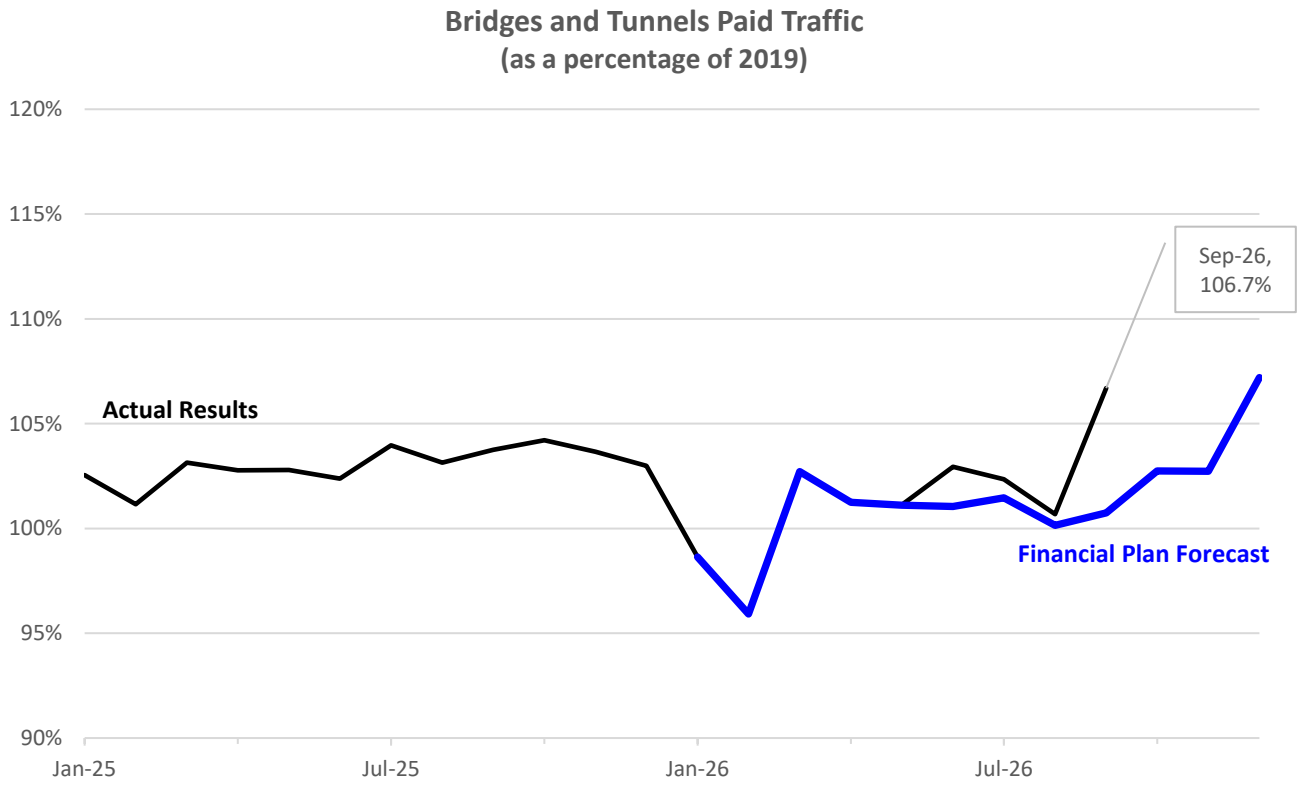
MTA paid subway and bus ridership versus current financial plan projections as a percentage of pre-COVID levels.





MTA Paid Traffic vs. Financial Plan Projections

MTA paid traffic versus current financial plan projections as a percentage of pre-COVID levels.



Total Subsidies

Subsidies - Summary

Dedicated taxes and subsidies received from the State of New York, businesses, individuals and localities in the MTA region.

$ in millions	Year-to-Date September 2026				September 2026			
	Mid-Year Forecast	Actual	Variance	% Diff	Mid-Year Forecast	Actual	Variance	% Diff
Operating Subsidies	$8,421.2	$8,359.1	($62.1)	-0.7%	$1,135.7	$1,020.6	($115.1)	-10.1%
B&T Surplus Transfer	1,115.6	1,119.5	3.9	0.4%	125.0	128.6	3.6	2.9%
Investment Income	35.9	57.1	21.1	58.8%	1.3	6.2	4.9	368.8%
Total	$9,572.7	$9,535.7	($37.0)	-0.4%	$1,261.9	$1,155.4	($106.6)	-8.4%
Capital Subsidies	$2,114.9	$2,188.6	$73.7	3.5%	$197.6	$228.2	$30.6	15.5%

YTD Operating Subsidies were $62 million unfavorable. The unfavorable variance primarily reflects unfavorable timing-related variances for City Subsidy for MTA Bus of $108 million, CDOT Subsidy of $14 million, and Station Maintenance of $1 million, partially offset by timing-related favorable variances for Local Operating Assistance of $35 million. Other favorable variances for Urban Tax of $26 million and Mortgage Recording Tax (MRT) of $21 million were partially offset by unfavorable variances for Metropolitan Transportation Trust Fund (MTTF) of $16 million, Casino Gaming Tax of $3 million, Payroll Mobility Tax (PMT) of $1 million, Peer-to-Peer Car Sharing Trip Tax of $1 million, and MTA Aid of $1 million.

YTD B&T Operating Surplus Transfer was $4 million favorable, and Investment Income was favorable by $21 million.

YTD through September, total resources funding the operating budget, which include Operating Subsidies, B&T Surplus Transfer and Investment Income, were unfavorable by $37 million.

September Operating Subsidies were $115 million unfavorable. The unfavorable variance primarily reflects unfavorable timing-related variances for Station Maintenance of $222 million (which was mostly received in August) and CDOT Subsidy of $5 million, partially offset by timing-related favorable variances for City Subsidy for Staten Island Railway of $66 million and Local Operating Assistance of $31 million. Other unfavorable variances for MTA Aid of $2 million, Urban Tax of $2 million, MTTF of $2 million, and Casino Gaming Tax of $2 million were partially offset by favorable variances for Payroll Mobility Tax (PMT) of $18 million, Mortgage Recording Tax (MRT) of $4 million, and Automated Camera Enforcement (ACE) of $1 million.

The B&T Surplus Transfer for September was favorable by $4 million. Investment Income was favorable by $5 million.

In September, total resources funding the operating budget, which include Operating Subsidies, B&T Surplus Transfer and Investment Income, were unfavorable by $107 million.

Capital Subsidies for YTD through September were favorable by $74 million reflecting better-than-expected CBDTP net surplus of $47 million and better-than-expected receipts for the Real Estate Transfer Tax of $38 million, partially offset by unfavorable PMT Capital accruals of $12 million. September was favorable by $31 million reflecting favorable PMT Capital accruals of $14 million, Real Estate Transfer Tax receipts of $10 million, and CBDTP net surplus of $8 million. Receipts for both the City and State components of Internet Marketplace Tax were on target with the Mid-Year Forecast for September.

Consolidated Operating Subsidies

Detailed breakout of the dedicated taxes and subsidies received from the State of New York and businesses, individuals and localities in the MTA region. This is a cash basis record that represents funding received by the MTA.

$ in millions	Year-to-Date September 2026				September 2026			
	Mid-Year Forecast	Actual	Variance	% Diff	Mid-Year Forecast	Actual	Variance	% Diff
Operating Subsidies	**$8,421.2**	**$8,359.1**	**($62.1)**	**-0.7%**	**$1,135.7**	**$1,020.6**	**($115.1)**	**-10.1%**
Metropolitan Mass Transportation Operating Assistance (MMTOA)	1,001.3	1,001.3	0.0	0.0%	188.7	188.7	(0.0)	0.0%
Metropolitan Transportation Trust Fund (MTTF)	1,018.9	1,003.1	(15.8)	-1.6%	156.3	154.4	(1.9)	-1.2%
Mortgage Recording Tax (MRT)	352.5	373.8	21.3	6.0%	39.1	43.5	4.4	11.2%
MRT Adjustments	*0.0*	*0.0*	*0.0*	*N/A*	*0.0*	*0.0*	*0.0*	*N/A*
Urban Taxes	451.6	477.3	25.7	5.7%	38.4	36.2	(2.2)	-5.8%
Payroll Mobility Tax (PMT)	2,644.4	2,643.6	(0.8)	0.0%	249.4	267.4	18.0	7.2%
PMT Replacement Funds	146.6	146.6	0.0	0.0%	48.9	48.9	0.0	0.0%
MTA Aid	203.6	203.1	(0.5)	-0.2%	70.1	67.8	(2.2)	-3.2%
For-Hire Vehicle (FHV) Surcharge	261.4	261.4	0.0	0.0%	29.5	29.4	(0.1)	-0.4%
Automated Camera Enforcement (ACE)	85.0	84.8	(0.3)	-0.3%	9.4	10.2	0.8	8.1%
Peer-to-Peer Car Sharing Trip Tax	0.8	0.2	(0.6)	N/A	0.3	0.0	(0.3)	-100.0%
State Operating Assistance	94.0	94.0	0.0	0.0%	0.0	0.0	0.0	N/A
Local Operating Assistance	145.6	180.0	34.5	23.7%	7.3	38.4	31.1	N/A
Station Maintenance	221.8	220.5	(1.3)	-0.6%	221.8	0.0	(221.8)	-100.0%
State General Fund Subsidy	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A
City Subsidy for MTA Bus Company	479.4	371.2	(108.2)	-22.6%	43.0	43.0	0.0	0.0%
City Subsidy for Staten Island Railway	65.9	65.9	0.0	0.0%	0.0	65.9	65.9	N/A
CDOT Subsidy for Metro-North Railroad	205.5	192.0	(13.6)	-6.6%	22.9	18.0	(4.9)	-21.4%
Casino License and Gaming Tax Revenues	1,042.9	1,040.3	(2.6)	-0.2%	10.7	8.9	(1.8)	-16.7%
Capital Subsidies*	**$0.0**	**$0.0**	**$0.0**	**N/A**	**$0.0**	**$0.0**	**$0.0**	**N/A**
Payroll Mobility Tax (PMT) for Capital Funding	1,127.8	1,116.3	(11.6)	-1.0%	100.8	114.3	13.5	13.4%
Central Business District Tolling Program	422.0	469.3	47.4	11.2%	40.5	48.0	7.5	18.6%
Real Property Transfer Tax Surcharge	*311.2*	*349.0*	*37.9*	*12.2%*	*28.0*	*37.6*	*9.6*	*34.3%*
Internet Marketplace Tax - State	*119.0*	*119.0*	*0.0*	*0.0%*	*13.3*	*13.3*	*0.0*	*0.0%*
Internet Marketplace Tax - City	*134.9*	*134.9*	*(0.0)*	*0.0%*	*15.0*	*15.0*	*(0.0)*	*0.0%*
Less: Debt Service, 2020-2024 Capital Program	*(236.2)*	*(219.8)*	*16.4*	*-7.0%*	*(22.5)*	*(22.1)*	*0.4*	*-2.0%*
Less: Debt Service, 2025-2029 Capital Program	*0.0*	*0.0*	*0.0*	*N/A*	*0.0*	*0.0*	*0.0*	*N/A*
Less: 2020-2024 Capital Program PAYGO and CBDTP Expenses	*(750.8)*	*(852.5)*	*(101.7)*	*13.5%*	*(74.2)*	*(91.8)*	*(17.6)*	*23.7%*
Less: 2025-2029 Capital Program PAYGO	*(1,127.8)*	*(1,116.3)*	*11.6*	*-1.0%*	*(100.8)*	*(114.3)*	*(13.5)*	*13.4%*
Additional Income, Adj. and Transfers	**$1,151.5**	**$1,176.6**	**$25.1**	**2.2%**	**$126.3**	**$134.8**	**$8.5**	**6.7%**
Investment Income	35.9	57.1	21.1	58.8%	1.3	6.2	4.9	368.8%
B&T Operating Surplus Transfer	1,115.6	1,119.5	3.9	0.4%	125.0	128.6	3.6	2.9%
Total	**$9,572.7**	**$9,535.7**	**($37.0)**	**-0.4%**	**$1,261.9**	**$1,155.4**	**($106.6)**	**-8.4%**

* Capital Subsidies section is reported on an accrued basis.
** Central Business District Tolling Program expenses exclude debt service attributable to infrastructure financing cost of approximately $1.5 million per month.

Operating Expenses

Labor expenses and non-labor expenses rolled up by agency. For a breakdown of Operating Expenses by expense category, see the Statement of Operations. This report represents expenses on an accrual basis.

$ in millions	Year-to-Date September 2026				September 2026			
	Mid-Year Forecast	Actual	Variance	% Diff	Mid-Year Forecast	Actual	Variance	% Diff
NYCT								
Subway & Bus	$8,632.7	$8,468.8	$163.9	1.9%	$1,000.3	$1,017.1	($16.8)	-1.7%
Staten Island Railway	68.8	65.6	3.2	4.6%	8.3	6.4	1.9	23.2%
MTA Bus	777.3	756.8	20.5	2.6%	91.3	91.2	0.1	0.1%
Commuter Railroads								
Long Island Rail Road	$1,629.9	$1,595.4	$34.5	2.1%	$183.1	$171.9	$11.2	6.1%
Metro-North Railroad	1,309.3	1,270.8	38.5	2.9%	146.0	140.6	5.4	3.7%
GCMOC	76.6	69.7	6.9	9.1%	9.0	8.4	0.6	6.7%
Bridges & Tunnels	$379.9	$367.2	$12.7	3.3%	$52.9	$50.2	$2.7	5.1%
Headquarters	$859.0	$833.8	$25.2	2.9%	$112.7	$94.4	$18.2	16.2%
Construction & Development	4.1	1.3	2.9	N/A	1.0	0.8	0.2	24.3%
FMTAC	(12.2)	8.9	(21.1)	N/A	(2.5)	22.0	(24.5)	N/A
Other Expense Adjustments	$6.1	$5.7	$0.4	N/A	$1.8	$1.4	$0.4	N/A
Total	**$13,731.6**	**$13,444.1**	**$287.5**	**2.1%**	**$1,603.9**	**$1,604.4**	**($0.5)**	**0.0%**

Year-to-date expenses were favorable by $288 million (2%). Payroll was $174 million favorable, mainly at NYCT ($129 million) and MTAHQ ($10 million) due to vacancies, and at the LIRR ($21 million) due to lower average pay rates, but this was partially offset by unfavorable overtime of $168 million, primarily due to higher absentee and vacancy coverage needs at NYCT. Health and Welfare/OPEB current payments were favorable by $75 million, $63 million of which is attributable to the timing of prescription rebate credits at NYCT. Professional service contracts were $83 million favorable, primarily at NYCT ($33 million) and MTAHQ ($30 million), both mainly due to timing, and at B&T ($10 million), mainly due to the reversal of accruals. Insurance was $7 million favorable, primarily at NYCT ($8 million), mainly due to timing. Paratransit service contracts were $43 million favorable, mainly due to lower trip volume and support charges. Maintenance and other operating contracts were $12 million favorable, mainly due to timing at GCMOC ($8 million) and SIR ($5 million), and the LIRR ($6 million), mainly due to higher project reimbursement. Other business expenses were $14 million favorable, mainly at MTAHQ ($15 million) due to timing. These favorable results were partially offset by unfavorable other fringe benefits of $10 million, mainly at MNR ($5 million), due to higher employee claim provisions, and at NYCT ($5 million) due to timing.

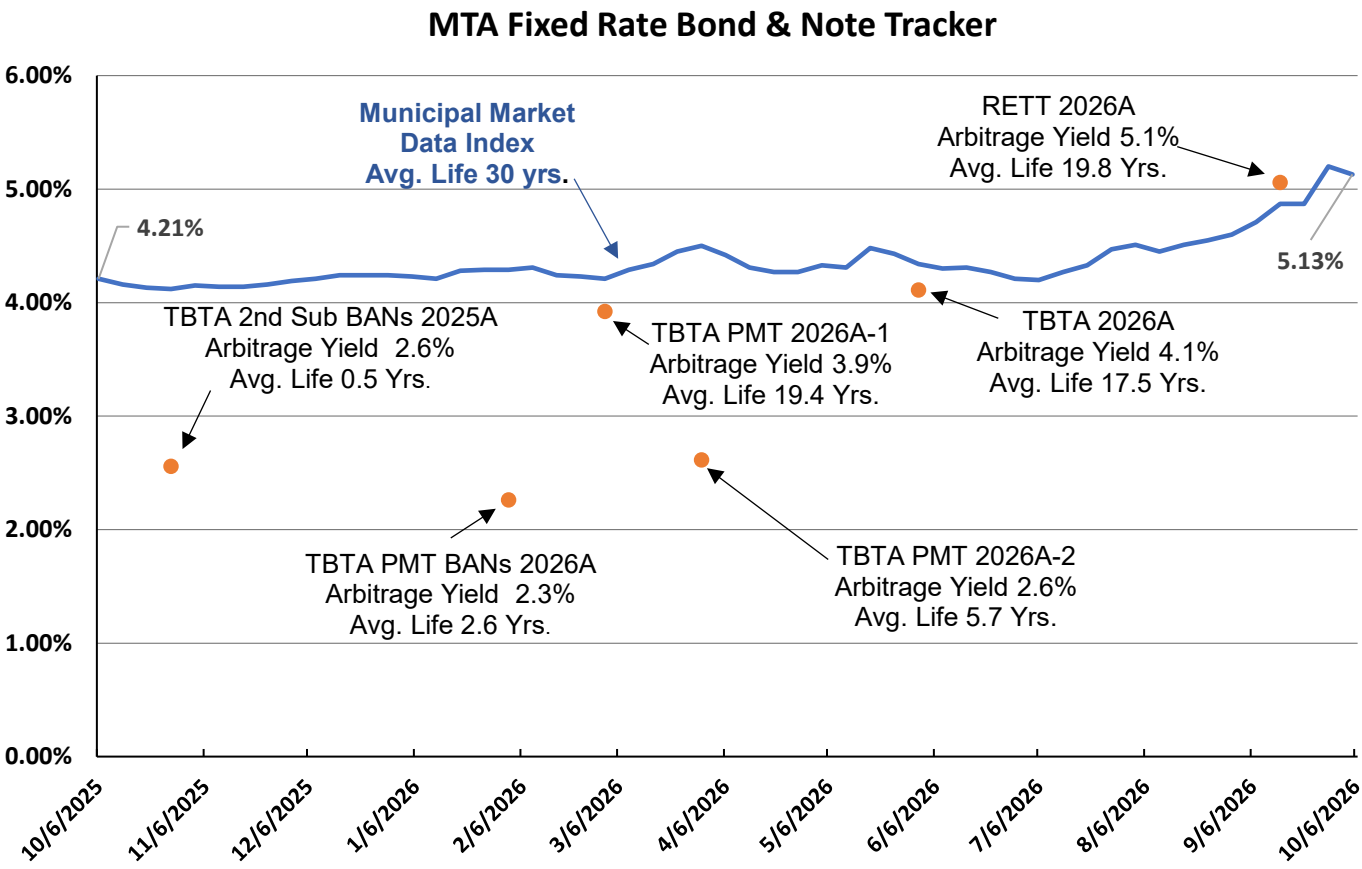
The September results were close to the forecast, with variances mainly driven by unfavorable OPEB current payments ($33 million) and overtime ($27 million), both primarily at NYCT, partially offset by favorable Electric Power ($23 million) and payroll ($19 million), both primarily at NYCT, and professional services contracts ($21 million), primarily at MTAHQ.

GCMOC - Grand Central Madison Operating Company
FMTAC - First Mutual Transportation Assurance Corporation

Capital Financing

MTA Fixed Rate Bond & Note Tracker

Tracks MTA Fixed Rate Bonds and Notes against the 30-year Municipal Market Data (MMD) Index, which is the average yield on municipal bonds with 30-year maturities that have an average rating equivalent to Aaa for Moody's and AAA for S&P.



There is no transaction activity to report for this reporting period.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan - 2026 Mid-Year Forecast
Accrual Statement of Operations by Category
September 2026 Year-to-Date
($ in millions)

	Non-Reimbursable				Reimbursable				Total			
	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent
Revenue												
Farebox Revenue	$4,069.5	$4,044.3	($25.2)	(0.6)	$0.0	$0.0	$0.000	N/A	$4,069.5	$4,044.3	($25.2)	(0.6)
Toll Revenue	2,065.9	2,034.6	(31.3)	**(1.5)**	0.0	0.0	0.000	N/A	2,065.9	2,034.6	(31.3)	**(1.5)**
Other Revenue	1,471.9	1,617.0	145.1	9.9	(0.8)	5.2	5.9	> 100.0	1,471.1	1,622.2	151.1	10.3
Capital and Other Reimbursements	0.0	0.0	0.0	N/A	2,056.5	1,982.2	(74.3)	(3.6)	2,056.5	1,982.2	(74.3)	(3.6)
Total Revenues	**$7,607.3**	**$7,695.9**	**$88.6**	**1.2**	**$2,055.7**	**$1,987.4**	**($68.4)**	**(3.3)**	**$9,663.0**	**$9,683.3**	**$20.3**	**0.2**
Expenses												
Labor:												
Payroll	$4,921.9	$4,748.0	$173.9	3.5	$696.1	$603.1	$93.1	13.4	$5,618.0	$5,351.1	$266.9	4.8
Overtime	757.0	925.1	(168.1)	22.2	194.5	232.8	(38.3)	19.7	951.5	1,157.9	(206.4)	21.7
Health and Welfare	1,511.7	1,458.2	53.6	3.5	83.1	79.7	3.5	4.2	1,594.9	1,537.8	57.0	3.6
OPEB Current Payments	733.4	711.7	21.7	3.0	14.4	13.7	0.7	4.9	747.9	725.5	22.4	3.0
Pension	1,268.1	1,276.0	(8.0)	(0.6)	94.8	73.3	21.4	22.6	1,362.8	1,349.4	13.4	1.0
Other Fringe Benefits	936.5	946.9	(10.4)	(1.1)	236.0	229.3	6.7	2.8	1,172.5	1,176.2	(3.7)	0.3
Reimbursable Overhead	(425.2)	(459.7)	34.5	8.1	423.9	460.1	(36.2)	(8.5)	(1.3)	0.4	(1.7)	<(100.0)
Total Labor Expenses	**$9,703.5**	**$9,606.3**	**$97.2**	***1.0***	**$1,742.9**	**$1,692.0**	**$50.8**	***2.9***	**$11,446.4**	**$11,298.3**	**$148.1**	***1.3***
Non-Labor:												
Electric Power	$570.6	$537.6	$33.0	5.8	$0.6	$0.7	($0.1)	(20.3)	$571.2	$538.3	$32.9	5.8
Fuel	215.1	211.6	3.5	1.6	0.2	0.5	(0.3)	<(100.0)	215.3	212.1	3.2	1.5
Insurance	16.3	9.0	7.3	44.9	6.8	7.2	(0.4)	(5.3)	23.2	16.2	7.0	30.1
Claims	390.5	372.6	17.9	4.6	0.0	0.0	0.0	N/A	390.5	372.6	17.9	4.6
Paratransit Service Contracts	621.9	578.7	43.2	6.9	0.0	0.0	0.0	N/A	621.9	578.7	43.2	6.9
Maintenance and Other Operating Contracts	739.8	728.1	11.7	1.6	58.9	90.3	(31.3)	(53.2)	798.8	818.4	(19.6)	(2.5)
Professional Services Contracts	642.1	559.2	82.9	12.9	156.8	86.6	70.1	44.7	798.9	645.8	153.0	19.2
Materials and Supplies	582.6	565.7	16.9	2.9	88.7	105.5	(16.7)	(18.9)	671.3	671.2	0.2	0.0
Other Business Expenses	232.6	218.8	13.9	6.0	0.9	4.7	(3.8)	<(100.0)	233.5	223.4	10.1	4.3
Total Non-Labor Expenses	**$4,011.7**	**$3,781.3**	**$230.3**	***5.7***	**$312.8**	**$295.3**	**$17.5**	***5.6***	**$4,324.5**	**$4,076.7**	**$247.8**	***5.7***
Other Expense Adjustments												
Functional Allocations	($0.2)	$0.0	($0.2)	<(100.0)	$0.0	$0.0	$0.0	100.0	($0.1)	$0.0	($0.1)	<(100.0)
Other	16.6	56.5	(39.9)	<(100.0)	0.0	0.0	0.0	N/A	16.6	56.5	(39.9)	<(100.0)
General Reserve	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A
Total Other Expense Adjustments	**$16.4**	**$56.5**	**($40.1)**	<(100.0)	**$0.0**	**$0.0**	**$0.0**	***100.0***	**$16.5**	**$56.5**	**($40.0)**	**<(100.0)**
Total Expenses Before Non-Cash Liability Adjs.	**$13,731.6**	**$13,444.1**	**$287.5**	**2.1**	**$2,055.7**	**$1,987.4**	**$68.4**	**3.3**	**$15,787.4**	**$15,431.5**	**$355.9**	**2.3**
Depreciation	$2,997.0	$2,998.1	($1.2)	(0.0)	$0.0	$0.0	$0.0	N/A	$2,997.0	$2,998.1	($1.2)	(0.0)
GASB Adjustments	72.9	(30.8)	103.7	> 100.0	0.0	0.0	0.0	N/A	72.9	(30.8)	103.7	>100.0
Total Non-Cash Liability Adjustments	**$3,069.9**	**$2,967.3**	**$102.6**	***3.3***	**$0.0**	**$0.0**	**$0.0**	**N/A**	**$3,069.9**	**$2,967.3**	**$102.6**	***3.3***
Total Expenses After Non-Cash Liability Adjs.	**$16,801.5**	**$16,411.4**	**$390.1**	**2.3**	**$2,055.7**	**$1,987.4**	**$68.4**	**3.3**	**$18,857.2**	**$18,398.8**	**$458.4**	**2.4**
Less: B&T Depreciation & GASB Adjustments	$180.3	$199.9	($19.6)	10.9	$0.0	$0.0	$0.0	N/A	$180.3	$199.9	($19.6)	10.9
Adjusted Total Expenses	**$16,621.2**	**$16,211.6**	**$409.7**	**0.0**	**$2,055.7**	**$1,987.4**	**$68.4**	**0.0**	**$18,677.0**	**$18,198.9**	**$478.0**	**0.0**
Net Surplus/(Deficit)	**($9,013.9)**	**($8,515.6)**	**$498.3**	**0.0**	**$0.0**	**$0.0**	**$0.0**	**(1.5)**	**($9,013.9)**	**($8,515.6)**	**$498.3**	**0.0**
Total Subsidies	**$10,048.9**	**$10,034.6**	**($14.3)**	**(0.1)**	**$2.0**	**$0.0**	**($2.0)**	**(99.8)**	**$10,050.8**	**$10,034.6**	**($16.3)**	**(0.2)**
Debt Service	**2,186.0**	**2,155.8**	**30.2**	**1.4**	**0.0**	**0.0**	**0.0**	**N/A**	**2,186.0**	**2,155.8**	**30.2**	**1.4**

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan - 2026 Mid-Year Forecast
Accrual Statement of Operations by Category
September 2026 Monthly
($ in millions)

	Non-Reimbursable				Reimbursable				Total			
	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent
Revenue												
Farebox Revenue	$482.9	$471.5	($11.5)	(2.4)	$0.0	$0.0	$0.000	N/A	$482.9	$471.5	($11.5)	(2.4)
Toll Revenue	232.4	216.4	(16.0)	**(6.9)**	0.0	0.0	0.000	N/A	232.4	216.4	(16.0)	**(6.9)**
Other Revenue	115.7	107.8	(8.0)	(6.9)	0.0	0.3	0.3	N/A	115.7	108.1	(7.7)	(6.6)
Capital and Other Reimbursements	0.0	0.0	0.0	N/A	245.3	226.7	(18.6)	(7.6)	245.3	226.7	(18.6)	(7.6)
Total Revenues	**$831.1**	**$795.6**	**($35.4)**	**(4.3)**	**$245.3**	**$227.0**	**($18.3)**	**(7.5)**	**$1,076.4**	**$1,022.7**	**($53.7)**	**(5.0)**
Expenses												
Labor:												
Payroll	$546.8	$527.9	$18.9	3.5	$81.8	$67.4	$14.4	17.6	$628.6	$595.4	$33.3	5.3
Overtime	77.2	104.0	(26.7)	34.6	22.5	29.9	(7.4)	32.7	99.7	133.8	(34.1)	34.2
Health and Welfare	172.4	157.6	14.8	8.6	10.6	8.5	2.2	20.5	183.0	166.1	17.0	9.3
OPEB Current Payments	88.0	120.9	(32.8)	(37.3)	1.6	1.5	0.1	5.7	89.7	122.4	(32.7)	(36.5)
Pension	141.7	144.7	(3.0)	(2.1)	12.7	9.0	3.8	29.6	154.4	153.7	0.8	0.5
Other Fringe Benefits	103.6	107.2	(3.7)	(3.5)	27.4	25.4	1.9	7.0	130.9	132.7	(1.7)	1.3
Reimbursable Overhead	(51.6)	(52.3)	0.7	1.4	51.6	52.4	(0.8)	(1.5)	0.0	0.0	(0.1)	<(100.0)
Total Labor Expenses	**$1,078.1**	**$1,110.0**	**($31.9)**	**(3.0)**	**$208.3**	**$194.0**	**$14.2**	***6.8***	**$1,286.4**	**$1,304.0**	**($17.6)**	**(1.4)**
Non-Labor:												
Electric Power	$74.5	$51.1	$23.4	31.4	$0.0	$0.0	$0.0	38.4	$74.5	$51.1	$23.4	31.4
Fuel	24.4	26.9	(2.5)	(10.2)	0.0	0.0	0.0	94.7	24.4	26.9	(2.5)	(10.1)
Insurance	(1.1)	6.4	(7.5)	<(100.0)	0.9	1.2	(0.3)	(33.6)	(0.2)	7.6	(7.8)	<(100.0)
Claims	67.1	57.3	9.8	14.7	0.0	0.0	0.0	N/A	67.1	57.3	9.8	14.7
Paratransit Service Contracts	75.9	67.4	8.5	11.2	0.0	0.0	0.0	N/A	75.9	67.4	8.5	11.2
Maintenance and Other Operating Contracts	93.7	98.9	(5.2)	(5.5)	7.2	8.7	(1.5)	(20.6)	100.9	107.6	(6.6)	(6.6)
Professional Services Contracts	93.4	72.4	21.0	22.5	17.1	12.0	5.1	29.8	110.5	84.4	26.1	23.6
Materials and Supplies	71.0	64.1	6.9	9.7	11.4	10.4	1.0	8.8	82.4	74.5	7.9	9.6
Other Business Expenses	25.2	23.7	1.4	5.7	0.4	0.7	(0.3)	(80.4)	25.6	24.5	1.1	4.4
Total Non-Labor Expenses	**$524.2**	**$468.3**	**$55.9**	***10.7***	**$37.0**	**$33.0**	**$4.1**	***10.9***	**$561.3**	**$501.3**	**$59.9**	***10.7***
Other Expense Adjustments												
Functional Allocations	$0.0	$0.0	$0.0	(100.0)	$0.0	$0.0	$0.0	100.0	$0.0	$0.0	$0.0	(100.0)
Other	1.6	26.0	(24.4)	<(100.0)	0.0	0.0	0.0	N/A	1.6	26.0	(24.4)	<(100.0)
General Reserve	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A
Total Other Expense Adjustments	**$1.6**	**$26.0**	**($24.5)**	<(100.0)	**$0.0**	**$0.0**	**$0.0**	***100.0***	**$1.6**	**$26.0**	**($24.5)**	**<(100.0)**
Total Expenses Before Non-Cash Liability Adjs.	**$1,603.9**	**$1,604.4**	**($0.5)**	(0.0)	**$245.3**	**$227.0**	**$18.3**	**7.5**	**$1,849.2**	**$1,831.4**	**$17.8**	**1.0**
Depreciation	$329.7	$387.5	($57.8)	(17.5)	$0.0	$0.0	$0.0	N/A	$329.7	$387.5	($57.8)	(17.5)
GASB Adjustments	(0.8)	(13.3)	12.5	> 100.0	0.0	0.0	0.0	N/A	(0.8)	(13.3)	12.5	>100.0
Total Non-Cash Liability Adjustments	**$328.9**	**$374.2**	**($45.3)**	(13.8)	**$0.0**	**$0.0**	**$0.0**	**N/A**	**$328.9**	**$374.2**	**($45.3)**	**(13.8)**
Total Expenses After Non-Cash Liability Adjs.	**$1,932.8**	**$1,978.6**	**($45.8)**	**(2.4)**	**$245.3**	**$227.0**	**$18.3**	**7.5**	**$2,178.1**	**$2,205.6**	**($27.5)**	**(1.3)**
Less: B&T Depreciation & GASB Adjustments	$19.4	$23.1	($3.7)	19.0	$0.0	$0.0	$0.0	N/A	$19.4	$23.1	($3.7)	19.0
Adjusted Total Expenses	**$1,913.4**	**$1,955.5**	**($42.1)**	**2.2**	**$245.3**	**$227.0**	**$18.3**	**0.0**	**$2,158.7**	**$2,182.5**	**($23.8)**	**1.1**
Net Surplus/(Deficit)	**($1,082.3)**	**($1,159.8)**	**($77.5)**	**(7.2)**	**$0.0**	**$0.0**	**$0.0**	**(0.0)**	**($1,082.3)**	**($1,159.8)**	**($77.5)**	**7.2**
Total Subsidies	**$835.3**	**$882.1**	**$46.8**	**5.6**	**$0.0**	**$0.0**	**$0.0**	**N/A**	**$835.3**	**$882.1**	**$46.8**	**5.6**
Debt Service	**249.9**	**244.3**	**5.6**	**2.2**	**0.0**	**0.0**	**0.0**	**N/A**	**249.9**	**244.3**	**5.6**	**2.2**

Total Positions

Total Positions by Agency

The total number of employees at each agency. Totals may differ due to rounding.

Agency	Mid-Year Forecast	September Actual	Variance
Total Positions, All Agencies	**75,553**	**72,263**	**3,289**
NYC Transit	49,224	46,660	2,564
MTA Bus Company	3,885	3,772	113
Staten Island Railway	444	400	44
Long Island Rail Road	7,644	7,463	181
GCMOC[(1)]	10	9	1
Metro-North Railroad	6,541	6,296	245
Headquarters	5,996	5,654	342
Bridges & Tunnels	904	821	83
Construction & Development	905	1,188	(283)
Reimbursable Positions	**8,015**	**6,532**	**1,483**
Non-Reimbursable Positions	**67,537**	**65,731**	**1,807**

On an MTA-Wide basis, there were 3,289 vacancies in September, representing a vacancy rate of (4%), which was primarily comprised of vacancies in operations and maintenance (78% of total vacancies).

Positions data are as of October 19, 2026 and are subject to revision as well as adjustments.
GCMOC - Grand Central Madison Operating Company

Total Positions by Function and Agency

The number of employees at each agency by position function.

Function/Agency	Mid-Year Forecast	September Actual	Variance
Administration	**5,729**	**5,395**	**334**
NYC Transit	55	74	(19)
Bus Company	52	39	13
Staten Island Railway	32	30	2
LIRR	195	176	19
GCMOC	10	9	1
MNR	227	215	12
HQ	4,467	4,187	280
Bridges & Tunnels	43	22	21
C&D	649	643	6
Operations	**32,710**	**31,779**	**931**
NYC Transit	24,419	23,583	836
Bus Company	2,748	2,747	1
Staten Island Railway	166	141	25
LIRR	2,854	2,854	0
GCMOC	-	-	-
MNR	2,409	2,335	74
HQ	-	-	-
Bridges & Tunnels	114	119	(5)
C&D	-	-	-
Maintenance	**32,844**	**31,195**	**1,649**
NYC Transit	22,921	21,627	1,293
Bus Company	1,046	961	85
Staten Island Railway	240	222	18
LIRR	4,419	4,329	90
GCMOC	-	-	-
MNR	3,830	3,684	146
HQ	-	-	-
Bridges & Tunnels	388	372	16
C&D	-	-	-
Engineering/Capital	**1,568**	**1,358**	**210**
NYC Transit	913	530	383
Bus Company	26	19	7
Staten Island Railway	6	7	(1)
LIRR	175	104	71
GCMOC	-	-	-
MNR	75	62	13
HQ	-	-	-
Bridges & Tunnels	117	91	26
C&D	256	545	(289)
Public Safety	**2,701**	**2,536**	**165**
NYC Transit	917	846	71
Bus Company	13	6	7
Staten Island Railway	-	-	-
LIRR	-	-	-
GCMOC	-	-	-
MNR	-	-	-
HQ	1,529	1,467	62
Bridges & Tunnels	242	217	25
C&D	-	-	-
Total Positions	**75,553**	**72,263**	**3,289**

Farebox Operating Ratios

	Mid-Year Forecast	September Actual YTD
New York City Transit	33.5%	34.4%
Staten Island Railway	4.3%	6.2%
Long Island Rail Road	32.0%	32.5%
Metro-North Railroad	39.8%	41.8%
MTA Bus Company	18.8%	19.0%
MTA Total Agency Average	**32.9%**	**33.8%**

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

In the agenda materials for the Metro-North/Long Island Rail Road Committee meeting, farebox operating ratios for the LIRR and MNR use a revised methodology to put the railroads on a more comparable basis, and differ from the statistics presented in this table.

Long Island Rail Road farebox operating ratios include expenses associated with the Grand Central Madison Operating Company (GCMOC), which is responsible for the LIRR-operating portion of Grand Central Terminal.

Minutes of the
Metropolitan Transportation Authority
Finance Committee Meeting
2 Broadway, 20th Floor Board Room 1
New York, NY 10004
Monday, September 28, 2026
2:00 p.m.

The following Finance Committee Members were present:
Hon. Andrew Albert
Hon. Melanie Hartzog
Hon. Marc Herbst
Hon. David R. Jones
Hon. Christopher Leathers
Hon. Matt Rand
Hon. Edward Valente

The following Finance Committee Members were absent:
Hon. Neal Zuckerman, Chair
Hon. Samuel Chu
Hon. Haeda Mihaltses
Hon. Melva M. Miller
Hon. John Samuelsen

The following staff members attended:
Jai Patel, Chief Financial Officer
Jamie Torres-Springer, President Construction and Development
Olga Chernat, Deputy Chief, Financial Services
David Florio, Chief Real Estate Transactions and Operations Officer
Miriam Harris, Senior Vice President, Transit-Oriented Development
Jake Luce, Deputy Chief, Management & Budget
Sergio Paneque, Chief Procurement Officer

To hear the content of public comments, details of Committee presentations, and Committee Members' comments and questions, as well as any part of the Finance Committee meeting, please refer to the video recording of the meeting produced by the MTA, available and maintained on the MTA website:
https://www.mta.info/transparency/board-and-committee-meetings/september-2026

1. **CALL TO ORDER**
   Hon. Herbst called the meeting of the Finance Committee to order.

2. **PUBLIC COMMENTS**
   There were no public speakers.

3. **MINUTES**
   The minutes of the meeting held on July 27, 2026, were approved.

4. **FINANCIAL PERFORMANCE**

   Jake Luce, Deputy Chief, Management & Budget, presented operating results through August, which

were $506M favorable, compared with the Mid-Year Forecast.

This was driven primarily by operating expenses, which were favorable by $288M. Operating revenue, subsidies and debt service were also favorable.

Mr. Luce went further into revenues:

Operating revenue through August were favorable due to the receipt of $153M in FEMA reimbursement for COVID expenses. This payment brings the total received from FEMA to $747M, in line with the $749M anticipated in the 2022 November Financial Plan. The favorable receipt of these funds was offset by August farebox and toll revenue which were unfavorable by 1.1% and 1.5% respectively, bringing net favorability through August to $124M.

Operating subsidies were favorable by $69M, mainly due to a timing-related variance for Station Maintenance and Local Operating Assistance.

In addition, capital subsidies were favorable by $43M, with favorable results for the Central Business District Tolling Program and Real Estate Transfer Tax offset by unfavorable accruals for the Payroll Mobility Tax.

Mr. Luce explained the expense side:

Both labor and non-labor expenses are favorable through August.

Labor favorability of $129M was driven by vacancies and the timing of prescription drug rebates, which offset overtime spending to cover absences and vacancies, and to respond to severe weather.

Non-labor favorability of $174M was due to multiple categories, with the largest impact in professional services due to timing of expenses and in paratransit service contracts with lower than expected growth in trip volumes.

In addition, debt service expenses were favorable by $25M.

Olga Chernat, Deputy Chief, Financial Services, presented market highlights since the last Finance Committee meeting because since the August break there has been a very different market tone than at the time of the last meeting in July.

In the prior week, the Federal Reserve raised rates by 25 bps for the first time in three years, bringing the target range to 3.75%–4.00%. The unanimous decision marked a shift from July's 9–3 split and reinforced the Fed's focus on returning inflation to its 2% target. Market expectations have also shifted: the Fed's latest projections point to another 25 bp hike this year, while markets are pricing in a continued period of elevated rates into 2027 rather than a near-term easing cycle.

The higher interest rates are something the MTA has already experienced in its recent Real Estate Transfer Tax Series 2026A bond sale, and we will need to factor them into the November Financial Plan projections. The good news is that, despite the geopolitical conditions and higher interest rate environment, the municipal market is functioning well and is able to absorb elevated levels of bond issuance.

Ms. Chernat then provided highlights on a recent bond sale, specifically on September 17, 2026. The MTA issued approximately $770 million of TBTA Real Estate Transfer Tax Series 2026A bonds, the proceeds of which will fund transit and commuter projects in the 2020–2024 Capital Program. Leading up to the sale, S&P upgraded the bonds from A+ to AA-, reflecting the strength of the tax revenues supporting the underlying credit. The other rating agencies, Moody's and KBRA, affirmed their A1 and AA ratings, respectively.

The all-in TIC for the transaction, which is often viewed as a measure of the cost of funds, was 5.1%. This is the highest all-in TIC for any of the deals we have executed so far in 2026. This reflects both the current market environment and the longer-term structure of the deal.

Ms. Chernat concluded that despite the higher interest rate environment, the MTA still expects to be able to refinance some of its outstanding debt and generate savings. In October 2026, the MTA expects to bring approximately $1 billion of refunding bonds to market.

Jai Patel, Chief Financial Officer, provided additional comments about the increase in MTA's operating costs because of economic factors that are affecting market conditions.

Ms. Patel addressed Hon. Jones' question about how increasing health care costs are affecting the MTA.

Ms. Patel also addressed Hon. Albert's question about savings related to fuel hedging.

5. **MTA HEADQUARTERS AND ALL-AGENCY ITEMS ACTION ITEMS**

Sergio Paneque, Chief Procurement Officer, presented one MTA Headquarters action item for Finance Committee approval in the estimated amount of $27.6 million.

MTA Headquarters is seeking Board approval for the competitively negotiated estimated quantity miscellaneous procurement contract with IDSC Holdings LLC, d/b/a Snap-on Industrial ("Snap-on"), for the as-needed supply and delivery of Snap-on industrial tools, proprietary equipment, and Maintenance, Repair, and Operating ("MRO") supplier services.

The MTA and its agencies currently purchase MRO supplies and related products and services via 10 MRO contracts, each with its own distinct category of MRO products. This contract award covers the renewal of the Snap-on Proprietary Products category, which includes specialized professional tools and proprietary diagnostic equipment used across multiple agencies, other services include vendor hosted MTA-Marketplace catalog and vendor managed vending machines.

A Request for Proposals was publicly advertised, and one proposal was received from Snap-on (the incumbent). Other vendors declined to propose considering the manufacturer's direct involvement in the solicitation. The contract period is five years, with two 1-year options to be exercised at MTA's sole discretion, for a total estimated amount of $27.6 million.

Because of a lack of a quorum, the action item would be presented before the full Board for approval.

6. **INFORMATION ITEMS**

Mr. Paneque presented two information items for Metro-North Railroad: a ratification of an Immediate Operating Need with Systra / AECOM JV for Positive Train Control upgrades of MNR Locomotive fleet for Penn Station Access service; and a ratification of an Immediate Operating Need with Siemens Mobility Inc. for a change order to provide Positive Train Control upgrades of MNR Locomotive fleet for Penn Station Access service.

There were three information items for Long Island Rail Road: a modification with Knorr Brake Company and Merak North America in order to add funding to cover an extension of the contract period; a master contract with Posillico Civil, Inc and Railroad Construction Company, Inc. for the provision of Rapid Response Contractors for as-needed miscellaneous construction, maintenance, and repair work through task order releases; and a contract award with Dematic Corp. for the provision of urgently needed upgrades for the Automated Material Handling System.

There were no information items for Bridges and Tunnels and NYC Transit.

7. **REAL ESTATE AGENDA**

Miriam Harris, Senior Vice President, Transit-Oriented Development presented two action items for consideration and approval.

The action item for 40 Quay Street represented many years of sustained hard work by C&D, New York City Transit, and MTA's counterparty, the Gotham Organization.

This project was brought to the Board in 2021, when the Board approved Gotham's conditional designation as the successful proposer in the RFP process led by the TOD team.

Since that time, MTA and Gotham have:

- secured City land use approvals,
- advanced the design for the 189,000-square-foot New York City Transit replacement facility at 213 Meadow Street, and
- negotiated a full suite of transaction documents pursuant to the terms described in it's staff summary.

The 40 Quay Street development, dubbed Monitor Point, will include:

- approximately 1,324 rental apartments, half permanently affordable, including senior and supportive housing,
- a permanent home for the Greenpoint Monitor Museum,
- retail and community space, and
- approximately 52,500 square feet of publicly accessible waterfront open space.

In return, MTA will receive:

- a growing stream of ground rent over 99 years, worth $61 million on a net present value basis, and
- a new turnkey facility, valued at approximately $54 million, which MTA will ground lease for 99 years at a net present value cost of $22.1 million, and which will house three critical functions:
  - Mobile Wash,
  - Material Control, and
  - the Emergency Response Unit.
- For a total net value to MTA of $38.9 million.

In addition to being a new facility, 213 Meadow Street is located in the industrial district of East Williamsburg, a more contextually appropriate location for our operations. Gotham will receive possession of 40 Quay Street only after the replacement facility is completed and accepted and Transit's operations have relocated. The move will also free up the Emergency Response Unit's current site at 65 Commercial Street for the planned Box Street Park.

The action adopts the environmental findings and authorizes the transaction and related documents.

The other action item was:
In December 2025, the Board authorized a $1M payment to RFL Bassett LLC in furtherance to the construction of an overpass at the future Morris Park Station. The overpass will make the Station ADA accessible and improve neighborhood connectivity. Since then, MTA and RFL Bassett have finalized the full set of agreements MTA needs from RFL Basset to construct the station.

One of the agreements requires that MTA reimburse RFL Bassett and its tenant, Amazon, up to $120,000 for their cost to review and approve MTA design plans. Since the payment is in excess of $100,000, Board authorization was being sought.

Jamie Torres-Springer, President Construction and Development, provided additional comments on the two action items.

David Florio, Chief Real Estate Transactions and Operations Officer, had four transactional action items for consideration and approval.

For MTA Metro-North they were:

- the acquisition of easements from the New York State Thruway Authority for the Penn Station Access Co-op City Station in the Bronx;
- a use and occupancy permit from the New York State Department of Transportation for property along Bruckner Boulevard in support of the Penn Station Access Project in the Bronx; and
- a lease renewal with 42nd Street Gorp Property LLC for Employee Assistance Program office space at 110 East 42nd Street in New York

The last item was for MTA Long Island Rail Road and it was an authorization to acquire property interests by negotiated settlement or eminent domain for the LIRR Backup Operations Command Center in Jamaica.

Mr. Florio stated that there were two information item: the report on agreements entered into directly by the Real Estate Department pursuant to Board policy and an amendment to the Clear Channel Outdoors License Agreement for outdoor billboards.

Because of a lack of a quorum, all the action items would be presented before the full Board for approval.

8. **ADJOURNMENT**

Hon. Herbst adjourned the meeting.

Respectfully submitted,

Patrick Isom,
Senior Manager, Finance and Debt Management

MTA Headquarters Procurements

Sergio Paneque, Chief Procurement Officer

PROCUREMENTS

The Procurement Agenda this month includes 3 actions for a proposed estimated expenditure of $139.3M.

Subject	Request for Authorization to Award Various Procurements		October 22, 2026
Department	MTA Procurement	**Department**	
Department Head Name	Sergio Paneque	**Department Head Name**	
Department Head Signature	Sergio Paneque	**Department Head Signature**	
Project Manager Name	Rose Davis	**Internal Approvals**	

Board Action

Order	To	Date	Approval	Info	Other
1	Committee	10/26/26			
2	Board	10/28/26			

	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:

Schedules Requiring Majority Vote:		# of Actions		$ Amount	
Schedule E:	Miscellaneous Procurement Contracts	1	$	7.3	M
Schedule F:	Personal Service Contracts	1	$	93.8	M
	SUBTOTAL	2	$	101.1	M

MTA Headquarters proposes to award Ratifications in the following categories:

Schedules Requiring Majority Vote:					
Schedule K:	Ratification of Completed Procurement Actions	1	$	38.3	M
	TOTAL	3	$	139.3	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.

OCTOBER 2026

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

E. Miscellaneous Procurement Contracts
(Staff Summaries required for items estimated to be greater than $1,000,000.)

1. Hilti, Inc. **$7,262,123** ***Staff Summary Attached***
Seven Years
Contract # 0000016390

Contract award for the as-needed supply and delivery of Hilti proprietary fastening products, industrial tools, and Maintenance, Repair, and Operating ("MRO") services.

F. Personal Service Contracts
(Staff Summaries required for items estimated to be greater than $1,000,000.)

2. Metropolitan Life Insurance Co. **$93,791,000** ***Staff Summary Attached***
Five Years
Contract # 0000016284

Contract award for the provision of life/accidental death and dismemberment ("Life/AD&D"), long-term disability ("LTD"), and short-term disability ("STD") benefits for non-represented employees and certain represented and retired employees.

Schedule E: Miscellaneous Procurement Contracts

Metropolitan Transportation Authority

Item Number: 1

Vendor Name (Location) Hilti, Inc. (Tulsa, OK)	**Contract Number** 0000016390 / **Renewal?** ☒ Yes ☐ No
Description As-Needed Supply and Delivery of Hilti Items & Related Services	**Total Amount:** $7,262,123.74
Contract Term Seven years (includes two 1-year options)	**Funding Source** ☒ Operating ☐ Capital ☐ Federal ☐ Other:
Option(s) included in Total Amount? ☒ Yes ☐ No ☐ n/a	
Procurement Type ☒ Competitive ☐ Noncompetitive	**Requesting Department:** MTA Procurement, Peter Lau
Solicitation Type ☒ RFP ☐ Bid ☐ Other:	

Discussion

MTA Headquarters seeks Board approval to award a competitively negotiated, estimated quantity miscellaneous procurement contract to Hilti, Inc. ("Hilti"), in the total estimated amount of $7,262,123.74, for the as-needed supply and delivery of Hilti proprietary fastening products, industrial tools, and Maintenance, Repair, and Operating ("MRO") services. The contract period is five years, with two 1-year options to be exercised at MTA's sole discretion.

The MTA and its agencies currently purchase MRO supplies and related products and services via 10 MRO contracts, each with its own distinct category of MRO products. This contract award covers renewals of the Hilti Proprietary Product category, which includes specialized fastening products and industrial tools used across multiple agencies. Additional services include vendor hosted MTA-Marketplace catalog.

A Request for Proposals ("RFP") was publicly advertised, and letters notifying potential proposers of the RFP were sent directly to 14 firms. One proposal was received from Hilti (the incumbent) for the Hilti Proprietary Products category.

The Selection Committee ("SC") was comprised of representatives from NYC Transit, Long Island Rail Road, Metro-North Railroad, the Triborough Bridges and Tunnels Authority, and MTA Headquarters. The evaluation criteria included capabilities, experience, diversity practices, and cost. Following the technical evaluation, the SC determined that an oral presentation from the incumbent was unnecessary, as there were no capability concerns and past performance has been satisfactory. The SC considered Hilt to be technically qualified and recommended procurement to enter into negotiations.

The RFP was structured for proposers to submit unit pricing for a market basket of 165 most-often-ordered items under the current Hilti Proprietary Products MRO contract and its annualized quantities. Hilti's original proposal on all 165 items had an annualized total value of $1,563,833. Cost Price analysis of Hilti's original proposal revealed the following: (1) for all items, Hilti offered an average of 46 percent discount off its List Price; (2) in comparison to the historical price of the current contract, the straight average increase from the last price is 58.25 percent and the weighted average increase is 52.33 percent; (3) in comparison to Hilti's online market price on 150 items found, Hilti's offered value in the proposal is 20 percent less than its market value for the same items; and (4) when compared to the total value of the 144 similar items found in the online market, Hilti's offered value in the proposal is 0.4 percent less than the online market value for similar items.

Procurement negotiated with Hilti to reduce unit pricing. Hilti's Best and Final Offer ("BAFO") resulted in only a 0.2 percent reduction. In response to the limited savings achieved through Hilti's BAFO, Procurement negotiated a reduction in the number of contracted products down to 57 of the most-often-ordered specialized fastening products and tools ("Negotiated BAFO") to retain access to the specialized products most frequently required while achieving the best possible value. The estimated contract value is based on Hilti's BAFO unit pricing, annualized quantities of the 57 items over a seven-year contract term, and an annual escalation factor of 3.2 percent, derived from the 2025 Producer Price Index (PPI). Based on the foregoing and in concurrence with Cost Price, the Negotiated BAFO provided the lowest cost and best possible value to the MTA; it is considered fair and reasonable.

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 laws and regulations. Cybersecurity requirements have been included in the contract terms and conditions.

Hilti has certified that pursuant to EO 16, they are not doing business in Russia.

D/M/WBE Information

DDCR assigned zero goals for this procurement, it was determined this solicitation does not allow for subcontracting opportunities.

Impact on Funding

Funding will be made available from the agencies' operating budgets.

Staff Summary

Item Number: 2			
Department, Department Head Name: Deputy Chief Benefit Admin Officer, Stephen Scholl			
Internal Approvals			
Order	**Approval**	**Order**	**Approval**
1	Procurement		
2	Legal		
3	DDCR		
4	CFO		

SUMMARY INFORMATION	
Vendor Name Metropolitan Life Insurance Company ("MetLife")	**Contract No.** 0000016284
Description: Life/AD&D, Long-Term, and Short-Term Disability Benefits Insurance	
Total Amount: $93,791,000 ($53,591,000 base / $40,200,000 option)	
Contract Term (including Options, if any) January 1, 2027 – December 31, 2031	
Option(s) included in Total Amount? ☒Yes ☐ No ☐ N/A	
Renewal? ☒ Yes ☐ No	
Procurement Type ☒ Competitive ☐ Noncompetitive	
Solicitation Type ☒ RFP ☐ Bid ☐ Other:	
Funding Source ☒ Operating ☐ Capital ☐ Federal ☐ Other:	

PURPOSE

Board approval is sought to award a competitively negotiated, all-agency personal services contract with Metropolitan Life Insurance Company ("MetLife") that provides life/accidental death and dismemberment ("Life/AD&D"), long-term disability ("LTD"), and short-term disability ("STD") benefits for non-represented employees and certain represented and retired employees. The base term of the contract is three years (January 1, 2027 – December 31, 2029). The MTA, at its sole discretion, will have the option to extend the term of the contract for an additional two years expiring December 31, 2031, one year at a time or two years at one time. The total contract cost for a five-year term, including both one-year extensions, is $93,791,000. The Board is also requested to authorize the MTA Assistant Deputy Chief Procurement Officer to approve the exercise of Options 1 and 2.

DISCUSSION

The MTA offers life/accidental death & dismemberment, long-term, and short-term disability benefit plans to non-represented employees and retirees and to certain represented employees and retirees. In all, over 85,000 employees and retirees are eligible for the current coverage offerings. The MTA pays the full premiums for the basic Life/AD&D and disability benefits insurance programs without any premium contribution from participating employees and retirees or their dependents. Certain MTA employees are also offered additional voluntary life insurance programs, which are paid for by the employee through payroll deductions. The current agreement with incumbent vendor, MetLife, will expire on December 31, 2026. MTA has found MetLife's services under the current agreement to be satisfactory.

A two-step Request for Proposal ("RFP") was publicly advertised, and letters advising potential proposers of its availability were issued to nine firms. The first step was to prequalify firms that met the MTA's minimum requirements for a contract award of Life/AD&D and disability benefits (Step 1). The prequalification requirements included: (1) firm's portfolio of clients with similar size as MTA; (2) for each line of coverage, a minimum written premium had to be met or exceeded; (3) currently insuring public sector client or transit authorities; (4) for Life and LTD coverage: demonstrated experience servicing clients with an excess of 10,000 salaried and bargained and 5,000 retired employees; (5) services must extend to all employees and retirees eligible under MTA's Plans; (6) confirmation that all data will be located within the United States; (7) confirmation that the firm will agree that the initial term of a contract with MTA will be three years and that MTA may, at its sole option, extend the term of the contract up to two successive one-year terms (or one 2-year term) with the same terms and conditions as the initial term and rates; and (8) firms are required to have satisfactory financial rating, as specified in the pre-qualification letter. Firms that met the prequalification requirements would receive the RFP with the option of submitting proposals for one or for multiple benefit plans. In the RFP, the MTA reserved the right to award each line of coverage to one or multiple firms, based on the technical and financial evaluation of each firm.

A total of three firms – Metropolitan Life Insurance Company ("MetLife"), New York Group Life Insurance Company of NY ("New York Life"), and Securian Life Insurance Company ("Securian") – submitted proposals for Step 1 and were all prequalified; these firms were sent the RFP package (in Step 2). The MTA received proposals from MetLife and Securian. New York Life declined to propose due to their inability to submit a competitive cost proposal. MetLife proposed on all lines of coverage on a fully insured basis and also included self-insured proposals for STD and LTD. Securian proposed on Life/AD&D on a fully insured basis; they did not provide a Disability benefits proposal.

The evaluation criteria for Step 2 of the RFP were as follows: (1) Cost; (2) the quality and capability of the Proposer's administrative services, resources, and reputation; (3) the Proposer's experience and ability to replicate the MTA's existing plan design requirements; (4) Performance Guarantees; and (5) Diversity Practices.

The MTA engaged Mercer Health & Benefits LLC ("Mercer"), a benefits consulting firm, to assist in the RFP process from a subject matter expertise perspective. Mercer's support services included, without limitation, preparation of solicitation documents, development of financial modeling and pricing analysis tools, and aggregation of technical evaluation materials.

A Selection Committee was convened with representatives from MTAHQ Human Resources and MTAHQ Employee Benefits.

Following evaluation of the technical proposals, the Selection Committee determined that both proposals met the scope of services required in the RFP, and both firms were invited for oral presentations. After oral presentations, the firms were asked to provide additional technical clarifications based on a standard set of questions and, following negotiations, submit revised cost proposals and Best-and-Final-Offers ("BAFOs"). Following further review of their technical proposals and BAFOs, the Selection Committee unanimously recommended an award of all the benefits plans to MetLife. MetLife had the highest total score for all benefits by meeting the requirements for all technical evaluation criteria established for this procurement and offering the most competitive cost.

MetLife's BAFO had the lowest estimated cost for all three coverages on a fully insured basis. MetLife was the only proposer for the self-insured STD and LTD option. The projected five-year self-insured estimated costs for STD and LTD were $230,000 and $1,460,000 respectively higher, therefore affirming MetLife's fully insured proposal is more advantageous for the MTA. The negotiated premium rates are guaranteed for the entire contract term (including options) unless a loss ratio analysis determines a premium reduction is applicable based on MTA's claims experience after the first two years of the contract, and each subsequent contract year thereafter. The loss ratio is the difference between the ratios of premiums paid to an insurance company and the claims settled by the company. The loss ratio analysis may result in a reduction to MTA's paid premiums going forward when applicable.

Over the five-year term, the MTA contribution is approximately $70.6 million of the total cost (with the remaining $23.2 million as employee contributions for Voluntary Life & AD&D over the term of the contract). The estimated total cost for all benefit programs over the five-year term of the contract, including options, is itemized below:

- Basic Life & AD&D - $48,590,000
- Voluntary Life & AD&D - $23,231,000
- STD - $4,970,000
- LTD - $17,000,000

MetLife's five-year total cost is $93,791,000 (fully insured).

MetLife's final cost proposal represents a 1.8 percent reduction to current 2026 costs for all lines of coverage, or $0.3 million reduction in total in the first contract year. As part of the RFP support provided by Mercer, Mercer reviewed MetLife's proposed costs for all benefit programs compared to the MTA's current claims experience and concluded that the negotiated fees with MetLife are very competitive and favorable to the MTA.

Based on the information above, MetLife's final cost proposal is considered fair and reasonable.

Negotiation of commercial terms and conditions are being finalized. However, there does not appear to be any remaining terms and conditions to be negotiated that would impact MetLife's current price.

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 laws and regulations. Cybersecurity requirements have been included in the contract terms and conditions.

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

M/W/DBE INFORMATION

The MTA Department of Diversity and Civil Rights (DDCR) has established 0 percent MWBE/SDVOB goals on this contract because the participant data and benefit contract provisions are considered highly sensitive and confidential in nature. Metropolitan Life Insurance Company has not completed any MTA contracts with MWDBE goals; therefore, no assessment of the firm's MWDBE performance can be determined at this time.

IMPACT ON FUNDING

The contract is funded by the MTA's operating budget and employee contributions for the optional insurance programs.

ALTERNATIVES

Do not approve award of this contract. This is not a practical alternative because these are benefits that MTA provides and intends to continue to provide to its employees.

OCTOBER 2026

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

K. Ratifications of Completed Procurement Actions (Involving Schedule E-J)
(Staff Summaries required for items estimated to be greater than $1,000,000.)

3. Cubic Transportation Systems **$38,269,771** ***Staff Summary Attached***
12 Years, 9 Months + 10 Yr Options
Contract # A-34024 Mod 58/59

Contract award for New Fare Payment System: Ratification of two modifications to (1) exercise a five-year option for Customer Call Center services; and (2) exercise a five-year option for Retail Point of Sale merchant services.

Schedule K: Ratification of Completed Procurement Actions

Metropolitan Transportation Authority

Item Number: 3

Vendor Name (Location) Cubic Transportation Systems (San Diego, California)	**Contract Number** A-34024 / **AWO/Mod. #** 58/59
Description New Fare Payment System	
Contract Term (including Options, if any) Contract Term: November 1, 2017–July 31, 2030 Optional 1 Year Service Extension: August 2030–July 2040	
Option(s) included in Total Amount? ☐ Yes ☐ No ☒ n/a	
Procurement Type ☒ Competitive ☐ Noncompetitive	
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Modification	
Funding Source ☒ Operating ☐ Capital ☐ Federal ☐ Other:	
Requesting Department: Delivery, Mark Roche, Deputy Chief Development Officer	

Original Amount:	$	553,827,839
Prior Modifications:	$	92,402,825.92
Prior Budgetary Increases:	$	0
Current Amount:	$	631,916,491.12
This Request:	$	38,269,771
% of This Request to Current Amount:		17%
% of Modifications (including This Request) to Original Amount:		23.6%

Discussion

MTA Headquarters is seeking Board approval to formally ratify two modifications to a competitively negotiated personal service contract awarded to Cubic Transportation Systems ("Cubic") totaling $38,269,771. The original contract was awarded in 2017 and provided a state-of-the-art, integrated, reliable, and convenient contactless fare payment system, allowing customers to pay fares using digital wallets, contactless bank cards and MTA-issued contactless transit cards under the One Metro NY brand name.

Modification No. 58 is to execute the first five-year option reserved in the base agreement for Extended Customer Call Center Services. This will extend services for a retroactive period, beginning January 1, 2026, through December 31, 2030, in the estimated amount of $31,606,111.

Modification No. 59 is to exercise the second five-year option reserved in the base agreement for Retail Point of Sale ("POS") Network which will extend services beginning October 1, 2026, through September 30, 2031 in the estimated amount of $6,663,660.

Modification 58 – Customer Call Center Services

The base contract provided Customer Call Center Services through December 31, 2025, when Substantial Completion was declared. Cubic was obligated to provide Customer Call Center Services which include maintaining and supporting all facilities, equipment, software, personnel, and other materials necessary to provide a 24/7 Customer Call Center for OMNY related inquiries and issues. Major categories of customer contacts include fare capping, account update, close account requests, feedback on website, general feedback and inquiries, dispute charge, feedback on Chatbot, payment failure, order approval, and chargebacks.

The original contract reserved three, 5-year optional terms (15 years total) for Extended Customer Call Center Services. To maintain continuity of services for OMNY customers, this modification will execute the first five-year option for Extended Customer Call Center Services. The Cubic-staffed OMNY Customer Call Center operates 24/7 and is dedicated to resolving OMNY related inquiries and issues.

Cubic submitted its proposal in the amount of $31,606,110 to extend the Customer Call Center Services for the first five-year optional term from January 1, 2026, through December 31, 2030. Pricing for the first five-year option is pre-established in the contract from 2017, and Cubic's proposal was based entirely on the preset pricing with no changes to any terms or conditions. The $31,606,111 allocation includes fixed monthly fee of $132,622; a per card fulfilment fee of $0.68 and a customer interaction fee of $5.46 each (which varies based on tiered volume discount). All pricing and terms negotiated in 2017 have remain firm and applicable for this new five-year option. The costs were determined to be fair and reasonable in accordance with this previously MTA Board-approved service agreement.

Modification 59 – Retail Point of Sale Network

The base contract also included three separate five-year options for the Retail POS Network. The Retail POS Network provides customers with an off-property network designed to achieve and exceed the current coverage and convenience of the MetroCard's merchant network. As part of the NFPS deployment, the MTA required an extensive and convenient network of Retail Merchants where customers can purchase and reload

Extended Use NFPS Agency-Issued Account-Based Media. This Retail POS Network leverages, as much as possible, existing retail merchant POS systems for the sale and reloading of Media and pre-paid gift cards. Retailer Merchants include check cashiers, chain stores, and bodegas.

MTA previously executed the first five-year option of Retail POS Network which expired on September 30, 2026. The fee and commission structure for that option was subsequently revised via Modification 40 to further incentivize the retailers to promote media reloads. This Modification did not include any change to Cubic's contracted rates. The purpose of this Modification 59 is to execute the second five-year option to continue uninterrupted Retail POS Network Services for MTA customers.

Cubic submitted its proposal in the amount of $6,663,660.00, covering the execution of the second five-year option for Retail POS Network. The pricing for Option 2 of the Retail POS Network is pre-established in the NFPS Contract. Cubic's proposal was based entirely on the present pricing with the revised merchant fee and commission structure agreed to under Modification. No 40. All other pricing, terms and conditions negotiated in 2017 have remain firm and applicable for this second five-year option. The costs were determined to be fair and reasonable in accordance with this previously MTA Board-approved rates.

Cubic has certified that pursuant to EO 16, 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 laws and regulations. Cybersecurity requirements have been included in the contract terms and conditions.

Metropolitan Transportation Authority

Fuel Hedge Program Report

MTA Finance
10/26/2026

Fuel Hedging Program

- A risk management strategy which reduces exposure to fuel price fluctuations by locking in prices for future fuel purchases.

- The MTA hedges approximately 50% of its estimated annual ultra-low sulfur diesel (ULSD) consumption to help manage exposure to fuel price volatility and budget certainty.

- The program is run competitively and currently has 24 outstanding hedges with 3 counterparties.

- 2026 fuel expenses are budgeted at $291 million across ULSD, gasoline, compressed natural gas (CNG), and other fuel types.

2026 Year-to-Date

- Prices increased following the start of the conflict in Iran, from $2.50 per gallon to $4.89 per gallon in October, almost double.

- Through September, MTA has received $32 million in offsets and estimates $51 million will be received by the end of the year.

Annual Impact as of Mid-October 2026

Ulta-Low Sulfur Diesel

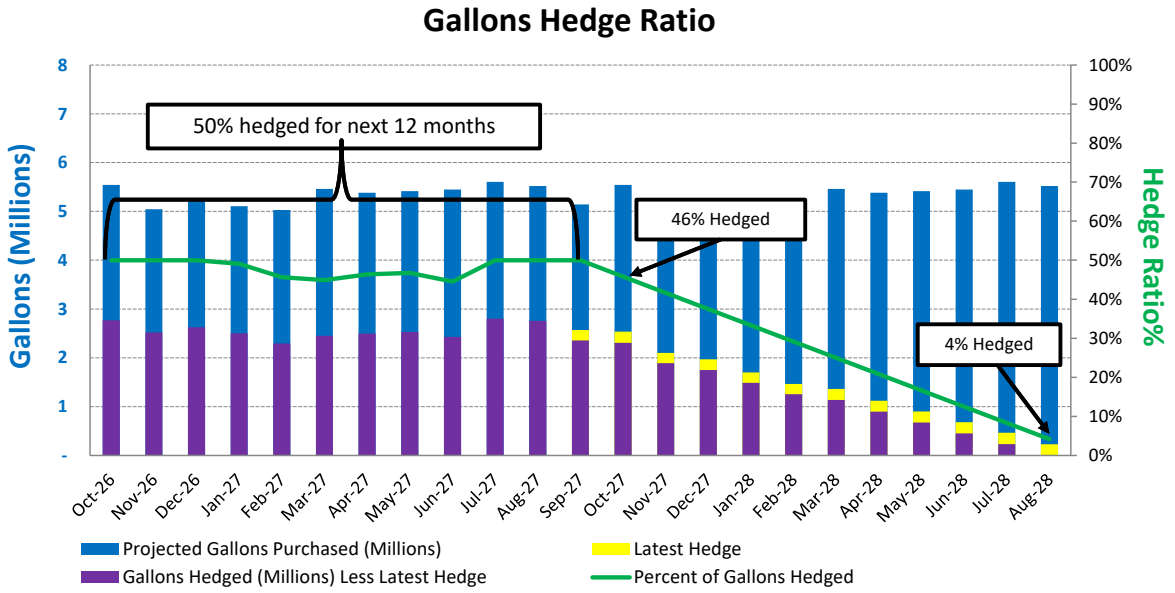
Current Prices vs. 2026 Adopted Budget	$	(125.93)
Impact of Hedge	$	50.85
Net Impact:	$	(75.08)

$ in millions

Current portfolio hedges 50% of the next 12 months of projected ULSD purchases laddered in over time

- Each hedge is competitively bid on a monthly basis and is structured to lock in price for 4% of the projected fuel monthly purchases expected to occur 13-24 months from each hedge execution date.

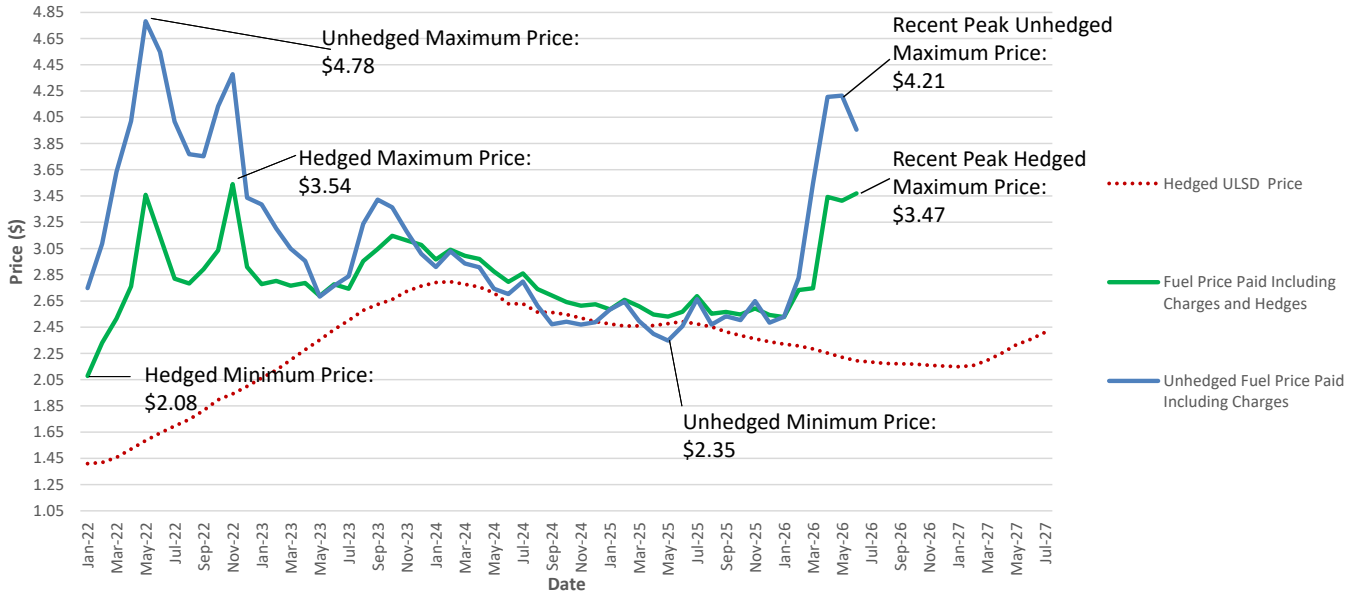
- Currently executed hedges have a final maturity of August 2028, with each monthly hedge continuing to ladder fuel purchases over time.



Hedge program provides budget stability while protecting against commodity price spikes

- Executing monthly forward hedges defers the impact of major market changes in any current budget year by shifting them 12 months forward into future budgets, and helps protect the budget from negative volatility thus reducing the immediate impact of potential spikes in fuel prices.

- The average locked-in ULSD price for the next 12 months is $2.28 per gallon, essentially in line with the average price over the prior 12 months.



Metropolitan Transportation Authority

2026 SEMI-ANNUAL INVESTMENT REPORT

MTA Cash and Investments Department

Metropolitan Transportation Authority

2026 SEMI-ANNUAL INVESTMENT REPORT

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Metropolitan Transportation Authority

Investment Performance by Type of Fund
For the Period January 1, 2026 to June 30, 2026

Type of Fund	Net Earnings this Period	Average Daily Portfolio Balance	End of Period Portfolio Balance	Average Yield % at End of Period	Weighted Average Days to Maturity, full period	Net Portfolio Yield %, 365-day Basis
Funds Available for MTA Operations and Capital Programs	$ 202,765,190	$ 11,194,560,991	$ 11,243,421,234	3.65%	62	3.65%
TBTA Operating Investments	6,079,842	335,224,691	263,003,839	3.62	29	3.66
MTA Bond Resolution Funds (See Note 1)	20,557,700	1,125,732,426	1,178,448,480	3.63	62	3.68
TBTA Bond Resolution Funds (See Note 1)	87,978,042	4,796,685,369	5,232,077,069	3.67	83	3.70
Hudson Yards Bond Resolution Funds (See Note 2)	1,234,323	59,824,334	31,496,112	3.90	2,644	4.16
Real Estate Escrow Investments	2,681,732	146,664,173	123,987,981	3.65	52	3.69
	$ 321,296,830	***$ 17,658,691,984***	***$ 18,072,434,715***	***3.65%***	***76***	***3.67%***

Average Yield on 1-month Generic Treasury Bill (1/2/26-6/30/26)	3.65%
Average Yield on 3-month Generic Treasury Bill (1/2/26-6/30/26)	3.68%
Average Yield on 6-month Generic Treasury Bill (1/2/26-6/30/26)	3.70%
Average Yield on 12-month Generic Treasury Bill (1/2/26-6/30/26)	3.66%

Note 1: This analysis does not include bond escrows, which are not managed by MTA Treasury.
Note 2: MTA is the bondholder of the Hudson Yards 2020A bonds.

Metropolitan Transportation Authority

MTA HEADQUARTERS
CASH AND INVESTMENTS DEPARTMENT
PORTFOLIO STATISTICS BY SECURITY TYPE

AS OF: 6/30/2026

Instrument Type	Wtd Avg Yield, End of Period	Wtd Avg Days to Maturity, End of Period	Scheduled Par Value	Scheduled Book Value *
Hudson Rail Yards Investment	5.00%	7,443	$ 6,230,000.00	$ 6,230,000.00
Collateralized Repurchase Agreement	3.59	1	169,510,000	169,510,000
US Treasury Bills	3.65	85	18,087,738,000	17,836,090,077
US Treasury Notes	3.77	468	60,298,000	60,604,638
Grand Total	***3.65%***	***86***	***$ 18,323,776,000***	***$ 18,072,434,715***

* Includes purchase interest not yet received

Metropolitan Transportation Authority

Broker Activity Distribution for the Period January 1, 2026 - June 30, 2026

Broker	Total Trans Count	Purchase of Securities	% Purchases	Sale of Securities	% Sales	REPOS	% REPOS	Total
Bank of New York Securities	2	$ 73,590,990	0.2%	$ 1,825,427	0.0%	$0	0.0%	$ 75,416,417
Daiwa Securities Co. Ltd.	818	16,912,780,135	44.33	1,207,205,628	22.9	21,363,116,000	93.80	39,483,101,763
Loop Capital Markets LLC (Minority Bank)	192	2,875,050,336	7.54	805,527,096	15.3	0	-	3,680,577,432
Mizuho Securities	259	2,646,771,181	6.94	1,153,197,742	21.8	1,408,276,000	6.20	5,208,244,923
Wells Fargo	591	15,644,223,631	41.00	2,111,051,152	40.0	0	-	17,755,274,783
Total	***1,862***	***$ 38,152,416,272***	***100.00%***	***$ 5,278,807,046***	***100.00%***	***$ 22,771,392,000***	***100.00%***	***$ 66,202,615,318***

Investment Maturity Distribution

As of: 6/30/2026

Maturity Curve	From	To	Number of Securities	Scheduled Book Value*	%
One Day to 1 Month	7/1/2026	7/31/2026	109	$ 4,029,600,840	22.30%
1 to 2 Months	8/1/2026	8/31/2026	88	3,537,295,487	19.57
2 to 4 Months	9/1/2026	10/31/2026	237	6,775,542,545	37.49
4 to 6 Months	11/1/2026	12/31/2026	141	3,661,453,819	20.26
6 Months to 2 Years	1/1/2027	6/30/2028	5	62,312,024	0.34
2+ Years	7/1/2028	11/15/2046	1	6,230,000	0.03
Grand Total	***7/1/2026***	***11/15/2046***	***581***	***$ 18,072,434,715***	***100.00%***

* Includes purchase interest not yet received.

LISTING OF PRIMARY GOVERNMENT SECURITIES DEALERS WITH WHOM THE MTA HAS A SIGNED A MASTER REPURCHASE AGREEMENT

Broker Name	Capital Included in Tier Calculation	Tier Level	Balance Sheet Date
JP Morgan Securities	$ 40,890,000,000	**1**	12/31/2025
Bank of America Securities, Inc.	32,028,000,000	**1**	12/31/2025
Citigroup Global Markets Inc.	28,844,000,000	**1**	12/31/2025
Morgan Stanley & Company LLC	26,336,000,000	**1**	12/31/2025
BNP Paribas Securities Corp.	5,281,838,000	**1**	12/31/2025
Mizuho Securities, USA LLC	3,167,975,000	**1**	3/31/2026
HSBC Securities (USA) Inc.	1,935,000,000	**1**	12/31/2025
Daiwa Capital Markets America Inc.	1,715,350,000	**1**	3/31/2026

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

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

Listing of Fees and Commission Paid to Brokers, Agents, Dealers, Advisers and Asset Managers for Custody Accounts For the Period 1/1/2026 to 6/30/2026

Investment Administration and Support

Fees:		
The Bank of New York:		
* Safekeeping	$ 393,000.00	
* Transactions	46,000	
* Cash	22,000	
* Other	52,000	
The Bank of New York (Note 1)		$ 513,000.00
Bloomberg:		
*Terminals and Communication Lines	67,980	
* PeopleSoft Data Licenses and MTM Pricing	18,000	
Bloomberg:		$ 85,980.00
Total Fees:		$ 598,980.00
Total Commission:		$ -
Total Semi-Annual 2026 Fees and Commission (Custody):		**$ 598,980.00**

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

Metropolitan Transportation Authority

Investment Inventory with Market Value
Sorted by Instrument

AS OF: 6/30/2026

Instrument	Sched Par	Sched Book Value	Market Value*	Accrued Interest	Accrued (Prem)/Disc	Amortized Book Value	Unrealized Gain	Unrealized Loss
Hudson Yards 2020A Bonds	$ 6,230,000	$ 6,230,000	$ 6,230,000	$ 39,803	$ -	$ 6,230,000	$ -	$ -
Collateralized Repurchase Agreement	169,510,000	169,510,000	169,510,000	16,882	-	169,510,000	-	-
US Treasury Bills	18,087,738,000	17,836,090,077	17,930,592,507	98,822,602	-	17,836,090,077	94,502,430	-
US Treasury Notes	60,298,000	60,604,638	60,321,604	379,218	(33,944)	60,792,332	-	(470,727)
Grand Total	*$ 18,323,776,000*	*$ 18,072,434,715*	*$ 18,166,654,112*	*$ 99,258,505*	*$ (33,944)*	*$ 18,072,622,409*	*$ 94,502,430*	*$ (470,727)*

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

Metropolitan Transportation Authority

Transaction Report Summary By Transaction Type for the Period January - June 2026

Trans Type	No. of Trans.	Par	Book Value	Prem/(Disc)	(Interest)	Amort/(Accr)	(Gain) / Loss	Settlement
Amort/(Accr) Total	2	$ -	$ (22,713)	$ -	$ -	$ 22,713	$ -	$ -
Final Sale Total	132	(3,663,960,000)	(3,631,926,033)	32,033,967	(19,649,509)	-	62,614	3,651,573,355
Interest Total	6	-	(172,549)	-	(2,689,267)	172,549	-	2,689,267
Matured Total	1,298	(56,609,523,000)	(56,326,850,336)	-	(285,744,820)	-	-	56,612,595,156
Partial Sale Total	291	(2,055,042,000)	(2,033,521,157)	21,606,521	(13,707,001)	-	69,323	2,047,183,400
Purchase Total	1,502	63,293,210,000	62,897,567,902	(395,642,098)	-	-	-	(62,897,567,902)
Grand Total	**3,231**	**$ 964,685,000**	**$ 905,075,115**	**$ (342,001,610)**	**$ (321,790,597)**	**$ 195,262**	**$ 131,937**	**$ (583,526,724)**

New York City Transit Procurements

Sergio Paneque, Chief Procurement Officer – Procurement Operations

PROCUREMENTS

The Procurement Agenda this month includes 3 actions for a proposed estimated expenditure of $123.6M.

Subject	Request for Authorization to Award Various Procurements
Department	MTA Procurement
Department Head Name	Sergio Paneque
Department Head Signature	Sergio Paneque
Project Manager Name	Rose Davis

October 21, 2026

Department

Department Head Name

Department Head Signature

Board Action

Order	To	Date	Approval	Info	Other
1	Committee	10/26/26			
2	Board	10/28/26			

Internal Approvals

	Approval		Approval
	President NYCT	X	Buses
X	CFO	X	Subway
X	Law	X	Diversity/Civil Rights

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 NYC Transit Committee of these procurement actions.

DISCUSSION

NYC Transit proposes to award Noncompetitive procurements in the following categories:

Procurements Requiring Two Thirds Vote:	# of Actions		$ Amount
Schedule A: Noncompetitive Purchases and Public Work Contracts	2	$	40.1 M
Schedules Requiring Majority Vote:			
Schedule G: Miscellaneous Service Contracts	1	$	83.5 M
SUBTOTAL	3	$	123.6 M

NYC Transit proposes to award Competitive procurements in the following categories: None

NYC Transit proposes to award Ratifications in the following categories: None

TOTAL	3	$	123.6 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.

New York City Transit

OCTOBER 2026

LIST OF NONCOMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts
(Staff Summaries required for items estimated to be greater than $1,000,000.)

1. Westcode Inc. **$3,170,000 (Est.)** ***Staff Summary Attached***
Three years
Contract# TBD

Contract award for a three-year estimated quantity parts pricing agreement for sole-source replacement air brake, truck, door operator, and heating, ventilation, and air-conditioning ("HVAC") parts.

2. The Aftermarket Parts Company, LLC dba NFI Parts **$36,966,918 (Est.)** ***Staff Summary Attached***
Two years
Contract# TBD

Contract award for a two-year estimated quantity parts pricing agreement for sole-source replacement parts required for the Agencies to operate and maintain their respective fleets of buses.

Procurements Requiring Majority Vote:

G. Miscellaneous Services Contracts
(Staff Summaries required for items estimated to be greater than $1,000,000.)

3. Siemens Mobility, Inc. **$83,455,643** ***Staff Summary Attached***
Five years
Master Contract# 6%39226

Contract award for the provision of maintenance and engineering support services for various NYC Transit Communication-Based Train Control ("CBTC") signaling systems designed and provided by Siemens.

Schedule A: Noncompetitive Purchases and Public Work Contracts

MTA New York City Transit

Item Number: 1

Vendor Name (Location) Westcode Inc. (Blue Bell, Pennsylvania)	**Contract Number** TBD **Renewal?** ☐ Yes ☒ No
Description Estimated Quantity Parts Pricing Agreement for Sole-Source Replacement Parts	**Total Amount:** $3,170,000 (Est.)
Contract Term (including Options, if any) Three Years	
Option(s) included in Total Amount? ☐ Yes ☐ No ☒ n/a	**Funding Source** ☒ Operating ☐ Capital ☐ Federal ☐ Other:
Procurement Type ☐ Competitive ☒ Noncompetitive	**Requesting Dept.** Dept. of Subways, William Amarosa Jr.
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Sole-Source	

Discussion:

As the result of a multiagency Joint Procurement, NYC Transit, on behalf of itself, Long Island Rail Road ("LIRR"), and Metro-North Railroad ("MNR") (collectively, "the Agencies") requests Board approval to award a three-year estimated quantity parts pricing agreement contract for sole-source replacement air brake, truck, door operator, and heating, ventilation, and air-conditioning ("HVAC") parts to Westcode Incorporated ("Westcode") in an estimated total amount of $3,170,000. This contract covers the purchase of various items identified as obtainable only from Westcode, which are required for the Agencies to operate and maintain their respective fleets of rolling stock that currently include, but are not limited to, NYC Transit's R46, R62A, R142, R143, and R160 subway cars; LIRR's M3 and M7 railcars; and MNR's M3, Bomb Coaches, M7, and M8 railcars.

NYC Transit previously awarded a five-year parts pricing agreement to Westcode based solely on NYC Transit's requirements for the period from December 1, 2020, through December 1, 2025 (later extended through December 1, 2026); however, the new contract will be a multiagency agreement that is based on the needs of all three Agencies. Utilizing a joint procurement approach for this contract combines the buying power of NYC Transit, LIRR, and MNR to achieve the most favorable pricing for the Agencies and better supply chain management for Westcode. Additional benefits are the process efficiencies that will reduce Procurement's lead time needed to award individual procurements, as well as a reduction in the number and frequency of individual purchases of various items identified as obtainable only from Westcode for the following reasons: sole prequalified item on the Qualified Products List and not available from any distributors or other sources; publicly advertised within a 12-month period without an acceptable alternate supplier; or proprietary to Westcode. Furthermore, in accordance with the MTA All-Agency Procurement Guideline requirements, the Agencies publicly advertised its intent to procure the items under this agreement on a sole-source basis in the New York State Contract Reporter and Daily News. No other firms expressed interest in participating in these procurements.

Under this new contract, NYC Transit, LIRR, and MNR will continue to support its Scheduled Maintenance, Life Cycle Maintenance, and Reliability Centered Maintenance programs with parts that are replaced at prescribed intervals to ensure safety, maintain high car reliability and availability, and improve customer service. Additionally, the contract includes the parts required to perform unscheduled maintenance and repairs on railcars and subway cars to ensure safe, reliable, and maintainable operation.

Of the overall estimated value, approximately 82 percent of the agreement, or $2,686,570, has firm fixed pricing (72 items) for the complete three-year term of the contract. The remaining 18 percent of the agreement, or $483,430, covers items whose requirements have not yet been determined and may need to be purchased and/or added to the contract. The pricing for these items will be negotiated on an as-required basis and will be subject to a cost and/or price analysis as well as the most favored customer pricing clause. The MTA Cost Price Analysis Unit performed a detailed analysis of the firm fixed price items using historical data from previous purchases and determined the pricing to be fair and reasonable.

The chart below summarizes the estimated amounts anticipated to be expended with each Agency over the three-year term of the contract.

NYC Transit	LIRR	MNR	Total
$2,200,000	$200,000	$770,000	$3,170,000

The total estimated dollars outlined above are based on historical data and projected/forecasted usage.

Westcode is the sole responsible source for the parts that will be provided under this contract. No other vendor can access the proprietary designs, specifications, and drawings and, therefore, cannot readily provide these parts.

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 laws and regulations. Cybersecurity requirements have been included in the contract terms and conditions.

The Controller's Office found that there was reasonable assurance that Westcode is financially qualified to perform this contract.

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

This contract is subject to review and approval of the Office of the New York State Comptroller ("OSC"), and an award will not be made prior to OSC approval.

A review of Westcode's overall performance, including the quality of materials, customer responsiveness, and delivery, has been deemed to be satisfactory by the Agencies.

M/W/DBE Information
MTA Department of Diversity and Civil Rights does not assign goals to commodities.

Impact on Funding
This procurement is to be funded by each Agency's Operating Budget.

Schedule A: Noncompetitive Purchases and Public Work Contracts

New York City Transit

Item Number: 2

Vendor Name (Location) The Aftermarket Parts Company, LLC dba NFI Parts (Delaware, OH)	**Contract Number** TBD
Description Estimated Quantity Parts Pricing Agreement for Sole-Source Replacement Parts	**Renewal?** ☒ Yes ☐ No
Contract Term (including Options, if any) Two Year (November 1, 2026 – October 31, 2028)	**Total Amount:** $36,966,918 (Est)
Option(s) included in Total Amount? ☐ Yes ☐ No ☒ n/a	**Funding Source** ☒ Operating ☐ Capital ☐ Federal ☐ Other:
Procurement Type ☐ Competitive ☒ Noncompetitive	**Requesting Dept.** Department of Buses, Frank Farrell
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Sole-Source	

Discussion:

As a result of a multiagency Joint Procurement, NYC Transit, on behalf of itself and MTA Bus Company ("MTABC") (collectively "the Agencies") requests Board approval to award a two-year estimated quantity contract for sole-source replacement parts to The Aftermarket Parts Company, LLC dba NFI Parts ("NFI") in the estimated value of $36,966,918. The contract covers the furnishing of various replacement parts identified as obtainable only from or through NFI, which are required for the Agencies to operate and maintain their respective fleets of buses that currently include, but are not limited to, NYC Transit's New Flyer, Orion, and MCI bus fleets and MTABC's New Flyer and MCI bus fleets. NFI is also the sole distributor and reseller for Orion Bus Industries ("Orion") and Motor Coach Industries ("MCI").

Utilizing a joint procurement approach for this contract combines the buying power of NYC Transit and MTABC to achieve the most favorable pricing for the Agencies and better supply chain management for NFI. Additional benefits are the process efficiencies that will reduce Procurement's lead time needed to award individual procurements, as well as a reduction in the number and frequency of individual purchases of various items identified as obtainable only from NFI for the following reasons: sole prequalified item on the Qualified Products List and not available from any distributors or other sources; publicly advertised within a 12-month period without an acceptable alternate supplier; or proprietary to NFI. A list of NFI sole-source items, as well as the Agencies' intention to purchase these items without competitive bidding, is available for download from the MTA website at any time by any prospective vendor. Furthermore, in accordance with the MTA All-Agency Procurement Guideline requirements, the Agencies publicly advertised their intent to procure the items under this agreement on a sole-source basis in the *New York State Contract Reporter* and *Daily News*. No other firms expressed interest in participating in this procurement.

Under this contract, NYC Transit and MTABC will support their Scheduled Maintenance, Life Cycle Maintenance, and Shop Overhaul programs with parts that are replaced at prescribed intervals to ensure safety, maintain high bus reliability and availability, as well as improve customer service. Additionally, the contract includes parts required to perform unscheduled maintenance and repairs on buses to ensure safe, reliable, and maintainable operation.

This new contract will cover a total of 2,460 items with an estimated value of $36,966,918. The MTA Cost Price Analysis Unit performed a detailed analysis using comparative and historical data of previous purchases and determined the pricing to be fair and reasonable. Any sole source items that are not included in the 2,460 items on this new contract will be purchased utilizing informal procurement procedures.

The chart below summarizes the estimated amounts anticipated to be expended with each Agency over the two-year term of the contract.

NYC Transit	MTABC	TOTAL
$28,257,030	$8,709,888	$36,966,918

The total dollars outlined above are based on historical data and projected/forecasted usage.

NFI is the sole responsible source for the parts that will be provided under this contract. No other vendor can access the proprietary designs, specifications, and drawings and, therefore, cannot readily provide these parts. The Controller's Office found that there was reasonable assurance that NFI is financially qualified to perform this contract.

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 laws and regulations. Cybersecurity requirements have been included in the contract terms and conditions.

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

This contract is subject to review and approval of the Office of the New York State Comptroller ("OSC"), and an award will not be made prior to OSC approval.

A review of NFI's overall performance, inclusive of quality of material, customer responsiveness, and delivery has been deemed to be satisfactory by the Agencies.

M/W/DBE Information
MTA Department of Diversity and Civil Rights does not assign goals to commodities.

Impact on Funding
This procurement is to be funded by each Agency's Operating Budget.

Schedule G: Miscellaneous Service Contracts

New York City Transit

Item Number: 3

Vendor Name (Location) Siemens Mobility, Inc. (New York, NY)	**Contract Number** Master Contract 6%39226
Description Siemens Signaling Global Maintenance Contract	**Renewal?** ☐ Yes ☒ No
Contract Term (including Options, if any) Five Years	**Total Amount (including options):** $83,455,643
Option(s) included in Total Amount? ☐ Yes ☒ No ☒ n/a	**Funding Source** ☒ Operating ☐ Capital ☐ Federal ☐ Other:
Procurement Type ☐ Competitive ☒ Noncompetitive	**Requesting Dept./Div., Dept./Div. Head Name** NYCT Subways, William Amarosa
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Sole-Source	

Discussion

It is requested that the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law Section 1209, Subsection 9(b) due to the existence of a single responsible source, and approve the award of a five-year estimated quantity miscellaneous service contract to Siemens Mobility, Inc. ("Siemens") to provide maintenance and engineering support services for various NYC Transit Communication-Based Train Control ("CBTC") signaling systems designed and provided by Siemens, in the estimated amount of $83,455,643 for the Department of Subways ("DOS"). Siemens is the original manufacturer of the systems, including all hardware and software, and does not have any authorized agents to provide the required services or support. The sole-source advertisement for this requirement did not receive any relevant responses.

This contract includes a monthly fee for ongoing support maintenance services, inclusive of: (1) 24/7 remote on-call assistance with 15-minute response time for technical investigations and resolution of incidents, repeated faults, and identifying the cause of the incident or fault; (2) two-hour response time to on-site emergencies; (3) obsolescence analysis and reporting to identify parts that are obsolete or approaching obsolescence and include recommendations for resolving the obsolescence issues; (4) component-level life cycle analysis to help identify overall performance reliability, recommended maintenance, and potential upgrades; (5) on-site Siemens engineering staff at shops to provide support in troubleshooting and corrective maintenance; and (6) monthly reporting and status meetings. This contract spans multiple operating divisions within the Department of Subways including Maintenance of Way ("MOW"), Division of Car Equipment ("DCE"), and the Electronics Maintenance Division's ("EMD") Central Electronics Shop. The contract covers Siemens systems associated with the Queens Boulevard Line West CBTC Project, Culver Line CBTC Project, 8th Avenue Line CBTC Project, R179 CBTC Project, Siemens Data Communications Systems on R211 and Queens Boulevard Line East, Dyre Avenue Solid State Interlocking Project, Kings Highway Solid State Interlocking Project, 207th Street Solid State Interlocking Project, Speed Enforcement System Project, Canarsie Line CBTC system and radio support, post-warranty repair of Canarsie CBTC electronic modules, and CBTC systems installed on Track Geometry Cars 3 and 4. By combining the maintenance and support of all systems, stake holders, and various operational requirements into one comprehensive service agreement, NYC Transit benefits by streamlining administrative and back-office responsibilities. The systems to be supported under this contract are critical to the safe operation of subway trains. Siemens is the original equipment manufacturer and the sole source for maintaining its proprietary systems in a safe and operable state.

The requested approval amount of an estimated $83,455,643 includes: $52,700,000 in monthly fees covering the services listed above, including cybersecurity assessments; a $15,000,000 allocation for anticipated after-market hardware purchases and repairs; $10,000,000 in estimated task orders covering software upgrades and system enhancements; $1,500,000 for as needed refresher training and planned site visits; and $4,255,643 of anticipated index-based escalation covering the monthly recurring fee over the contract term. All pricing of the contract is firm-fixed and will have an index-based annual adjustment. NYC Transit will pay a monthly fee of approximately $878,333 per month for operational, technical, and obsolescence support as described above, plus additional expenditures for hardware purchases and/or repairs and task orders. Siemens submitted an initial price proposal in the amount of $124,712,256. Several rounds of negotiations took place focusing on staffing requirements, contract terms and conditions, scope of work, and other pricing. On September 8, 2026, Siemens submitted its best and final offer in the amount of $52,700,000, a savings of approximately $57,300,000. The pricing offered by Siemens for this work has been found fair and reasonable.

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, have been included in the contract terms and conditions.

DOS has found that Siemens is performing satisfactorily on its current contracts for the same services.

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

This contract is subject to review and approval of the Office of the New York State Comptroller, and an award will not be made prior to this approval.

Impact on Funding
This requirement will utilize Operating Funds available under the Department of Subways budget.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan - 2026 Mid-Year Forecast
Accrual Statement of Operations by Category
September 2026 Monthly
($ in millions)

	Non-Reimbursable				Reimbursable				Total			
	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent
Revenue												
Farebox Revenue	$482.9	$471.5	($11.5)	(2.4)	$0.0	$0.0	$0.000	N/A	$482.9	$471.5	($11.5)	(2.4)
Toll Revenue	232.4	216.4	(16.0)	**(6.9)**	0.0	0.0	0.000	N/A	232.4	216.4	(16.0)	**(6.9)**
Other Revenue	115.7	107.8	(8.0)	(6.9)	0.0	0.3	0.3	N/A	115.7	108.1	(7.7)	(6.6)
Capital and Other Reimbursements	0.0	0.0	0.0	N/A	245.3	226.7	(18.6)	(7.6)	245.3	226.7	(18.6)	(7.6)
Total Revenues	**$831.1**	**$795.6**	**($35.4)**	**(4.3)**	**$245.3**	**$227.0**	**($18.3)**	**(7.5)**	**$1,076.4**	**$1,022.7**	**($53.7)**	**(5.0)**
Expenses												
Labor:												
Payroll	$546.8	$527.9	$18.9	3.5	$81.8	$67.4	$14.4	17.6	$628.6	$595.4	$33.3	5.3
Overtime	77.2	104.0	(26.7)	34.6	22.5	29.9	(7.4)	32.7	99.7	133.8	(34.1)	34.2
Health and Welfare	172.4	157.6	14.8	8.6	10.6	8.5	2.2	20.5	183.0	166.1	17.0	9.3
OPEB Current Payments	88.0	120.9	(32.8)	(37.3)	1.6	1.5	0.1	5.7	89.7	122.4	(32.7)	(36.5)
Pension	141.7	144.7	(3.0)	(2.1)	12.7	9.0	3.8	29.6	154.4	153.7	0.8	0.5
Other Fringe Benefits	103.6	107.2	(3.7)	(3.5)	27.4	25.4	1.9	7.0	130.9	132.7	(1.7)	1.3
Reimbursable Overhead	(51.6)	(52.3)	0.7	1.4	51.6	52.4	(0.8)	(1.5)	0.0	0.0	(0.1)	<(100.0)
Total Labor Expenses	**$1,078.1**	**$1,110.0**	**($31.9)**	**(3.0)**	**$208.3**	**$194.0**	**$14.2**	***6.8***	**$1,286.4**	**$1,304.0**	**($17.6)**	**(1.4)**
Non-Labor:												
Electric Power	$74.5	$51.1	$23.4	31.4	$0.0	$0.0	$0.0	38.4	$74.5	$51.1	$23.4	31.4
Fuel	24.4	26.9	(2.5)	(10.2)	0.0	0.0	0.0	94.7	24.4	26.9	(2.5)	(10.1)
Insurance	(1.1)	6.4	(7.5)	<(100.0)	0.9	1.2	(0.3)	(33.6)	(0.2)	7.6	(7.8)	<(100.0)
Claims	67.1	57.3	9.8	14.7	0.0	0.0	0.0	N/A	67.1	57.3	9.8	14.7
Paratransit Service Contracts	75.9	67.4	8.5	11.2	0.0	0.0	0.0	N/A	75.9	67.4	8.5	11.2
Maintenance and Other Operating Contracts	93.7	98.9	(5.2)	(5.5)	7.2	8.7	(1.5)	(20.6)	100.9	107.6	(6.6)	(6.6)
Professional Services Contracts	93.4	72.4	21.0	22.5	17.1	12.0	5.1	29.8	110.5	84.4	26.1	23.6
Materials and Supplies	71.0	64.1	6.9	9.7	11.4	10.4	1.0	8.8	82.4	74.5	7.9	9.6
Other Business Expenses	25.2	23.7	1.4	5.7	0.4	0.7	(0.3)	(80.4)	25.6	24.5	1.1	4.4
Total Non-Labor Expenses	**$524.2**	**$468.3**	**$55.9**	***10.7***	**$37.0**	**$33.0**	**$4.1**	***10.9***	**$561.3**	**$501.3**	**$59.9**	***10.7***
Other Expense Adjustments												
Functional Allocations	$0.0	$0.0	$0.0	(100.0)	$0.0	$0.0	$0.0	100.0	$0.0	$0.0	$0.0	(100.0)
Other	1.6	26.0	(24.4)	<(100.0)	0.0	0.0	0.0	N/A	1.6	26.0	(24.4)	<(100.0)
General Reserve	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A
Total Other Expense Adjustments	**$1.6**	**$26.0**	**($24.5)**	<(100.0)	**$0.0**	**$0.0**	**$0.0**	***100.0***	**$1.6**	**$26.0**	**($24.5)**	**<(100.0)**
Total Expenses Before Non-Cash Liability Adjs.	**$1,603.9**	**$1,604.4**	**($0.5)**	(0.0)	**$245.3**	**$227.0**	**$18.3**	**7.5**	**$1,849.2**	**$1,831.4**	**$17.8**	**1.0**
Depreciation	$329.7	$387.5	($57.8)	(17.5)	$0.0	$0.0	$0.0	N/A	$329.7	$387.5	($57.8)	(17.5)
GASB Adjustments	(0.8)	(13.3)	12.5	> 100.0	0.0	0.0	0.0	N/A	(0.8)	(13.3)	12.5	>100.0
Total Non-Cash Liability Adjustments	**$328.9**	**$374.2**	**($45.3)**	(13.8)	**$0.0**	**$0.0**	**$0.0**	**N/A**	**$328.9**	**$374.2**	**($45.3)**	**(13.8)**
Total Expenses After Non-Cash Liability Adjs.	**$1,932.8**	**$1,978.6**	**($45.8)**	**(2.4)**	**$245.3**	**$227.0**	**$18.3**	**7.5**	**$2,178.1**	**$2,205.6**	**($27.5)**	**(1.3)**
Less: B&T Depreciation & GASB Adjustments	$19.4	$23.1	($3.7)	19.0	$0.0	$0.0	$0.0	N/A	$19.4	$23.1	($3.7)	19.0
Adjusted Total Expenses	**$1,913.4**	**$1,955.5**	**($42.1)**	**2.2**	**$245.3**	**$227.0**	**$18.3**	**0.0**	**$2,158.7**	**$2,182.5**	**($23.8)**	**1.1**
Net Surplus/(Deficit)	**($1,082.3)**	**($1,159.8)**	**($77.5)**	**(7.2)**	**$0.0**	**$0.0**	**$0.0**	**(0.0)**	**($1,082.3)**	**($1,159.8)**	**($77.5)**	**7.2**
Total Subsidies	**$835.3**	**$882.1**	**$46.8**	**5.6**	**$0.0**	**$0.0**	**$0.0**	**N/A**	**$835.3**	**$882.1**	**$46.8**	**5.6**
Debt Service	**249.9**	**244.3**	**5.6**	**2.2**	**0.0**	**0.0**	**0.0**	**N/A**	**249.9**	**244.3**	**5.6**	**2.2**

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan - 2026 Mid-Year Forecast
Accrual Statement of Operations by Category
September 2026 Year-to-Date
($ in millions)

	Non-Reimbursable				Reimbursable				Total			
	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent	Mid-Year Forecast	Actual	Variance: Fav/(Unfav) Dollars	Variance: Fav/(Unfav) Percent
Revenue												
Farebox Revenue	$4,069.5	$4,044.3	($25.2)	(0.6)	$0.0	$0.0	$0.000	N/A	$4,069.5	$4,044.3	($25.2)	(0.6)
Toll Revenue	2,065.9	2,034.6	(31.3)	**(1.5)**	0.0	0.0	0.000	N/A	2,065.9	2,034.6	(31.3)	**(1.5)**
Other Revenue	1,471.9	1,617.0	145.1	9.9	(0.8)	5.2	5.9	> 100.0	1,471.1	1,622.2	151.1	10.3
Capital and Other Reimbursements	0.0	0.0	0.0	N/A	2,056.5	1,982.2	(74.3)	(3.6)	2,056.5	1,982.2	(74.3)	(3.6)
Total Revenues	**$7,607.3**	**$7,695.9**	**$88.6**	**1.2**	**$2,055.7**	**$1,987.4**	**($68.4)**	**(3.3)**	**$9,663.0**	**$9,683.3**	**$20.3**	**0.2**
Expenses												
Labor:												
Payroll	$4,921.9	$4,748.0	$173.9	3.5	$696.1	$603.1	$93.1	13.4	$5,618.0	$5,351.1	$266.9	4.8
Overtime	757.0	925.1	(168.1)	22.2	194.5	232.8	(38.3)	19.7	951.5	1,157.9	(206.4)	21.7
Health and Welfare	1,511.7	1,458.2	53.6	3.5	83.1	79.7	3.5	4.2	1,594.9	1,537.8	57.0	3.6
OPEB Current Payments	733.4	711.7	21.7	3.0	14.4	13.7	0.7	4.9	747.9	725.5	22.4	3.0
Pension	1,268.1	1,276.0	(8.0)	(0.6)	94.8	73.3	21.4	22.6	1,362.8	1,349.4	13.4	1.0
Other Fringe Benefits	936.5	946.9	(10.4)	(1.1)	236.0	229.3	6.7	2.8	1,172.5	1,176.2	(3.7)	0.3
Reimbursable Overhead	(425.2)	(459.7)	34.5	8.1	423.9	460.1	(36.2)	(8.5)	(1.3)	0.4	(1.7)	<(100.0)
Total Labor Expenses	**$9,703.5**	**$9,606.3**	**$97.2**	***1.0***	**$1,742.9**	**$1,692.0**	**$50.8**	***2.9***	**$11,446.4**	**$11,298.3**	**$148.1**	***1.3***
Non-Labor:												
Electric Power	$570.6	$537.6	$33.0	5.8	$0.6	$0.7	($0.1)	(20.3)	$571.2	$538.3	$32.9	5.8
Fuel	215.1	211.6	3.5	1.6	0.2	0.5	(0.3)	<(100.0)	215.3	212.1	3.2	1.5
Insurance	16.3	9.0	7.3	44.9	6.8	7.2	(0.4)	(5.3)	23.2	16.2	7.0	30.1
Claims	390.5	372.6	17.9	4.6	0.0	0.0	0.0	N/A	390.5	372.6	17.9	4.6
Paratransit Service Contracts	621.9	578.7	43.2	6.9	0.0	0.0	0.0	N/A	621.9	578.7	43.2	6.9
Maintenance and Other Operating Contracts	739.8	728.1	11.7	1.6	58.9	90.3	(31.3)	(53.2)	798.8	818.4	(19.6)	(2.5)
Professional Services Contracts	642.1	559.2	82.9	12.9	156.8	86.6	70.1	44.7	798.9	645.8	153.0	19.2
Materials and Supplies	582.6	565.7	16.9	2.9	88.7	105.5	(16.7)	(18.9)	671.3	671.2	0.2	0.0
Other Business Expenses	232.6	218.8	13.9	6.0	0.9	4.7	(3.8)	<(100.0)	233.5	223.4	10.1	4.3
Total Non-Labor Expenses	**$4,011.7**	**$3,781.3**	**$230.3**	***5.7***	**$312.8**	**$295.3**	**$17.5**	***5.6***	**$4,324.5**	**$4,076.7**	**$247.8**	***5.7***
Other Expense Adjustments												
Functional Allocations	($0.2)	$0.0	($0.2)	<(100.0)	$0.0	$0.0	$0.0	100.0	($0.1)	$0.0	($0.1)	<(100.0)
Other	16.6	56.5	(39.9)	<(100.0)	0.0	0.0	0.0	N/A	16.6	56.5	(39.9)	<(100.0)
General Reserve	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A
Total Other Expense Adjustments	**$16.4**	**$56.5**	**($40.1)**	<(100.0)	**$0.0**	**$0.0**	**$0.0**	***100.0***	**$16.5**	**$56.5**	**($40.0)**	**<(100.0)**
Total Expenses Before Non-Cash Liability Adjs.	**$13,731.6**	**$13,444.1**	**$287.5**	**2.1**	**$2,055.7**	**$1,987.4**	**$68.4**	**3.3**	**$15,787.4**	**$15,431.5**	**$355.9**	**2.3**
Depreciation	$2,997.0	$2,998.1	($1.2)	(0.0)	$0.0	$0.0	$0.0	N/A	$2,997.0	$2,998.1	($1.2)	(0.0)
GASB Adjustments	72.9	(30.8)	103.7	> 100.0	0.0	0.0	0.0	N/A	72.9	(30.8)	103.7	>100.0
Total Non-Cash Liability Adjustments	**$3,069.9**	**$2,967.3**	**$102.6**	***3.3***	**$0.0**	**$0.0**	**$0.0**	**N/A**	**$3,069.9**	**$2,967.3**	**$102.6**	***3.3***
Total Expenses After Non-Cash Liability Adjs.	**$16,801.5**	**$16,411.4**	**$390.1**	**2.3**	**$2,055.7**	**$1,987.4**	**$68.4**	**3.3**	**$18,857.2**	**$18,398.8**	**$458.4**	**2.4**
Less: B&T Depreciation & GASB Adjustments	$180.3	$199.9	($19.6)	10.9	$0.0	$0.0	$0.0	N/A	$180.3	$199.9	($19.6)	10.9
Adjusted Total Expenses	**$16,621.2**	**$16,211.6**	**$409.7**	**0.0**	**$2,055.7**	**$1,987.4**	**$68.4**	**0.0**	**$18,677.0**	**$18,198.9**	**$478.0**	**0.0**
Net Surplus/(Deficit)	**($9,013.9)**	**($8,515.6)**	**$498.3**	**0.0**	**$0.0**	**$0.0**	**$0.0**	**(1.5)**	**($9,013.9)**	**($8,515.6)**	**$498.3**	**0.0**
Total Subsidies	**$10,048.9**	**$10,034.6**	**($14.3)**	**(0.1)**	**$2.0**	**$0.0**	**($2.0)**	**(99.8)**	**$10,050.8**	**$10,034.6**	**($16.3)**	**(0.2)**
Debt Service	**2,186.0**	**2,155.8**	**30.2**	**1.4**	**0.0**	**0.0**	**0.0**	**N/A**	**2,186.0**	**2,155.8**	**30.2**	**1.4**

METROPOLITAN TRANSPORTATION AUTHORITY
CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCES BETWEEN MID-YEAR FORECAST AND PRELIMINARY ACTUAL - ACCRUAL BASIS
September 2026
($ in millions)

		September			September 2026 Year-to-Date		
Generic Revenue or Expense Category	**Nonreimb or Reimb**	**Favorable (Unfavorable) $**	**%**	**Reason for Variance**	**Favorable (Unfavorable) $**	**%**	**Reason for Variance**
Farebox Revenue	NR	(11.5)	(2.4)	NYCT was unfavorable by $8.3M, primarily due to lower Subway paid ridership. MTA Bus was unfavorable by $2.6M, primarily due to lower ridership and average fare, and the LIRR was unfavorable by $0.7M, primarily due to lower ridership, partially offset by higher yield per passenger.	(25.2)	(0.6)	NYCT was unfavorable by $15.4M, primarily due to lower Bus paid ridership. MTA Bus and the LIRR were unfavorable by $11.0M and $8.2M, respectively, due to the continuation of drivers for the month. These results were partially offset by a favorable variance of $9.4M at MNR, primarily due to higher non-commutation ridership and higher average yield per passenger.
Vehicle Toll Revenue	NR	(16.0)	(6.9)	B&T was unfavorable by $16.0M, primarily due to higher-than-anticipated bad debt reserves, lower-than-forecasted fee revenue, and lower revenue per vehicle.	(31.3)	(1.5)	B&T was unfavorable by $31.3M due to the continuation of drivers for the month.
Other Operating Revenue	NR	(8.0)	(6.9)	MTAHQ was unfavorable by $3.4M, mainly due to timing and a year-to-date rental income true-up. B&T was unfavorable by $3.3M, mainly due to delayed billing of fees for Work Zone Speed Enforcement and Weigh In Motion, and FMTAC was unfavorable by $1.2M, mainly due to lower realized income from investments. These results were partially offset by a favorable variance of $0.5M at the LIRR, mainly due to higher interest income.	145.1	9.9	MTAHQ was favorable by $150.2M, mainly due to FEMA COVID reimbursement and licensing revenue from station audio announcements and OMNY decal sales. NYCT was favorable by $4.9M, mainly due to higher rental revenue. The LIRR was favorable by $1.2M due to the continuation of drivers for the month. MNR was favorable by $0.6M, mainly due to higher interest and station revenues, and SIR was favorable by $0.5M, mainly due to timing. These results were partially offset by unfavorable variances of $8.6M at B&T and $2.0M at FMTAC, due to the continuation of drivers for the month, and $1.8M at MTA Bus, mainly due to timing, lower advertising revenue, insurance recoveries, and other contract service revenue.
Payroll	NR	18.9	3.5	NYCT and MTAHQ were favorable by $8.9M and $3.2M, respectively, primarily due to vacancies. The LIRR was favorable by $3.8M, due to lower average pay rates reflecting new hires and vacancies. MNR was favorable by $2.4M, primarily due to the net impact of hiring and attrition and lower retroactive-wage accruals.	173.9	3.5	NYCT, the LIRR, and MTAHQ were favorable by $128.9M, $20.9M, and $10.4M, respectively, due to the continuation of drivers for the month. MNR was favorable by $7.9M, primarily due to the net impact of hiring and attrition, the transfer of State of Good Repair (SOGR) expenses from operating to capital work orders, and lower retroactive-wage accruals. MTA Bus was favorable by $3.4M, primarily due to lower labor expenses related to inter-agency employees, contract settlement, and vacancies; and B&T was favorable by $2.2M, primarily due to higher-than-planned attrition, vacancies, and lower Maintainer expenses.
Overtime	NR	(26.7)	(34.6)	NYCT was unfavorable by $24.5M, mainly due to higher than projected absentee coverage needs. MTAHQ was unfavorable by $1.2M, mainly due to MTA Police Department vacancy coverage and safety, security, and law enforcement requirements. MTA Bus was unfavorable by $0.7M, primarily due to programmatic maintenance and vacancy/absentee coverage, and the LIRR was unfavorable by $0.6M, primarily due to vacancy/absentee coverage, weather emergencies, and unscheduled maintenance and service.	(168.1)	(22.2)	NYCT, MTA Bus, and MTAHQ were unfavorable by $167.7M, $3.1M, and $0.5M, respectively, due to the continuation of drivers for the month. These results were partially offset by a favorable variance of $2.8M at MNR, primarily due to lower programmatic maintenance requirements
Health and Welfare	NR	14.8	8.6	NYCT was favorable by $10.7M, mainly due to timing. MTAHQ was favorable by $3.0M, primarily driven by lower medical and life insurance costs. MNR was favorable by $1.5M, primarily due to lower rates and labor costs; the LIRR was favorable by $1.3M, due to vacancies and lower rates; and SIR was favorable by $0.7M, due to lower payments. These results were partially offset by an unfavorable variance of $2.6M at MTA Bus, primarily due to higher medical and hospitalization expenses.	53.6	3.5	NYCT, MNR, the LIRR, and MTAHQ were favorable by $34.1M, $6.7M, $6.0M, and $5.2M, respectively, due to the continuation of drivers for the month. B&T was favorable by $3.2M, mainly due to lower expenses. These results were partially offset by an unfavorable variance of $2.1M at SIR, primarily due to timing.
OPEB - Current Payment	NR	(32.8)	(37.3)	NYCT was unfavorable by $35.9M, mainly due to the unfavorable timing of prescription rebate credits, and MNR was unfavorable by $0.5M, primarily due to a higher number of retirees. These results were partially offset by a favorable variance of $4.2M at MTAHQ, mainly due to timing.	21.7	3.0	NYCT was favorable by $28.6M, mainly due to the favorable timing of prescription rebate credits, and MTA Bus was favorable by $1.8M, primarily due to lower costs. These results were partially offset by unfavorable variances of $5.9M at MTAHQ, mainly due to higher required actuarial contributions; $0.8M each at B&T and the LIRR, mainly due to more retirees/beneficiaries; $0.6M at SIR, mainly due to timing; and $0.6M at MNR due to the continuation of drivers for the month.
Pensions	NR	(3.0)	(2.1)	The LIRR was unfavorable by $2.4M, due to timing and fewer employee expenses being charged to reimbursable than forecast, and NYCT was unfavorable by $2.1M, mainly due to timing. These results were partially offset by a favorable variance of $0.7M at B&T, due to lower pension contributions.	(8.0)	(0.6)	The LIRR was unfavorable by $13.2M due to the continuation of drivers for the month. This was partially offset by favorable variances of $2.5M at B&T due to the continuation of drivers for the month, $1.1M at MNR, primarily due to lower labor costs, $0.9M at MTAHQ, mainly due to lower pension contribution expense, and $0.6M at NYCT, mainly due to timing.
Other Fringe Benefits	NR	(3.7)	(3.5)	NYCT was unfavorable by $2.2M, mainly due to the unfavorable timing of fringe benefit overhead credits. MNR was unfavorable by $1.0M, mainly due to higher employee claim provisions. The LIRR was unfavorable by $0.7M, mainly due to higher FELA indemnity reserves, and B&T was unfavorable by $0.5M, mainly due to higher workers' compensation, Social Security costs, and miscellaneous fringe benefit expenses. These results were partially offset by a favorable variance of $1.1M at MTA Bus, primarily due to the timing of inter-agency billings and lower payroll-related expenses.	(10.4)	(1.1)	MNR, NYCT, and B&T were unfavorable by $5.1M, $5.0M, and $2.1M, respectively, due to the continuation of drivers for the month. MTAHQ was unfavorable by $1.9M, mainly due to higher workers' compensation expenses and agency allocations, and SIR was unfavorable by $1.4M, primarily due to timing. These results were partially offset by favorable variances of $3.8M at MTA Bus due to the continuation of drivers for the month, and $1.6M at the LIRR, primarily due to lower Railroad Retirement Taxes.
Reimbursable Overhead	NR	0.7	1.4	NYCT was favorable by $3.6M, mainly due to the timing of fringe benefit overhead credits, and the LIRR was favorable by $1.2M, primarily due to the timing of project activity. These results were partially offset by unfavorable variances of $2.9M at MTAHQ, mainly due to timing; $0.7M at MNR, primarily reflecting lower capital project activity; and $0.5M at B&T, mainly due to lower expenses.	34.5	8.1	NYCT and the LIRR were favorable by $36.6M and $3.3M, respectively, due to the continuation of drivers for the month. MTA Bus was favorable by $1.0M, mainly due to higher inter-agency fringe benefit overhead. These results were partially offset by unfavorable variances of $4.3M at MTAHQ and $2.4M at B&T, due to the continuation of drivers for the month.
Electric Power	NR	23.4	31.4	NYCT was favorable by $16.3M, mainly due to lower consumption. MNR was favorable by $3.8M, mainly due to lower rates, and the LIRR was favorable by $3.2M, mainly due to lower consumption and rates. These results were partially offset by an unfavorable variance of $0.7M at MTAHQ, mainly due to higher consumption and timing.	33.0	5.8	MNR, NYCT, and the LIRR were favorable by $17.7M, $8.1M, and $5.8M, respectively, due to the continuation of drivers for the month. SIR was favorable by $1.1M, mainly due to lower expenses.

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($ in millions)

		September			September 2026 Year-to-Date		
Generic Revenue or Expense Category	**Nonreimb or Reimb**	**Favorable (Unfavorable) $**	**%**	**Reason for Variance**	**Favorable (Unfavorable) $**	**%**	**Reason for Variance**
Fuel	NR	(2.5)	(10.2)	MTA Bus was unfavorable by $0.8M, primarily due to higher prices and consumption. NYCT was unfavorable by $0.8M, mainly due to higher consumption, and the LIRR was unfavorable by $0.7M, primarily due to higher consumption and rates.	3.5	1.6	NYCT was favorable by $4.4M, mainly due to lower consumption, and B&T was favorable by $0.8M, mainly due to lower costs. These results were partially offset by unfavorable variances of $1.1M at the LIRR and $0.5M at MTA Bus, due to the continuation of drivers for the month.
Insurance	NR	(7.5)	*	FMTAC was unfavorable by $8.3M, mainly due to higher OCIP earned premiums recognized upon completion of quarterly reports. This was partially offset by a favorable variance of $1.1M at NYCT, mainly due to timing.	7.3	44.9	NYCT and FMTAC were favorable by $7.8M and $2.4M, respectively, due to the continuation of drivers for the month. These results were partially offset by unfavorable variances of $1.8M at MTAHQ, mainly due to higher liability insurance expense, and $1.0M at the LIRR, mainly due to higher property insurance.
Claims	NR	9.8	14.7	FMTAC was favorable by $8.5M, mainly due to lower claim payments, case reserves, and Incurred But Not Reported (IBNR). MTAHQ was favorable by $0.7M, mainly due to lower expenses.	17.9	4.6	FMTAC was favorable by $16.7M, mainly due to the recording of claim expenses based on the 2025 year-end projected loss reserves. MTAHQ was favorable by $1.3M due to the continuation of drivers for the month. The LIRR and B&T were favorable by $0.8M and $0.7M, respectively, mainly due to lower reserves and claims expense. These results were partially offset by an unfavorable variance of $2.2M at MNR, mainly due to a higher passenger injury claim provision.
Paratransit Service Contracts	NR	8.5	11.2	NYCT was favorable by $8.5M, mainly due to lower trip volume and support cost charges.	43.2	6.9	NYCT was favorable by $43.2M due to the continuation of drivers for the month.
Maintenance and Other Operating Contracts	NR	(5.2)	(5.5)	NYCT was unfavorable by $5.8M, reflecting timing. MTAHQ was unfavorable by $2.3M, reflecting a mischarge of capital project costs to the operating budget that will be corrected in a later month; B&T was unfavorable by $1.2M, mainly due to the completion of Major Maintenance projects and the timing of E-ZPass equipment maintenance invoices. These results were partially offset by favorable variances of $2.2M at the LIRR, mainly due to higher project reimbursement for vehicles and work train usage and timing; $1.4M at SIR, mainly due to the timing of a non-revenue facility roof replacement; and $0.8M at GCMOC, mainly due to timing and lower radio and utilities expenses.	11.7	1.6	GCMOC, the LIRR, and SIR were favorable by $7.7M, $5.9M, and $5.4M, respectively, due to the continuation of drivers for the month. MTA Bus and MNR were favorable by $3.7M and $3.2M, respectively, mainly due to timing, and MTAHQ was favorable by $2.2M, mainly due to a real estate property management contract renewal extension, timing, and facility maintenance savings. These results were partially offset by unfavorable variances of $14.9M at NYCT and $1.4M at B&T, due to the continuation of drivers for the month.
Professional Services Contracts	NR	21.0	22.5	MTAHQ was favorable by $18.0M, mainly due to lower professional service contracts and the timing of IT software subscription payments. B&T was favorable by $1.7M, mainly due to an Other Outside Services accrual reversal, interagency credits, and lower bond issuance fees. MTA Bus was favorable by $1.1M, primarily due to the timing of on-board bus technology service contracts, and NYCT was favorable by $0.6M, mainly due to timing.	82.9	12.9	NYCT, MTAHQ, B&T, and MTA Bus were favorable by $32.5M, $30.1M, $10.1M, and $4.6M, respectively, due to the continuation of drivers for the month. MNR was favorable by $2.8M, primarily due to lower consolidated service chargebacks, MTA IT cost allocations, and timing. MTAC&D and SIR were favorable by $2.4M and $1.0M, respectively, mainly due to timing. These results were partially offset by an unfavorable variance of $0.5M at GCMOC, mainly due to higher MTA chargebacks and timing.
Materials & Supplies	NR	6.9	9.7	The LIRR was favorable by $4.0M, primarily due to timing and RCM activity for the revenue fleet. MNR was favorable by $1.8M, mainly due to the timing of rolling stock maintenance events and usage, and the quarterly obsolete material reserve. NYCT and MTAHQ were favorable by $1.2M and $0.6M, respectively, mainly due to timing.	16.9	2.9	MNR, NYCT, and the LIRR were favorable by $7.7M, $7.3M, and $4.7M, respectively, due to the continuation of drivers for the month. MTAHQ was favorable by $1.2M, mainly due to lower miscellaneous materials and supplies. These results were partially offset by unfavorable variances of $1.7M at MTA Bus and $1.5M at B&T, both primarily due to higher expenses, and $0.8M at SIR, primarily due to higher repairs and maintenance.
Other Business Expenses	NR	1.4	5.7	B&T was favorable by $1.7M, mainly due to lower credit/debit card processing fees and lower debt collection costs, and the LIRR was favorable by $0.5M, primarily due to a decrease in bad debt reserves and lower employee tuition reimbursement. These results were partially offset by an unfavorable variance of $1.6M at MNR, mainly due to higher bad debts and West of Hudson Service subsidy payments.	13.9	6.0	MTAHQ was favorable by $15.3M, mainly due to lower internal subsidy expense. NYCT was favorable by $1.7M, mainly due to timing. The LIRR was favorable by $1.5M due to the continuation of drivers for the month, and B&T was favorable by $0.5M, mainly due to lower debt collection costs. These results were partially offset by an unfavorable variance of $5.5M at MNR due to the continuation of drivers for the month, the timing of expense recoveries for M8 rail cars in Shore Line East service, and lower Amtrak expense recoveries.
Other Expense Adjustments	NR	(24.5)	*	FMTAC was unfavorable by $24.8M, mainly due to a shift in the market value of the invested asset portfolio compared to the prior month, and MTAHQ was unfavorable by $4.8M, primarily due to the redistribution of HQ labor costs to agencies due to position vacancies. These results were partially offset by favorable variances of $3.3M at NYCT and $1.2M at MTA Bus.	(40.1)	*	FMTAC and MTAHQ were unfavorable by $40.3M and $26.5M, respectively, due to the continuation of drivers for the month. These results were partially offset by favorable variances of $17.8M at NYCT, $6.1M at MTA Bus, $1.5M at MNR, and $0.8M at B&T.
Depreciation	NR	(57.8)	(17.5)	Unfavorable variances: $41.6M at MNR, $10.3M at NYCT, $2.6M at SIR, $2.5M at B&T, $2.4M at GCMOC, and $2.0M at MTA Bus. Favorable variance: $3.8M at MTAHQ.	(1.2)	0.0	Unfavorable variances: $43.5M at MNR, $10.1M at B&T, $8.9M at SIR, $8.3M at MTA Bus, $6.5M at GCMOC, and $2.1M at the LIRR. Favorable variances: $68.0M at NYCT and $10.2M at MTAHQ.
GASB Adjustments	NR	12.5	*	Favorable variances: $11.9M at NYCT, $1.3M at MTAHQ, and $0.9M at MNR. Unfavorable variance: $1.7M at MTA Bus.	103.7	*	Favorable variances: $105.3M at NYCT, $4.5M at the LIRR, and $1.9M at MNR. Unfavorable variances: $4.6M at MTAHQ, $1.8M at MTA Bus, and $1.5M at B&T.
Reimbursable revenue and expense activity are primarily influenced by the nature and timing of project activity. Accordingly, variances reflect the impact of the aforementioned influences as well as changes in reimbursement and vacancy assumptions, refinements to project scheduling, as well as project delays/accelerations. At MTAHQ, impacts reflect reimbursable directed patrol (police coverage) requirements. The following lists the major contributors of the variance by Agency.							
Other Operating Revenue	R	0.3	*	Agency variances are minor.	5.9	*	Favorable variances: $4.3M at MTAHQ and $1.6M at MTAC&D.
Capital & Other Reimbursements	R	(18.6)	(7.6)	Unfavorable variances: $7.3M at NYCT, $6.0M at MTAHQ, $3.6M at MTAC&D, $3.5M at MNR, $2.2M at B&T, $0.8M at MTA Bus, and $0.6M at SIR. Favorable variance: $5.4M at the LIRR.	(74.3)	(3.6)	Unfavorable variances: $35.4M at MNR, $19.0M at MTAHQ, $11.2M at B&T, $10.6M at MTAC&D, $2.3M at MTA Bus, and $1.7M at SIR. Favorable variances: $3.2M at the LIRR and $2.7M at NYCT.
Payroll	R	14.4	17.6	Favorable variances: $11.7M at NYCT, $1.3M at MNR, $1.2M at B&T, and $0.5M at MTA Bus. Unfavorable variance: $1.0M at the LIRR.	93.1	13.4	Favorable variances: $80.3M at NYCT, $5.9M at B&T, $4.0M at MNR, $2.3M at the LIRR, $1.7M at SIR, $1.6M at MTA Bus, and $0.6M at MTAHQ. Unfavorable variance: $3.2M at MTAC&D.
Overtime	R	(7.4)	(32.7)	Unfavorable variances: $5.1M at NYCT, $1.2M at the LIRR, and $0.5M at MNR.	(38.3)	(19.7)	Unfavorable variances: $32.6M at NYCT, $2.2M at MTAHQ, $2.2M at MNR, and $1.0M at the LIRR.

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		September			September 2026 Year-to-Date		
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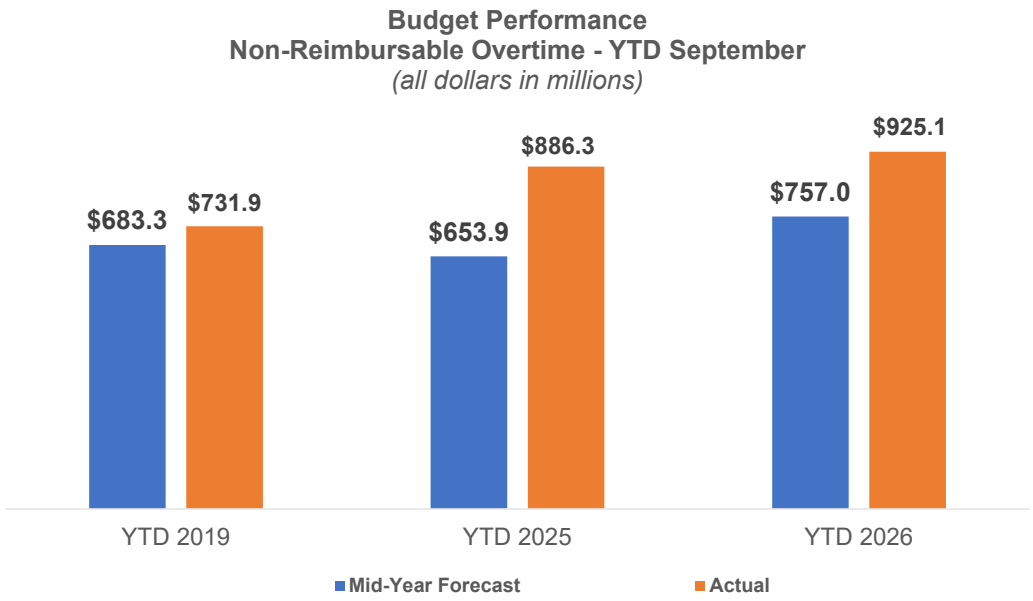
Health and Welfare	R	2.2	20.5	Favorable variance: $1.5M at MTAC&D. Unfavorable variance: $0.6M at the LIRR.	3.5	4.2	Favorable variances: $3.3M at MTAC&D, $1.0M at B&T, $0.9M at MTA Bus, and $0.8M at MNR. Unfavorable variances: $1.8M at NYCT and $1.0M at the LIRR.
OPEB Current Payments	R	0.1	5.7	Agency variances are minor.	0.7	4.9	Favorable variance: $0.7M at NYCT.
Pensions	R	3.8	29.6	Favorable variances: $1.6M at the LIRR, $1.0M at NYCT, and $0.6M at MTAC&D.	21.4	22.6	Favorable variances: $8.9M at the LIRR, $7.9M at NYCT, $2.9M at MTAC&D, $1.3M at B&T, and $0.5M at MNR.
Other Fringe Benefits	R	1.9	7.0	Favorable variance: $1.4M at NYCT.	6.7	2.8	Favorable variances: $4.0M at NYCT, $0.9M at MTAC&D, $0.7M at B&T, and $0.5M at MNR.
Reimbursable Overhead	R	(0.8)	(1.5)	Unfavorable variances: $3.6M at NYCT and $1.2M at the LIRR. Favorable variances: $2.9M at MTAHQ, $0.6M at MNR, and $0.5M at B&T.	(36.2)	(8.5)	Unfavorable variances: $36.6M at NYCT, $3.3M at the LIRR, and $1.6M at MNR. Favorable variances: $3.2M at MTAHQ and $2.4M at B&T.
Electric Power	R	0.0	38.4	Agency variances are minor.	(0.1)	(20.3)	Agency variances are minor.
Fuel	R	0.0	94.7	Agency variances are minor.	(0.3)	*	Agency variances are minor.
Insurance	R	(0.3)	(33.6)	Agency variances are minor.	(0.4)	(5.3)	Agency variances are minor.
Claims	R	0.0	*	No variance	0.0	*	No variance
Paratransit Service Contracts	R	0.0	*	No variance	0.0	*	No variance
Maintenance and Other Operating Contracts	R	(1.5)	(20.6)	Unfavorable variance: $2.9M at the LIRR. Favorable variances: $0.8M at MNR and $0.5M at NYCT.	(31.3)	(53.2)	Unfavorable variances: $16.1M at MNR, $9.6M at the LIRR, and $6.2M at NYCT. Favorable variance: $0.6M at MTAC&D.
Professional Services Contracts	R	5.1	29.8	Favorable variances: $3.1M at MTAHQ, $1.0M at NYCT, $0.7M at MTAC&D, and $0.7M at MNR.	70.1	44.7	Favorable variances: $49.7M at MNR, $12.8M at MTAHQ, $4.4M at NYCT, and $4.1M at MTAC&D. Unfavorable variance: $0.7M at the LIRR.
Materials & Supplies	R	1.0	8.8	Favorable variance: $0.8M at the LIRR.	(16.7)	(18.9)	Unfavorable variance: $18.4M at NYCT. Favorable variance: $1.5M at the LIRR.
Other Business Expenses	R	(0.3)	(80.4)	Agency variances are minor.	(3.8)	*	Unfavorable variance: $4.0M at NYCT.
Subsidies	NR	46.8	5.6	The variance primarily reflects favorable PMT of $33.8M, combined MRT and Urban Tax of $7.0M, and Investment Income of $4.3M, which were partially offset by unfavorable MTTF of $13.9M, MTA Aid of $2.2M, and Casino Gaming Tax of $1.8M. Also reflected is a timing-related favorable variance for Local Operating Assistance of $31.1M and unfavorable timing-related variances for City Subsidy for MTA Bus of $7.0M, City Subsidy for SIR of $3.7M, and CDOT of $1.8M.	(14.3)	(0.1)	The variance primarily reflects unfavorable timing-related variances for City Subsidy for MTA Bus of $86.6M, and CDOT of $18.9M, which were partially offset by a favorable timing-related variance for Local Operating Assistance of $34.5M. Further, MTTF was unfavorable by $29.7M, and Casino Gaming Tax was unfavorable by $2.6M, which were partially offset by favorable variances for Urban Tax of $28.3M, MRT of $25.7M, Investment Income of $16.3M, and PMT of $15.7M.
Debt Service	NR	5.6	2.2	Favorable primarily due to savings on working capital debt fees and interest, lower than budgeted variable rate interest, and refunding savings	30.2	1.4	Favorable, primarily due to savings on working capital debt fees and interest, and refunding savings.

ALL AGENCIES

THE BIG PICTURE

- YTD September OT expenses were unfavorable by $168M, 22% vs. the 2026 Mid-Year Forecast. Unfavorability was primarily at NYCT ($168M) and at MTA Bus ($3M), partially offset by favorability at MNR ($3M).
- YTD September OT expenses were 26% higher vs. YTD 2019 and 4% higher vs. YTD 2025.
- September OT expenses were unfavorable by $27M, 35% vs. the 2026 Mid-Year Forecast, primarily at NYCT ($25M) as well as at MTA Bus ($1M) and MTAHQ ($1M).



NON-REIMBURSABLE OVERTIME

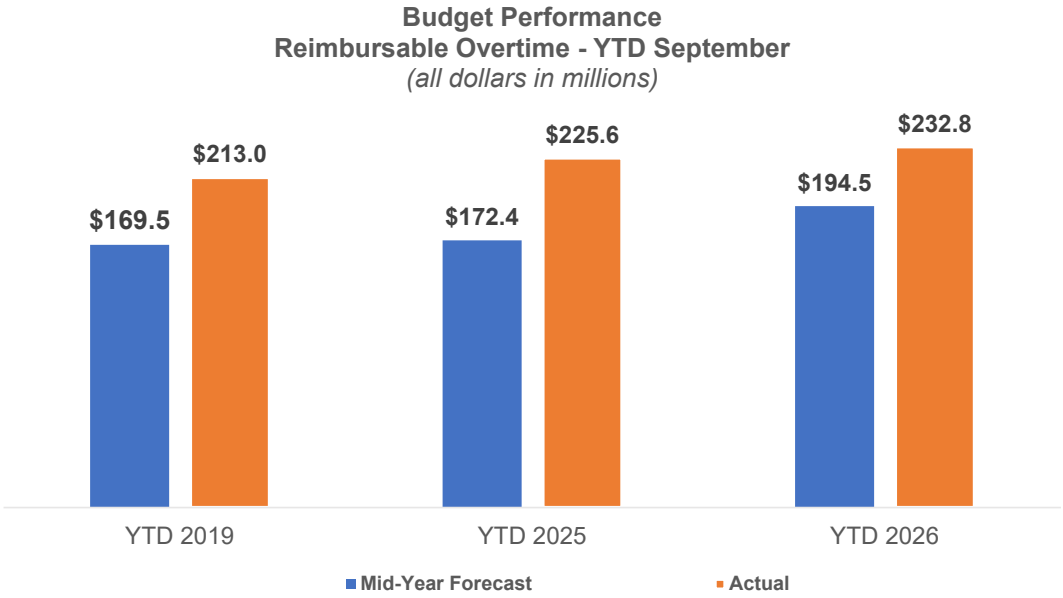
Agency Detail

- **NYCT:** $601M YTD and $168M unfavorable to the Mid-Year Forecast, mainly driven by higher vacancy/absentee coverage needs.
- **LIRR:** $135M YTD and slightly favorable to the Mid-Year Forecast, mainly due to lower scheduled service and programmatic/routine maintenance, partially offset by weather-related requirements.
- **MNR:** $65M YTD and $3M favorable to the Mid-Year Forecast, mainly due to lower programmatic maintenance requirements.
- **MTA Bus:** $77M YTD and $3M unfavorable to the Mid-Year Forecast, mainly due to higher programmatic maintenance.
- **MTAHQ:** $23M YTD and $1M unfavorable to the Mid-Year Forecast, mainly due to higher MTA PD-related safety/security/enforcement and vacancy/absentee coverage requirements.
- **B&T:** $21M YTD and slightly favorable to the Mid-Year Forecast, mainly due to seasonal trends and continued management oversight/governance of overtime usage.
- **SIR:** $3M YTD and slightly favorable to the Mid-Year Forecast, mainly due to lower vacancy/absentee coverage.

ALL AGENCIES

THE BIG PICTURE

- YTD September OT expenses were unfavorably by $38M, 20% vs. the 2026 Mid-Year Forecast. Unfavorability was primarily at NYCT ($33M), as well as MTAHQ ($2M), MNR ($2M), and the LIRR ($1M)
- YTD September OT expenses 9% higher vs. YTD 2019 and 3% higher vs. YTD 2026.
- September OT expenses were unfavorably by $7M, 33% vs. the 2026 Mid-Year Forecast. Unfavorability was primarily at NYCT ($5M), as well as MNR ($1M) and the LIRR ($1M)



REIMBURSABLE OVERTIME

Agency Detail

- **NYCT:** $159M YTD and $33M unfavorable to the Mid-Year Forecast, primarily due to higher vacancy/absentee coverage requirements.
- **LIRR:** $39M YTD and $1M unfavorable to the Mid-Year Forecast, mainly due to overruns in capital projects and flagging costs.
- **MNR:** $30M YTD and $2M unfavorable to the Mid-Year Forecast, mainly due to higher Maintenance of Way and Stations capital work requirements.
- **MTAHQ:** $4M YTD and $2M unfavorable to the Mid-Year Forecast, mainly due to higher spending for MTA PD-directed patrol, anti-terror strategic efforts, and agencies' project work.

Real Estate Transaction Taxes Receipts ($ in millions)

Mid-Year Forecast vs. Actual Receipts

2026 Mid-Year Forecast	2026	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	YTD Oct
MRT-1	$321.4	$32.9	$29.1	$22.9	$27.6	$26.4	$25.8	$26.1	$26.1	$26.1	$26.1	$26.1	$26.1	$269.1
MRT-2	148.4	12.5	11.6	9.9	12.4	11.3	$12.8	13.0	13.0	13.0	13.0	13.0	13.0	122.5
Total MRT	$469.7	$45.4	$40.7	$32.9	$40.0	$37.7	$38.6	$39.1	$39.1	$39.1	$39.1	$39.1	$39.1	$391.6
RPTT	$354.4	$40.5	$83.4	$24.8	$26.7	$20.2	$24.6	$22.4	$22.4	$22.4	$22.4	$22.4	$22.4	$309.6
MRT	212.5	27.9	20.8	14.8	19.2	18.0	$15.5	16.0	16.0	16.0	16.0	16.0	16.0	180.4
Total Urban Tax - *NYCT 90% share*	$566.8	$68.3	$104.2	$39.6	$45.9	$38.2	$40.1	$38.4	$38.4	$38.4	$38.4	$38.4	$38.4	$490.0
Total Real Estate Taxes	$1,036.5	$113.7	$144.9	$72.5	$85.9	$75.9	$78.7	$77.5	$77.5	$77.5	$77.5	$77.5	$77.5	$881.6

2026 Actuals	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	YTD Oct
MRT-1	$32.9	$29.1	$22.9	$27.6	$26.5	$25.4	$32.6	$36.5	$29.3	$28.9			$291.7
MRT-2	12.5	11.6	9.9	12.4	11.3	11.2	12.6	15.3	14.1	14.6			125.6
Total MRT	$45.4	$40.7	$32.9	$40.0	$37.8	$36.6	$45.1	$51.8	$43.5	$43.5			$417.3
RPTT	$40.5	$83.4	$24.8	$26.7	$20.2	$22.3	$37.8	$22.2	$21.9	$25.9			$325.7
MRT	27.9	20.8	14.8	19.2	18.0	17.7	22.5	26.3	14.3	15.1			196.5
Total Urban Tax - *NYCT 90% share*	$68.3	$104.2	$39.6	$45.9	$38.2	$40.0	$60.3	$48.5	$36.2	$41.0			$522.3
Total Real Estate Taxes	$113.7	$144.9	$72.5	$85.9	$76.0	$76.6	$105.5	$100.3	$79.6	$84.5			$939.6

Variances	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	YTD Oct
MRT-1	$0.0	$0.0	$0.0	$0.0	$0.1	($0.4)	$6.4	$10.4	$3.2	$2.8			$22.6
MRT-2	0.0	0.0	0.0	0.0	(0.0)	(1.6)	(0.4)	2.3	1.2	1.6			3.1
Total MRT	$0.0	$0.0	$0.0	$0.0	$0.1	($2.0)	$6.1	$12.7	$4.4	$4.4			$25.7
RPTT	$0.0	$0.0	$0.0	$0.0	$0.0	($2.3)	$15.5	($0.2)	($0.5)	$3.6			$16.1
MRT	0.0	0.0	0.0	0.0	0.0	2.2	6.4	10.3	(1.8)	(1.0)			16.1
Total Urban Tax - *NYCT 90% share*	$0.0	$0.0	$0.0	$0.0	$0.0	($0.1)	$21.9	$10.1	($2.2)	$2.6			$32.3
Total Real Estate Taxes	$0.0	$0.0	$0.0	$0.0	$0.1	($2.1)	$28.0	$22.8	$2.2	$7.0			$58.0
MRT-1	0.0%	0.0%	0.0%	0.0%	0.5%	-1.5%	24.7%	39.7%	12.2%	10.8%			8.4%
MRT-2	0.0%	0.1%	0.0%	0.0%	-0.1%	-12.6%	-3.0%	18.0%	9.3%	12.4%			2.6%
Total MRT	0.0%	0.0%	0.0%	0.0%	0.3%	-5.2%	15.5%	32.5%	11.2%	11.3%			6.6%
RPTT	0.0%	0.0%	0.0%	0.0%	0.0%	-9.2%	69.1%	-0.7%	-2.0%	15.9%			5.2%
MRT	0.0%	0.0%	0.0%	0.0%	0.0%	14.0%	40.2%	64.0%	-11.1%	-6.1%			8.9%
Total Urban Tax - *NYCT 90% share*	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%	57.0%	26.3%	-5.8%	6.7%			6.6%
Total Real Estate Taxes	0.0%	0.0%	0.0%	0.0%	0.2%	-2.7%	36.1%	29.4%	2.8%	9.0%			6.6%

Real Estate Transaction Taxes Receipts ($ in millions)

2026 Receipts vs. 2025 Receipts

2025 Actuals	2025 Act	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	YTD Oct
MRT-1	$288.7	$21.5	$29.4	$21.0	$20.8	$22.6	$22.0	$20.6	$28.2	$28.1	$26.6	$27.2	$20.6	$240.9
MRT-2	137.2	11.0	12.2	9.7	10.4	10.7	10.4	10.4	14.1	12.7	13.1	12.2	10.3	114.6
Total MRT	$425.9	$32.6	$41.6	$30.6	$31.3	$33.3	$32.4	$31.1	$42.3	$40.8	$39.7	$39.4	$31.0	$355.6
RPTT	$299.7	$26.5	$41.1	$20.3	$21.7	$20.0	$21.0	$12.1	$20.1	$37.6	$27.7	$32.7	$18.9	$248.1
MRT	160.5	11.7	14.0	14.3	9.9	13.9	13.8	11.0	14.5	16.6	13.4	16.2	11.2	133.1
Total Urban Tax - *NYCT 90% share*	$460.2	$38.2	$55.1	$34.5	$31.6	$33.9	$34.9	$23.2	$34.5	$54.3	$41.1	$48.9	$30.1	$381.3
Total Real Estate Taxes	$886.1	$70.8	$96.6	$65.2	$62.8	$67.2	$67.3	$54.2	$76.8	$95.1	$80.8	$88.2	$61.0	$736.8

2026 Actuals	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	YTD Oct
MRT-1	$32.9	$29.1	$22.9	$27.6	$26.5	$25.4	$32.6	$36.5	$29.3	$28.9			$291.7
MRT-2	12.5	11.6	9.9	12.4	11.3	11.2	12.6	15.3	14.1	14.6			125.6
Total MRT	$45.4	$40.7	$32.9	$40.0	$37.8	$36.6	$45.1	$51.8	$43.5	$43.5			$417.3
RPTT	$40.5	$83.4	$24.8	$26.7	$20.2	$22.3	$37.8	$22.2	$21.9	$25.9			$325.7
MRT	27.9	20.8	14.8	19.2	18.0	17.7	22.5	26.3	14.3	15.1			196.5
Total Urban Tax - *NYCT 90% share*	$68.3	$104.2	$39.6	$45.9	$38.2	$40.0	$60.3	$48.5	$36.2	$41.0			$522.3
Total Real Estate Taxes	$113.7	$144.9	$72.5	$85.9	$76.0	$76.6	$105.5	$100.3	$79.6	$84.5			$939.6

Variances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Oct
MRT-1	$11.3	($0.3)	$2.0	$6.8	$3.9	$3.4	$12.0	$8.3	$1.2	$2.3			$50.8
MRT-2	1.5	(0.5)	0.3	2.0	0.6	0.8	2.1	1.2	1.5	1.5			11.0
Total MRT	$12.8	($0.9)	$2.2	$8.8	$4.5	$4.2	$14.1	$9.5	$2.7	$3.8			$61.8
RPTT	$13.9	$42.3	$4.5	$5.0	$0.2	$1.3	$25.7	$2.2	($15.7)	($1.8)			$77.6
MRT	16.2	6.8	0.6	9.3	4.1	3.9	11.4	11.8	(2.4)	1.7			63.4
Total Urban Tax - *NYCT 90% share*	$30.1	$49.1	$5.1	$14.3	$4.3	$5.1	$37.1	$14.0	($18.1)	($0.1)			$141.0
Total Real Estate Taxes	$42.9	$48.3	$7.3	$23.1	$8.8	$9.3	$51.2	$23.5	($15.4)	$3.7			$202.7
MRT-1	52.6%	-1.1%	9.3%	32.4%	17.1%	15.2%	58.0%	29.5%	4.3%	8.8%			21.1%
MRT-2	13.6%	-4.3%	2.9%	19.3%	5.9%	7.7%	20.3%	8.3%	11.7%	11.4%			9.6%
Total MRT	39.4%	-2.0%	7.3%	28.1%	13.5%	12.8%	45.3%	22.5%	6.6%	9.7%			17.4%
RPTT	52.5%	102.9%	22.4%	23.1%	1.1%	6.1%	211.8%	10.8%	-41.8%	-6.4%			31.3%
MRT	138.2%	48.9%	3.9%	94.5%	29.3%	28.0%	103.5%	81.5%	-14.4%	12.6%			47.6%
Total Urban Tax - *NYCT 90% share*	78.7%	89.2%	14.8%	45.4%	12.7%	14.8%	160.2%	40.4%	-33.4%	-0.2%			37.0%
Total Real Estate Taxes	60.6%	49.9%	11.3%	36.8%	13.1%	13.8%	94.4%	30.5%	-16.2%	4.6%			27.5%

METROPOLITAN TRANSPORTATION AUTHORITY
Farebox Recovery and Operating Ratios
2026 Mid-Year Forecast and Actuals

FAREBOX RECOVERY RATIOS

	2026 Mid-Year Forecast Full Year	2026 Actual Sep YTD
New York City Transit	24.2%	26.0%
Staten Island Railway	2.7%	3.6%
Long Island Rail Road	19.5%	19.6%
Metro-North Railroad	28.6%	29.3%
MTA Bus Company	16.2%	16.6%
MTA Total Agency Average	**23.4%**	**24.7%**

FAREBOX OPERATING RATIOS

	2026 Mid-Year Forecast Full Year	2026 Actual Sep YTD
New York City Transit	33.5%	34.4%
Staten Island Railway	4.3%	6.2%
Long Island Rail Road	32.0%	32.5%
Metro-North Railroad	39.8%	41.8%
MTA Bus Company	18.8%	19.0%
MTA Total Agency Average	**32.9%**	**33.8%**

(1) Farebox recovery ratio has a long-term focus. It includes costs that are not funded in the current year, except in an accounting-ledger sense, but are, in effect, passed on to future years; those costs include depreciation and interest on long-term debt. In addition, the recovery ratio allocates centralized MTA services to the Agencies, such as Security, the costs of the Inspector General, Civil Rights, Audit, Risk Management, Legal and Shared Services.

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

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

(4) Long Island Rail Road farebox operating and recovery ratios include expenses associated with the Grand Central Madison Operating Company (GCMOC), which is responsible for the LIRR-operating portion of Grand Central Terminal.

Fuel Hedge Program

Fuel Hedging Program: Active Ultra-Low Sulfur Diesel (ULSD) Hedges

Date	Gallons Hedged	Percent of Expected Gallons Purchased*	Weighted Average Hedge Price for Each Month	2026 Adopted Budget (February Plan) Forecasted Commodity Price
October-26	2,770,490	50	2.17	2.17
November-26	2,522,092	50	2.16	2.17
December-26	2,626,256	50	2.15	2.17
January-27	2,504,669	49	2.15	2.15
February-27	2,296,373	46	2.16	2.15
March-27	2,454,053	45	2.20	2.15
April-27	2,497,844	46	2.25	2.15
May-27	2,532,586	47	2.32	2.15
June-27	2,428,410	45	2.36	2.15
July-27	2,803,085	50	2.41	2.15
August-27	2,758,943	50	2.48	2.15
September-27	2,571,116	50	2.56	2.15
October-27	2,539,598	46	2.60	2.15
November-27	2,101,710	42	2.64	2.15
December-27	1,969,639	37	2.71	2.15
January-28	1,701,971	33	2.75	2.14
February-28	1,466,739	29	2.84	2.14
March-28	1,364,980	25	2.87	2.14
April-28	1,121,343	21	2.89	2.14
May-28	902,267	17	2.91	2.14
June-28	680,957	12	3.00	2.14
July-28	466,993	8	3.07	2.14
August-28	229,709	4	3.10	2.14

*MTA's fuel hedging program mitigates budget risk by dollar cost averaging approximately 50% of projected fuel expenses. The goal of the program is to be 50% hedged for the next 12 months. Monthly hedges are equal to approximately 4% of the projected fuel purchases expected to occur 13-24 months from each hedge execution date. The actual percentage hedged could be higher or lower than the 50% target depending on the actual levels of fuel consumption. While the fuel heding program includes compressed natrual gas, there are currently no actve hedges.

Annual Impact as of Oct 13, 2026

	($ in millions)		
	2026	2027	2028
Ultra Low Sulfur Diesel			
Current Prices vs. 2026 Adopted Budget	($125.934)	($128.068)	($68.639)
Impact of Hedge	50.849	44.083	2.588
Net Impact: Fav/(Unfav)	($75.085)	($83.985)	($66.051)
Compressed Natural Gas			
Current Prices vs. 2026 Adopted Budget	($20.486)	($1.938)	($4.620)
Impact of Hedge	0.000	0.000	0.000
Net Impact: Fav/(Unfav)	($20.486)	($1.938)	($4.620)
Summary			
Current Prices vs. 2026 Adopted Budget	($146.421)	($130.006)	($73.259)
Impact of Hedge	50.849	44.083	2.588
Net Impact: Fav/(Unfav)	($95.571)	($85.923)	($70.671)

OCTOBER 2026

MTA REAL ESTATE

MTA C&D TRANSIT ORIENTED DEVELOPMENT

FINANCE COMMITTEE AGENDA ITEMS

1. ADMINISTRATIVE ACTION ITEMS

Metropolitan Transportation Authority

2. TRANSACTIONAL ACTION ITEMS

a. Amended and Restated Property Acquisition Policy

Metropolitan Transportation Authority

b. Lease with GNC Holdings, LLC for the retail sale of nutritional products in 2 Broadway

MTA New York City Transit

c. Lease with DKG Group Inc for a coffee concession in the 168th Street station

MTA Metro-North Railroad

d. Acquisition of easements from Veolia Water New York, Inc. in New Rochelle in support of the Penn Station Access project

MTA Long Island Rail Road

e. Approval of terms with GO Westbury, LLC, for the ground lease at the former Westbury Commuter Parking lot

3. INFORMATION ITEMS

a. Report on agreements entered into directly by the Real Estate Department pursuant to board policy

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

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

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

METROPOLITAN TRANSPORTATION AUTHORITY

Staff Summary

Metropolitan Transportation Authority

Subject	Date
ALL-AGENCY REAL PROPERTY ACQUISITION POLICY	**OCTOBER 28, 2026**
Department **REAL ESTATE**	**Vendor Name**
Department Head Name **DAVID FLORIO**	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name **NEIL MASTROPIETRO**	**Table of Contents Ref. #**

Board Action					
Order	**To**	**Date**	**Approval**	**Info**	**Other**
1	Finance Committee	10/26/26	X		
2	Board	10/28/26	X		

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

AGENCY: Metropolitan Transportation Authority ("MTA"), New York City Transit Authority and Triborough Bridge and Tunnel Authority, and their respective subsidiaries, including Metro-North Commuter Railroad Company, The Long Island Rail Road Company, MTA Construction & Development Company ("MTAC&D"), MTA Bus Company, Grand Central Madison Operating Company, Manhattan and Bronx Surface Transit Operating Authority, Staten Island Rapid Transit Operating Authority (each, individually, an "MTA Agency" and collectively the "MTA Agencies")

PURPOSE: Approval of terms and adoption of a new all-agency acquisition policy for the acquisition of real property rights, including access rights to real property, by MTA Agencies in connection with capital projects, ongoing operations, and maintenance and repairs related to MTA facilities and which will consolidate modify and replace the existing acquisition policies adopted and/or amended by the MTA Board from time to time enumerated on Schedule A attached hereto

PURPOSE/RECOMMENDATION

This All-Agency Real Estate Property Acquisition Policy seeks to replace the current acquisition policies to create a single, consolidated policy for the acquisition of property rights in order to provide for a more streamlined framework for MTA Real Estate (which consists of MTA Transactions & Operations ("T&O") and MTA Transit-Oriented Development ("TOD")) and the MTA Agencies to efficiently and productively acquire property rights in connection with capital projects, ongoing operations, and maintenance and repairs related to MTA facilities.

The Modification to Existing Real Estate Policy, adopted September 21, 2015, and amended on June 27, 2023, permits MTA Real Estate to negotiate and enter into agreements, on behalf of the MTA Agencies, to license, lease, or acquire property rights in support of MTA capital projects and ongoing operations without prior Board approval when the MTA's aggregate obligation to pay compensation or reimburse costs to the licensor or grantor is reasonably estimated to be less than $100,000, on a present value basis, over the term of the agreement.

The MTA Real Estate Construction Access Agreement Licensing-In Policy, adopted November 15, 1999 and amended on November 12, 2013, June 23, 2021, and March 26, 2026, allows MTA Real Estate, on behalf of the MTA Agencies, to negotiate, and acquire access rights and privileges required by the MTA Agencies for capital projects or maintenance or repairs of operating facilities. The policy, as most recently amended, is limited to the

acquisition of access rights and provides for a permit/license fee or equivalent compensation not to exceed $10,000 per month.

The ability to quickly secure property rights is critical to meeting the MTA Agencies' needs. MTA Real Estate proposes to consolidate these policies into a single policy to streamline the approval process, eliminate overlapping provisions, and provide greater flexibility in securing property rights necessary to support MTA projects and operations, pursuant to law. As property and access costs have risen substantially since the current limits were established, the existing $100,000 threshold no longer reflects present market conditions. Increasing the limit to $1,000,000, with the exception of temporary access agreements where recurring fees will be limited to $50,000 per month, ensures that the acquisition policy remains functional and aligned with the scale, complexity, and pace of MTA capital projects, while providing the flexibility necessary for MTA Real Estate to secure required property rights efficiently and without avoidable project delays. Since the Board's June 27, 2023 modification to the Property Acquisition Policy, 19 transactions have been submitted for approval. Analysis indicates that 9 of these actions (47%) would have qualified for delegated approval under the proposed $1,000,000 threshold. The revised policy would streamline processing of routine acquisitions while maintaining Board oversight for higher-valuer transactions and align with similar limits observed by MTA Procurement. Adoption of this All-Agency Real Estate Property Acquisition Policy extinguishes the MTA Real Estate Construction Access Agreement Licensing-In Policy (see attachments).

MTA Real Estate recommends that the MTA Board approves this All-Agency Real Estate Property Acquisition Policy by adopting the resolution contained in this Staff Summary.

PROPOSED NEW ALL-AGENCY REAL ESTATE PROPERTY ACQUISITION POLICY

The proposed All-Agency Real Estate Property Acquisition Policy would authorize MTA Real Estate, on behalf of MTA and each MTA Agency, to negotiate and enter into agreements on behalf of the MTA and the MTA Agencies for the acquisition of property rights through lease, license, permit, construction access agreement or other form of acquisition without prior Board approval, subject to the conditions, requirements and restrictions set forth below and pursuant to law.

BE IT RESOLVED that the MTA Board hereby authorizes MTA Real Estate to negotiate and enter into agreements on behalf of the MTA and the MTA Agencies for the acquisition of property rights through lease, license, permit, construction access agreement or other form of acquisition (collectively, "Acquisition Agreements") without prior Board approval, subject to the following conditions, requirements and restrictions and pursuant to law:

1. Acquisition Agreements shall be in support of (i) MTA capital projects, or (ii) ongoing operations, maintenance and/or repairs related to MTA-controlled properties or facilities.

2. The aggregate compensation or cost reimbursement paid by the MTA or an MTA Agency to the licensor, grantor or other property owner must be less than $1,000,000 (on a present value basis) over the term of the Acquisition Agreement, except for temporary access agreements where recurring fees are limited to $50,000 per month.

3. Acquisition Agreements must be reviewed and approved as to form by the MTA Legal Department.

4. Prior to the execution of any Acquisition Agreement, the MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA), if any, and other applicable laws.

5. MTA Real Estate will notify the MTA Board of the terms of the Acquisition Agreements subsequent to the execution of the agreement.

Attachments

Attachment 1	Modification to Existing Real Estate Policy, dated June 27,2023
Attachment 2	Restatement of MTA Real Estate Construction Access Agreement Licensing-in Policy, dated March 25, 2026

Staff Summary

Metropolitan Transportation Authority

Subject **MODIFICATION TO EXISTING REAL ESTATE POLICY**	**Date** **JUNE 27, 2023**
Department **REAL ESTATE**	**Vendor Name**
Department Head Name **DAVID FLORIO**	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name **ARTURO ESPINOZA**	**Table of Contents Ref. #**

Board Action					
Order	**To**	**Date**	**Approval**	**Info**	**Other**
1	Finance Committee	06/26/23	X		
2	Board	06/27/23	X		

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

AGENCY: All-agency

COMMENTS:

A policy permitting MTA Real Estate ("MTARE") to license, lease or acquire property rights in support of MTA capital projects or ongoing operations when it is reasonably estimated that MTA's aggregate obligation to pay compensation or reimbursement to the licensor or grantor will be less than $15,000 (on a present value basis) over the term was adopted September 21, 2015.

Approximately eight years later, instances have arisen where it was difficult to keep the compensation within the current $15,000 limit. MTARE requests Board authorization to increase the compensation or reimbursement amount to $100,000.

BE IT RESOLVED that the Board hereby authorizes the Chief Real Estate Transactions and Operations Officer of MTA to negotiate and enter into agreements with third parties on behalf of MTA and its agencies for the acquisition of property rights through lease, license or other form of acquisition without prior Board approval, subject to the following conditions:

1. Such acquisition shall be in support of MTA capital projects or ongoing operations.

2. It shall be reasonably estimated that MTA's aggregate compensation or cost reimbursement to the licensor or grantor shall be less than $100,000 (on a present value basis) over the term.

3. Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (*ii*) MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).

4. MTARE will notify the Board of the terms of the agreement subsequent to the execution of the agreement.

For Reference Purposes Only

Policy #34

Staff Summary

Metropolitan Transportation Authority

Subject	Date: SEPTEMBER 21, 2015
Department: REAL ESTATE	Vendor Name
Department Head Name: JEFFREY B. ROSEN	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name	Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/21/15	X		
2	Board	9/24/15	X		

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

AGENCY: All-agency

PURPOSE: To obtain Board approval of a new policy to regulate the process MTA Real Estate ("MTARE") follows to enter into certain agreements as set forth below and in the attached resolution

COMMENTS:

In an effort to streamline and expedite the process by which MTA Real Estate ("MTARE") enters into real estate agreements, the MTA Board has approved a number of policies and procedures permitting agreements with third parties without prior Board approval.

MTARE is hereby proposing to add a new policy, as described below. Board approval of this policy will permit MTARE to execute certain transactions under circumstances where the compensation (including reimbursement of cost) to be paid by the MTA is under $15,000.

More specifically, MTARE requests Board authorization to:

License, lease or acquire property rights, without prior Board approval, in support of MTA capital projects or ongoing operations when it is reasonably estimated that MTA's aggregate obligation to pay compensation or reimbursement to the licensor or grantor will be less than $15,000 (on a present value basis) over the term.

Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).

The policy also requires MTARE to notify the Board of the terms of the agreement subsequent to the execution of the agreement.

For Reference Purposes Only

Agenda # 34

RESOLUTION

BOARD OF THE
METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, the Real Estate Department ("RED") of the Metropolitan Transportation Authority ("MTA") is tasked with acquiring various real property rights and entering into leases, licenses, permits and other like agreements on behalf of itself and its operating agencies, and

WHEREAS, RED seeks to enter into such agreements as efficiently as possible while keeping the MTA Board apprised of its activities, and has therefore requested that the Board approve a new policy that will permit RED to execute certain transactions quickly under circumstances in which the estimated compensation and reimbursement costs are low:

NOW THEREFORE, BE IT RESOLVED that the Board of MTA hereby authorizes the MTA Director of Real Estate to negotiate and enter into agreements with third parties on behalf of MTA and its agencies for the acquisition of property rights through lease, license or other form of acquisition without prior Board approval, subject to the following conditions :

1. Such acquisition shall be in support of MTA capital projects or ongoing operations.

2. It shall be reasonably estimated that MTA's aggregate obligation to pay compensation or cost reimbursement to the licensor or grantor shall be less than $15,000 (on a present value basis) or more over the term.

3. Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).

4. RED will notify the Board of the terms of the agreement subsequent to the execution of the agreement.

For Reference Purposes Only

Staff Summary

Metropolitan Transportation Authority

Subject **RESTATEMENT OF MTA REAL ESTATE CONSTRUCTION ACCESS AGREEMENT LICENSING-IN POLICY**	**Date** **MARCH 25, 2026**
Department **REAL ESTATE**	**Vendor Name**
Department Head Name **DAVID FLORIO**	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name **NEIL MASTROPIETRO/ARTURO ESPINOZA**	**Table of Contents Ref. #**

Board Action					
Order	**To**	**Date**	**Approval**	**Info**	**Other**
1	Finance Committee	03/23/26	X		
2	Board	03/25/26	X		

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

AGENCY: Metropolitan Transportation Authority ("MTA"), New York City Transit Authority and Triborough Bridge and Tunnel Authority, and their respective subsidiaries, including the Metro-North Railroad Company, The Long Island Rail Road Company, MTA Construction & Development Company ("MTAC&D"), MTA Bus Company, Grand Central Madison Operating Company, Manhattan and Bronx Surface Transit Operating Authority, Staten Island Rapid Transit Operating Authority (each, individually, an "MTA Agency" and collectively the "MTA Agencies")

PURPOSE: Approval of restatement of the Construction Access Agreement Policy for securing certain access rights to real property through the licensing-in of third party owned, real property by MTA Agencies for their contractors, employees and agents in connection with capital construction projects and maintenance and repairs related to MTA facilities.

PURPOSE/RECOMMENDATION

The following policy is to be re-stated as follows:

Restated Construction Access Agreement Policy

The existing policy for construction access agreements, adopted November 15, 1999 and amended on November 12, 2013 and June 23, 2021, allows MTA Real Estate to negotiate, acquire or grant third parties access rights and privileges required by MTA Agencies for capital projects or maintenance or repairs of operating facilities. These access rights are typically for the duration of the project and subject to a $10,000 per month limit. Such permits or licenses are typically obtained from other public entities The restated policy, as modified to remove the authorization for MTA Real Estate to grant third parties and is limited to the acquisition of rights, as follows:

The Board hereby authorizes the Chief Real Estate Transactions and Operations of the MTA to negotiate and enter into agreements on behalf of all MTA agencies for the purpose of securing certain access rights to real property for their contractors, employees and agents in connection with capital construction projects and maintenance and repairs related to MTA facilities.

For Reference Purposes Only

Staff Summary

Metropolitan Transportation Authority

Subject	Date
LEASE WITH GNC HOLDINGS, LLC FOR RETAIL SPACE AT 2 BROADWAY NEW YORK, NY	**OCTOBER 28, 2026**
Department **REAL ESTATE**	**Vendor Name**
Department Head Name **DAVID FLORIO**	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name **GARRETT BURGER**	**Table of Contents Ref. #**

Board Action					
Order	**To**	**Date**	**Approval**	**Info**	**Other**
1	Finance Committee	10/26/26	X		
2	Board	10/28/26	X		

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

AGENCY:	Metropolitan Transportation Authority (“MTA”)
LESSEE:	GNC Holdings, LLC (“GNC”)
LOCATION:	2 Broadway, New York, NY
PREMISES:	Unit 6 - street-level retail, fronting Beaver Street, approximately 1,800 square feet
USE:	Retail sale of health and nutrition related products
ACTION REQUESTED:	Authorization to enter into a lease agreement
TERM:	Five (5) years with a 5-year extension option
COMPENSATION:	$80,000 per annum escalating at three percent (3%) per annum, plus six percent (6%) of gross sales at a breakpoint of $525,000 escalating at three percent (3%) per annum

COMMENTS:

MTA Real Estate issued a Request for Proposals (“RFP”) dated September 24, 2025, covering two (2) retail spaces at the north side of 2 Broadway fronting Beaver Street. At the time of the RFP issuance, one was vacant, and the other was occupied by GNC (as it continues to be).

One (1) proposal was received for the space occupied by GNC and is summarized below:

Proposer Name	Present Value at 6%
GNC Holdings, LLC	$665,504

GNC proposed a starting rental of $80,000 ($44.44 psf) with three percent (3%) annual increases for a five (5) year term with a five (5) year extension option. GNC also proposed six percent (6%) percentage of sales rent over a $525,000 breakpoint, escalating at three percent (3%) per annum. GNC is the incumbent tenant and plans to invest $8,000 in improvements to the space for its continued use.

GNC has been continuously operating in this location since October 1, 2003. The company focuses on selling a wide range of products including its own private label brands and third-party offerings. The product mix includes vitamins, supplements, minerals, herbs, sports nutrition, diet and energy products.

Staff Summary

FINANCE COMMITTEE MEETING
GNC HOLDINGS LLC FOR RETAIL SPACE AT 2 BROADWAY NEW YORK, NEW YORK (Cont'd)

Prior to marketing the space, CBRE brokers provided an opinion of the annual market rental value of $75.00 psf in their financial analysis models. This analysis assumed 12 months' free rent and that both spaces would be combined and vented, but GNC is only leasing their existing space as-is with cosmetic alterations. The brokerage team also provided input that GNC's bid is a fair rate for retail space in the immediate vicinity as the Premises is on a side street and off grade from the street. Additionally, with the incumbent tenant remaining in the space, there is no loss of rental income during the 12–18-month potential build-out period for a new tenant. These conditions support a rental rate below the appraised market value.

Based on the foregoing, it is hereby recommended to proceed with the award of a lease agreement to GNC for the operation of a retail unit at 2 Broadway New York, NY.

MTA NEW YORK CITY TRANSIT

Staff Summary

Metropolitan Transportation Authority

Subject	Date
LEASE WITH DKG GROUP INC. FOR A RETAIL UNIT AT 168th STREET STATION	**OCTOBER 30, 2026**
Department **REAL ESTATE**	**Vendor Name**
Department Head Name **DAVID FLORIO**	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name **RAYMOND SMYTH**	**Table of Contents Ref. #**

Board Action					
Order	**To**	**Date**	**Approval**	**Info**	**Other**
1	Finance Committee	10/26/26	X		
2	Board	10/28/26	X		

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

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

LESSEE: DKG Group, Inc.

LOCATION: 168th Street Station (8th Avenue Line)

PREMISES: A freestanding retail concession kiosk approximately 175 sq. ft. located within the mezzanine of the station

USE: Operation of a concession stand for sale of coffee and non-alcoholic beverage items, New York State Lottery tickets, convenience food and snack items, and other prepackaged food prepared off-premises, and the operation of an ATM within the interior of the Premises.

ACTION REQUESTED: Authorization to enter into a lease agreement

TERM: Ten (10) Years

COMPENSATION: The greater of (a) $3,600 escalating at three percent (3%) per annum or (b) 6.5% of Gross Sales.

COMMENTS:

The MTA Real Estate Department issued a Request for Proposals ("RFP") on June 26, 2025, seeking qualified proposals to lease the Premises.

A total of three (3) proposals were received and are summarized below:

Proposer	Term	Use/Concept	Yr 1 MAG/ % Rent	NPV w/o Improv (10 Year Term)
DKG Group, Inc.	Ten (10) Years	Coffee Concession	The greater of $3,600.00, with 3% annual increases or 6.5% of Gross Sales.	$29,947.70

168th Street Newsstand Inc.	Fifteen (15) Years	Travel Convenience	$45,500.00 a year + 25% of Gross sales over $182,000.00, with 3% increases.	$518,146.09

SM Sirajul Islam	Ten (10) Years	Travel Convenience	$24,000.00 a year with no annual increases. Percentage of Sales: N/A	$176,642.09

Upon review of the submitted proposals, 168th St Newsstand Inc, whose principals currently operate retail units in NYCT's Delancey-Essex St Station, have been deemed non-responsive as they are past due on rent at their current locations. Furthermore, SM Sirajul Islam was deemed non-responsive, as he failed to provide proof of funds to support the required buildout of the unit. MTA Real Estate determined that the only favorable proposal was submitted by DKG Group, Inc., with a Net Present Value of $29,947.70 over the term. Dipa Karki and Prabhakar Gupta, the owners of DKG Group, Inc. submitted a proposal offering a rent that pays NYCT the greater of an annual base rent of $3,600, or 6.5% of gross sales. The base rent will escalate 3% during years 2-10, for a total lease term of ten (10) years. The Lessee proposes investing $34,500.00 in initial improvements.

DKG Group is a newcomer to the NYCT system and was recently awarded another retail location at Queens Plaza station. A credit and background investigation confirmed DKG Group has the financial resources to undertake the proposed initial improvements and pay the rent offered and Mr. Gupta will serve as guarantor to the lease.

The MTA's independent appraisal estimated the space's annual fair market rent at $35,000.00. Although DKG Group's proposed base rent is lower, MTA Real Estate has determined that the transaction reflects fair market value when considering the permanent improvements, the Lessee will fund and the fact that the space was competitively bid, providing reliable market evidence of its true value.

Based on the foregoing, MTA Real Estate hereby requests authorization to enter into a lease agreement on behalf of NYCT with DKG Group, Inc. under the above-described terms and conditions.

MTA METRO-NORTH RAILROAD

Staff Summary

Subject	Date
ACQUISITION OF EASEMENTS FROM VEOLIA WATER NEW YORK IN NEW ROCHELLE FOR THE PENN STATION ACCESS PROJECT	**OCTOBER 28, 2026**
Department **REAL ESTATE**	**Vendor Name**
Department Head Name **DAVID FLORIO**	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name **ANGELA SZU**	**Table of Contents Ref. #**

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	10/26/26		X	
2	Finance Committee	10/26/26	X		
3	Board	10/28/26	X		

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

AGENCIES:	MTA Metro-North Railroad (“MNR”)
GRANTOR:	Veolia Water New York, Inc. (“Veolia”)
LOCATION:	174 Oak Street, New Rochelle, NY
EASEMENT AREAS:	NRY-18A: 604± square feet permanent exclusive easement
	NRY-18B: 599± square feet permanent non-exclusive easement
	NRY-18C: 1,453± square feet temporary construction easement
	(Collectively, the “Easements”)
USE:	Construction, operation, maintenance, and access to the New Rochelle Yard retaining wall and related improvements
ACTION REQUESTED:	Authorization to acquire easements
TERM:	Permanent and temporary
COMPENSATION:	$157,050

COMMENTS:

MTA Construction & Development, is undertaking to bring MNR service from the Bronx to Penn Station (the “Project”). As part of the Project, MNR’s New Rochelle Yard will be expanded to accommodate additional rolling stock required for delivery of the new MNR service. In connection with the New Rochelle Yard expansion, the MTA must acquire certain permanent and temporary easements from adjacent property owners for the construction of a retaining wall and other yard improvements.

The above-described easements at Veolia’s property are required for the New Rochelle Yard retaining wall. The permanent exclusive and non-exclusive easements are required to construct, install, operate, maintain, clean, inspect, test, repair, alter, upgrade, reconfigure, replace, remove, and use the New Rochelle Yard retaining wall and related improvements. The

temporary construction easement is required for construction, storage, and staging during the installation of the New Rochelle Yard retaining wall and related improvements.

Upon completion of an independent appraisal, MTA Real Estate extended a formal offer of $117,390 for the permanent exclusive and non-exclusive easements and $39,660 for a three-year temporary construction easement. Veolia is a public water utility provider subject to the rules and regulations of the New York State Public Service Commission ("NYSPSC"). MTA's offer was conditionally accepted by Veolia subject to further NYSPSC review and approval of the property transfer pursuant to NYSPSC rules and regulations.

Based on the foregoing, MTA Real Estate hereby requests authorization for the MTA on behalf of MNR to acquire the Easements from Veolia per the above-described terms and conditions.

MTA LONG ISLAND RAIL ROAD

Staff Summary

Metropolitan Transportation Authority

Subject	Date
APPROVAL OF FINAL BUSINESS TERMS FOR THE GROUND LEASE OF THE FORMER WESTBURY COMMUTER PARKING LOT LOCATED AT 319 UNION AVENUE TO THE GOTHAM ORGANIZATION	**OCTOBER 28, 2026**
Department **TRANSIT ORIENTED DEVELOPMENT**	**Vendor Name**
Department Head Name **MIRIAM G. HARRIS**	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name **JOHN COYNE**	**Table of Contents Ref. #**

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	10/26/26	X		
2	Board	10/28/26	X		

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

AGENCY: MTA-Long Island Rail Road

LOCATIONS: Westbury LIRR Station Commuter Parking Lot (the "Property")

COUNTERPARTY: GO Westbury, LLC, a New York limited liability company and affiliate of Gotham Organization. Inc. ("Developer"); Gotham Organization, Inc. ("Gotham"), or another acceptable guarantor meeting the requirements of the transaction documents.

ACTION REQUESTED: Adoption and incorporation by the MTA and LIRR Boards, acting in their respective capacities, of the environmental determination described below and in Attachment 2; approval of the Project and Transaction (as such terms are defined below); and authorization to finalize, execute, deliver and perform the Lease and related Project Documents (as such terms are defined below) on the material terms described herein.

COMPENSATION: Upfront Rent: $2,250,000, payable in three $750,000 installments on MTA's delivery of possession (the "Lease Commencement Date") and the first and second anniversaries thereof.

Base Rent: initially $550,000 annually, increasing by 12.5% every five years and subject to land-value resets in Lease Years 26, 51 and 76, as described below and in Attachment 1.

Capital Transaction Payment: $500,000 at the earlier of permanent refinancing of the construction loan or the fourth-year anniversary of Lease Commencement Date .

Additional consideration includes Supplemental Rent, subject to the permitted credits for local impact payments described below; reimbursement of Authority expenses; and construction, operation and maintenance of public realm improvements at Developer's expense.

PURPOSE/RECOMMENDATION

BACKGROUND

The Property is owned by LIRR and was historically used as a surface commuter parking lot for the Westbury LIRR Station ("Station") located in the Village of Westbury (the "Village"), County of Nassau (the "County"), New York. As part of the Main Line Expansion project, the Property is no longer required for commuter parking following construction of a structured parking facility north of the Station. MTA withdrew a prior conditional designation under a 2020 request for proposals when it did not result in a transaction due to changing market conditions.

In April 2025, the MTA and LIRR Boards approved the conditional designation of Gotham Property Acquisitions, LLC, an affiliate of Developer, and authorized negotiation and execution of a pre-lease agreement, subject to further Board approval following environmental review. On February 12, 2026, MTA and Developer executed the Pre-Lease and Development Planning Agreement (Westbury Station) (the "Pre-Lease Agreement"), which establishes the conditions to closing and includes the negotiated forms of the subject ground lease and related documents. Developer is responsible for pursuing the required approvals and reimbursing MTA third-party expenses during the pre-lease period. MTA holds a $100,000 good faith deposit, subject to the disposition provisions of the Pre-Lease Agreement.

RFP PROCESS

MTA issued a request for proposals (RFP) offering the Property for a long-term ground lease and mixed-use transit-oriented development in May, 2024, with proposals due in July, 2024. Gotham, LMXD, Terwilliger-Bartone and TRITEC submitted proposals. Each included multifamily rental housing, including at least 10% income-restricted units. After a survey established that the Property contained 1.92 acres rather than the 1.6 acres stated in the RFP, all the above proposers were given an opportunity to revise their development and rent proposals.

A selection committee interviewed all four proposers, requested supplemental information and solicited best and final offers. The evaluation criteria were financial return to MTA; appropriateness and feasibility of the project, including zoning and Station connections; relevant development experience; sufficient financial resources to construct, operate and guarantee the project; and agreement on the basic transaction terms.

Each proposer was given the opportunity to submit a best and final offer. The final financial proposals from each proposer are shown below:

Proposer	Final Compensation (NPV discounted at 6%)
Terwilliger-Bartone	$16,191,977
Gotham Organization	$15,499,797
TRITEC	$14,722,462
LMXD	$5,351,146

Gotham and Terwilliger-Bartone, both of which demonstrated the requisite experience and financial resources, were given a further opportunity to improve their proposals. Gotham was unanimously recommended despite offering less present-value rent than Terwilliger-Bartone. The committee found that Gotham's public realm design, retail plan and Station connectivity offered superior customer amenities, and that its agreement on transaction terms and public agency experience significantly reduced transaction risk.

PROJECT AND LOCAL APPROVALS

Developer will finance, construct, operate and maintain "Westbury Commons," a mixed-use development on the Property comprising 184 rental apartments, including 19 income-limited affordable apartments, approximately 2,000 square feet of retail space, residential amenity space, a public plaza and 254 parking spaces (the "Project"). The affordable housing program will be administered by Long Island Housing Partnership in accordance with the Village-approved restrictions.

Following public hearing sessions on August 6 and September 3, 2026, the Village of Westbury Board of Trustees approved the Project on September 3, 2026, subject to conditions described below. The approval permits five floors and a height of 65 feet, 57% lot coverage and specified one-bedroom unit sizes under the Maple Union TOD District provisions applicable to the MU-R4 and MU-R6 subdistricts. The Project includes public access and landscaped paths connecting Post Avenue and Railroad Avenue with the Station, together with street trees, furnishings and open space to be constructed and maintained at Developer's expense.

The approved program differs from the proposal presented at conditional designation, which provided for approximately 157 apartments, and approximately 4,000 square feet of retail. The revised program increases the number of residential units by 27, and reduces the retail component to 2,000 square feet, but retains the public plaza/public realm improvements and Station connections. The form of ground lease provides initial Base Rent of $550,000, compared with the $500,000 described in the April 2025 staff summary, attached as Attachment 2, and an outside date of the fourth anniversary of lease commencement for the Capital Transaction Payment.

Before pulling permits, Developer must satisfy the Village's requirements for final plans, utility availability, County Health compliance, affordability administration, local benefit agreements and a to-be-recorded recorded host-community make-whole undertaking. The Village approval requires an as-built assessment of at least $54 million, Village construction-period payments of at least $32,274.74 and $32,920.23 in the first and second years, respectively, and a post-construction annual Village payment floor of $185,598.69. These are local payment obligations, separate from Base Rent.

Developer must apply for building permits by March 30, 2027, subject to permitted Village extensions, and commence construction within 90 days after permits, subject to the Village's extension provisions. Required improvements, including the public plaza and Station connections, parking-management instruments, and the affordable housing units, must be completed prior to occupancy.

ENVIRONMENTAL DETERMINATION

The Village Board of Trustees served as lead agency under the State Environmental Quality Review Act ("SEQRA"). On September 3, 2026, the Village found that the Project is consistent in all material respects with the Generic Environmental Impact Statement prepared for the Maple Union TOD District ("GEIS"), determined that the Project will not have a significant adverse environmental impact, and issued a negative declaration. The signed Environmental Assessment Form ("EAF") identifies the Project as an unlisted action.

The Village's determination was based on the EAF, a consistency analysis prepared by VHB, Phase I and Phase II environmental site assessments, traffic studies and supplemental analyses, review by the Village's consultants and the public hearing record. The Village addressed issues of construction excavation, erosion and dust controls, disposal of excavated material, construction hours, traffic and pedestrian safety, and effects in a disadvantaged community. The approval requires pedestrian directional signage at Post and Union Avenues and compliance with the other applicable approval conditions.

The Boards are requested to acknowledge the negative declaration and adopt the Village's environmental determination as an unlisted action as the basis for their approval of the Project and Transaction, as set forth in Attachment 3. The Project Documents will require compliance with the public approvals and applicable environmental obligations.

MATERIAL BUSINESS TERMS

The proposed transaction (the "Transaction") consists of the triple-net ground lease of the Property (the "Lease"), and associated rent and completion guaranties, an environmental indemnity, impact agreements with the Village and other taxing jurisdictions, expense reimbursement arrangements, entry permits, any required easements and other ancillary instruments (collectively, the "Project Documents"). The substantially negotiated forms of the principal Project Documents are annexed to the Pre-Lease Agreement and will be conformed as needed to approved Project conditions and parameters, and the final local payment agreements as agreed with the applicable counterparties.

Term and Rent Commencement

The Lease commences when MTA tenders vacant possession of the Property to Developer, which is expected to be the date on which the transactions under the Pre-Lease Agreement are closed the Lease is executed (the "Term Commencement Date"). The Lease expires on the day preceding the 99th anniversary of the Base Rent Commencement Date. Base Rent commences at the earliest of issuance of a temporary certificate of occupancy for the Project, a permanent certificate of occupancy for the Project, or the second anniversary of the Term Commencement Date. It is thus possible that Base Rent may commence prior to, and overlap with, the final Upfront Rent installment.

Base Rent is payable monthly in advance and increases by 12.5% every five years. On the 25th, 50th and 75th anniversaries of the Base Rent Commencement Date, it resets to 6% of the fair market value of the land, excluding improvements, subject to a floor of 112.5% and a cap of 125% of the Base Rent payable in the Lease Year preceding the applicable reset date. The ordinary five-year increase is replaced by the reset in those years. The Lease also provides for a proportional Base Rent increase if the approved net residential rentable area exceeds 105% of the area in Developer's July 12, 2024 concept plan. Because the approved Project includes 184 apartments, compared to approximately 157 in the concept plan, this adjustment is expected to apply, and the adjusted Base Rent will be expected to be calculated from, the approved net residential rentable area and reflected in the final Lease.

Supplemental Rent and Local Payments

For so long as the Property remains exempt from real property taxes, Developer will pay Supplemental Rent from the Term Commencement Date. The Lease provides for pre-set land value and improvement value components during the initial partial period and first 20 full July-to-June payment periods. The schedule of preset Supplemental Rent payments will reflect two years of land-only payments followed by an 18-year straight-line phase-in of the improvement component, with 2% annual compounding. After the abatement period, Supplemental Rent is based on the full unabated taxes and municipal levies that would otherwise be payable using the applicable assessments and then-current tax rates.

Developer will make required Village impact payments and approved community impact payments directly to the applicable jurisdictions. Qualifying amounts actually paid may be credited against the improvement-value component of Supplemental Rent, subject to a credit cap described below. The credit cap is 100% of that component until the cumulative Breakeven Date defined in the Lease; eligible excess amounts may be carried forward until that date. Thereafter the credit cap for the improvement value of the Supplemental Rent is expected to be between approximately 76% and 91%. The land-value component is payable without credit, and unused credits do not entitle Developer to a cash refund. MTA retains approval rights over the Village impact agreements and any changes to the above credit mechanism.

Developer bears the costs of utilities, services, permits, insurance, maintenance and other Lease obligations, and reimburses MTA for its specified third-party and railroad-related costs. The Lease provides for use by Developer of MTA's sales tax exemption in accordance with its terms.

Development Obligations and Security

Developer must commence construction by the first anniversary of the Term Commencement Date, subject to Unavoidable Delay extensions capped at 60 days. Substantial Completion is required by the later of 30 months after the required construction commencement date, as the same may be extended due to Unavoidable Delay, and 42 months after the Term Commencement Date. Final Completion is required within three months after Substantial Completion. Developer remains subject to the earlier applicable Village permit and construction deadlines.

Gotham, or another guarantor acceptable to MTA, will deliver the rent guaranty at Lease execution. The completion guaranty and environmental indemnity are required by the earlier of Developer's closing of construction financing or ten (10) business days before commencement of Initial Construction, including demolition, excavation or remediation. The Project Documents include requirements for payment bonds or statutory undertakings, insurance, Authority design review, inspection and railroad-protection requirements, and default, termination, cure, self-help and indemnification rights. The rent guaranty continues until the earlier of Stabilization or the fourth anniversary of Substantial Completion, with accrued obligations remaining payable.

Financing and Transfers

The Lease permits qualified institutional leasehold and mezzanine financing subject to negotiated lender protections and Authority requirements set forth in the Lease. Recognition, notice, cure and new-lease rights are limited by those provisions. Assignments and ownership transfers remain subject to the consent, permitted-transfer, control and guarantor requirements in the Lease. MTA reserves development rights resulting from subsequent upzoning in excess of the rights demised at Lease execution.

Closing Conditions and Transaction Sequence

The Lease closing is subject to the conditions in the Pre-Lease Agreement, including, without limitation, receipt of public development approvals containing minimum development requirements, submission of conformed Project Documents, required subdivision and title documentation, MTA approval of 90% construction documents, MTA approval of local impact agreements, execution of required rent guaranty, satisfactory evidence of sufficient debt and/or equity financing, and the absence of specified defaults, subject to the Agreement's litigation-adjournment provisions. Conditions in favor of the MTA may be waived only as permitted by the Pre-Lease Agreement.

Following the Boards' approval of the Transaction, MTA and Developer will finalize and execute, deliver and/or accept (as applicable) the Project Documents and MTA will tender possession of the Property to Developer. Developer will complete the remaining design and permit requirements, construct the Project and public realm improvements, and operate and maintain them for the Lease term. The completion guaranty and environmental indemnity will be delivered within the timing described above. The final transaction consideration exceeds MTA's estimate of fair market value.

RECOMMENDATION

Based on the foregoing, MTA recommends that, acting in their respective capacities, the MTA and LIRR Boards:

1. Adopt the environmental determination attached as Attachment 2, acknowledging the Village's September 3, 2026 negative declaration and adopting and incorporating its environmental determination for the Project and Transaction;

2. Following that environmental action, approve the Project and Transaction on the material terms described in this Staff Summary; and

3. Authorize MTA to finalize, execute, deliver, accept and perform, as applicable, the Lease and other Project Documents, including the guaranties, environmental indemnity, approved impact agreements, required easements, entry permits, reimbursement documents and permitted financing and ancillary instruments, and to take the actions necessary to close and implement the Transaction.

The authorized officers and delegates may make conforming revisions and finalize the Project Documents, provided that the final documents are materially consistent with, and no less favorable to MTA than, the material terms and parameters approved in this Staff Summary. The final Supplemental Rent and impact-payment schedules must preserve the approved economic structure and Authority credit protections.

Attachments

Attachment 1 Rent Schedule
Attachment 2 April 2025 Staff Summary
Attachment 3 Proposed MTA and LIRR Environmental Determination and Lead Agency Excerpts

ATTACHMENT 1

Westbury Commuter Lot Rent Schedule

Upfront Rent totals $2,250,000. The Capital Transaction Payment is $500,000. These amounts are payable in addition to Base Rent and Supplemental Rent.

Payment	Amount	Due date
Upfront Rent installment 1	$750,000	Term Commencement Date
Upfront Rent installment 2	$750,000	First anniversary of Term Commencement Date
Upfront Rent installment 3	$750,000	Second anniversary of Term Commencement Date
Capital Transaction Payment	$500,000	Earlier of permanent refinancing or fourth anniversary of Term Commencement Date

Base Rent commences at the earliest of the temporary certificate of occupancy, permanent certificate of occupancy or second anniversary of the Term Commencement Date. Lease Years below are measured from the Base Rent Commencement Date.

Lease Years	Annual Base Rent	Monthly Base Rent
1–5	$550,000.00	$45,833.33
6–10	$618,750.00	$51,562.50
11–15	$696,093.75	$58,007.81
16–20	$783,105.47	$65,258.79
21–25	$880,993.65	$73,416.14

Reset at the beginning of Lease Years 26, 51 and 76: annual Base Rent becomes 6% of land value, excluding improvements, but no less than 112.5% and no more than 125% of the immediately preceding Lease Year's Base Rent. The regular 12.5% increase does not also apply in a reset year. Between resets, Base Rent increases by 12.5% every five years. The Lease expires immediately before the 99th anniversary of the Base Rent Commencement Date.

The schedule is subject to the Lease's proportional adjustment for approved net residential rentable area exceeding 105% of the July 12, 2024 concept-plan area. Monthly figures are rounded; annual figures reflect the 12.5% escalation.

ATTACHMENT 2

Prior Staff Summary dated April 30, 2025

[Begins on following page]

Staff Summary

Metropolitan Transportation Authority

Subject GROUND LEASE AND DEVELOPMENT OF WESTBURY COMMUTER LOT	**Date** APRIL 30, 2025
Department TRANSIT ORIENTED DEVELOPMENT	**Vendor Name**
Department Head Name MIRIAM HARRIS	**Contract Number**
Department Head Signature	**Contract Manager Name**
Project Manager Name JOHN COYNE	**Table of Contents Ref. #**

Board Action					
Order	To	Date	Approval	Info	Other
1	LIRR	4/28/25		X	
2	Finance Committee	4/28/25	X		
3.	Board	4/30/25	X		

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

AGENCY: Metropolitan Transportation Authority ("MTA") and The Long Island Rail Road ("LIRR")

COUNTERPARTY/ GROUND LESSEE: Gotham Property Acquisition LLC, a Delaware limited liability company, or another to be formed affiliate of Gotham Organization, Inc. ("Gotham"), a New York corporation, controlled directly or indirectly by David Picket and in which he and members of his immediate family or trusts for their benefit own at least 10% of the beneficial and voting interests ("Ground Lessee")

LOCATION: Former commuter surface parking lot (the "Property") located at LIRR's Westbury Station (the "Station")

ACTIVITY: (a) Conditional designation of Gotham to develop the Property into a mixed-use residential and retail transit-oriented development pursuant to a triple net lease (the "Lease") commencing on the possession date and ending 99 years from the rent commencement date (the "Transaction").

(b) Negotiation and execution of a pre-lease and development agreement (the "Pre-Lease and Development Agreement"), which will include as exhibits the preliminarily agreed upon forms of the Lease and other material Transaction documents.

ACTION REQUESTED: Authorization to conditionally designate Gotham as the successful proposer to the RFP and to negotiate and enter into a Pre-Lease and Development Agreement, as well as to negotiate the terms and forms of the Lease and the other material agreements related to the Transaction (all as described below).

COMPENSATION:

1. Construction period rent: $2,250,000, paid in three annual installments of $750,000 beginning on Lease execution
2. One-time capital transaction payment: $500,000 paid upon conversion of construction loan to permanent financing or, if earlier, the 3rd anniversary of Lease execution

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3. Base Rent: $500,000 per year, escalating 12.5% every five years, and reset to fair market value every 25 years, with a floor of 112.5% and a cap of 125% of the preceding year's base rent.
4. Supplemental Rent: Ground Lessee will pay Supplemental Rent according to a fixed schedule that escalates by 2% annually. This amount is roughly equal to the real property taxes that would be owed on the land and the new improvements if the Property were not tax-exempt, but instead subject to a 20-year abatement similar to what the Nassau County IDA offers for comparable developments. Ground Lessee may offset Supplemental Rent by the amount of impact fees paid to local jurisdictions, with the terms to be negotiated and documented with the Village and other taxing authorities. After an initial period of approximately 8 years, this offset will be capped at 50% of the portion of Supplemental Rent based on the assessed value of the new improvements.
5. Construction and perpetual maintenance at Gotham's expense of certain public realm improvements.

COMMENTS:

BACKGROUND

The Property is a 1.92-acre parcel located on the south side of the LIRR Westbury Station in downtown Westbury. Historically used as a commuter surface parking lot, the Property is no longer needed for commuter parking following construction of a new structured parking facility on the north side of the Station right of way as part of the Main Line Expansion project. A previous conditional designation approved by the Board pursuant to an RFP issued by MTA's Transit Oriented Development group ("TOD") in 2020 did not result in a transaction due to changing market conditions and was withdrawn by TOD. TOD issued a new request for proposals ("RFP") in 2024 for which this Board action is being sought.

RFP PROCESS

On May 20, 2024, TOD issued an RFP seeking qualified developers to enter into a ground lease having a term of 99-years plus an initial period of not more than 3 years for the construction of a mixed-use, transit-oriented development at the Property (the "Project") , as part of LIRR's effort to improve ridership and the commuter experience at the Station and to monetize MTA's real estate at the Station. Four developers submitted proposals, each featuring multifamily rental housing and varying approaches to retail or public open space with at least 10% of units as income-restricted housing.

The four proposers for the Project were Gotham, LMXD, Terwilliger-Bartone and TRITEC (collectively, the "Proposers"). All four Proposers made presentations of their development plans to MTA's selection committee for the RFP (the "Selection Committee") and were given the opportunity to respond to questions and issues. The final proposals received from all four Proposers will be publicly disclosed in the agenda for the meeting of the Finance Committee of the MTA and LIRR Boards at which the Transaction will be considered for approval, or will be disclosed to the members of the Finance Committee of MTA and LIRR Boards and to members of the MTA and LIRR Boards in executive session, and thereafter publicly disclosed prior to Lease execution.

The key evaluation criteria were:

- Appropriateness and Feasibility of the Project
- Relevant Experience of the Proposers
- Financial Resources Sufficient to construct, operate and guarantee obligations
- Agreement on Basic Transaction Terms

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Staff Summary

Metropolitan Transportation Authority

FINANCE COMMITTEE MEETING
WESTBURY TRANSIT-ORIENTED DEVELOPMENT (Cont'd.)

Based on the Proposers' best and final offers, Gotham and Terwilliger-Bartone, who both possessed the requisite experience and financial resources, were given an additional opportunity to improve their proposals. Although the ground rent proposed by Gotham was 8% less than the ground rent proposed by Terwilliger-Bartone, Gotham's proposal set forth below offered a public realm design and retail plan with significantly superior connectivity and amenities for LIRR customers and the public and agreement on the basic transaction terms, was deemed by the Selection Committee to be the most advantageous to MTA because it achieved the best balance of economic return, public realm enhancements, and reduced transaction risk.

Proposer	Housing Units	Public Realm Improvements	Retail Space	Parking Spaces	Compensation (PV @6%)
Gotham	157	Large public plaza and retail space on western side of the Property	15,000 sf	276	$15 million

Gotham's proposed present-value compensation of $15 million is consistent with an independent fair market rental appraisal commissioned by TOD.

The sequence of the proposed Transaction is as follows:

- Gotham and LIRR will negotiate and enter into a Pre-Lease and Development Agreement, whereby Gotham will fund a good faith deposit of $100,000 and pursue good faith efforts to (x) obtain all necessary local approvals for the Project, including the requisite Village zoning and site plan approvals, (y) negotiate acceptable forms of impact agreements with the Village and other taxing jurisdictions , and (z) in coordination with TOD and LIRR staff, will undertake the environmental review required pursuant to the New York State Environmental Quality Review Act ("SEQRA"); and

- Upon completion of the SEQRA process, including adoption of the SEQRA findings by the MTA and LIRR Boards, and subject to approval of the Transaction and the Lease by the MTA and LIRR Boards, MTA and/or LIRR and Ground Lessee will execute the Lease, Gotham will execute and deliver the required rent and completion guaranties, and the parties will execute and deliver the other related Transaction documents substantially in the forms attached to the Pre-Lease and Development Agreement, including the municipal impact agreements, following which Gotham will complete the design of the Project, construct the Project Improvements, and operate and maintain the same for the term of the Lease.

RECOMMENDATION

Based on the foregoing, TOD requests authorization for MTA for itself and on behalf of LIRR to undertake the following actions:

1. Conditionally Designate Gotham as the selected proposer under the RFP pursuant to a Conditional Designation Letter Agreement ("CDL") that will have attached to it the Basic Terms of the Transaction from the RFP as further developed to incorporate the final Gotham proposal. The CDL will be conditioned upon Gotham and MTA entering into an expense reimbursement agreement whereby Gotham will pay for all of MTA and LIRR's third party expenses following its conditional designation and during the pre-lease period and funding a $100,000 good-faith deposit.

2. Negotiate with Gotham (a) a Pre-Lease and Development Agreement governing the actions to be taken by Gotham in coordination with TOD and LIRR staff, as pre-conditions to the Transaction during the period following the CDL and before execution of the Lease, including (i) obtaining necessary local approvals for the Project, (ii) negotiating acceptable forms of impact agreements with the Village and other taxing jurisdictions, and (iii) in coordination with TOD and LIRR staff, undertaking the environmental review required pursuant to the New York

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State Environmental Quality Review Act ("SEQRA"),and (b) the forms of the Lease and other material Transaction documents to be attached to the Pre-Lease and Development Agreement.

3. Execute and deliver the Pre-Lease Agreement and any and all other all necessary or appropriate agreements, documents, and instruments, and take all actions as shall be necessary or desirable in order to pursue satisfaction of the above-referenced pre-conditions to MTA and LIRR Boards final approval of the proposed Transaction, **provided that the Lease and any other Transaction documents**, **will be conditioned upon further MTA Board and LIRR Board approval following completion of environmental review under SEQRA as it relates to the Lease and prior to execution.**

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INFORMATION ITEMS

REPORT ON AGREEMENTS ENTERED INTO DIRECTLY BY THE REAL ESTATE DEPARTMENT PURSUANT TO BOARD POLICIES
OCTOBER 2026

Agency	Agreement Type/ Counterparty	Location/Premises	Use	Term	Compensation	RFP Proposals
NYCT	License: Licensor: Port Authority of New York and New Jersey	Michael J. Quill Depot, 525 11th Ave, New York, NY	Pre and post-construction inspection	3 years	None	N/A
LIRR	License: Licensee: Farmer's Fridge	Jamaica Station waiting room, Babylon Yard, and Ronkonkoma Yard	Farmer's Fridge vending machine	1 year	10% of net sales	N/A
LIRR	License: Licensee: Consolidated Edison	E 91 to E 93 Street, Brooklyn NY	Construction access and staging	5 years	$40,000 annually	N/A
LIRR	License: Hofgur, LLC dba Queens Adult Care Center	47th Avenue, Elmhurst Queens. Block: 1536 Lot: 33	Right of way cleanup, parking, access , and staging	90 days	$20,000	N/A
MNR GCT	First Amendment To License Agreement Licensee: WONDEREN STROOPWAFELS, LLC,	Grand Central Terminal / Dining Concourse	Retail sale of freshly baked, warm stroopwafels with various toppings	1 Year	$44,558	N/A
MNR GCT	Kiosk Retail License Agreement Licensee: SAVAGEANCHOR, INC.	Grand Central Terminal / Graybar Passage Kiosk	Retail sale of women's and men's unique branded sunglasses	1 Year	$37,200	N/A
MNR GCT	First Amendment To License Agreement Licensee: Gravity Sports International Corporated	Grand Central Terminal / Graybar Passage Kiosk	Retail sale of FIFA World Cup licensed merchandise, including jerseys, accessories, and collectibles	1 Month	$7,500	N/A

REPORT ON AGREEMENTS ENTERED INTO DIRECTLY BY THE REAL ESTATE DEPARTMENT PURSUANT TO BOARD POLICIES
OCTOBER 2026

Agency	Agreement Type/ Counterparty	Location/Premises	Use	Term	Compensation	RFP Proposals
MNR GCT	License Agreement Licensee: ZAMA & ZAMA, INC.	Grand Central Terminal / Main Concourse	Retail sale of spiritual jewelry and high-vibrational home décor	3 Years	**Year** **Rent** 1 $96,000.00 2 $98,880.00 3 $101,846.40	N/A
NYCT	License Agreement Licensee: The Motor Company NYC Inc.	42 Street – 8 Avenue Station, Unit 18, New York, NY	Staging and performance of theatrical art	Six (6) months	None	N/A
MNR	Permit Agreement Permitee: Town of Cortlandt	MNR's Cortlandt Station: Parking Lots 1 & 2 on the east side of the Station	Use of Station Parking for event parking	One (1) day	None	N/A
LIRR	License Agreement Licensee: SF America Newsstand, Inc.	LIRR's Balwin Station - Approximately 120 sqaure feet retail unit located on the street level of the Station Building	Travel/Convenience	Five (5) years	$615.00 per month ($7,380.00 per annum), with 3% annual increases	N/A