

**New York City Transit/Staten Island Railway
November Financial Plan 2009-2012
Additional Actions for Budget Balance**

OVERVIEW

In response to the extremely weak economic environment and the resulting severe budget gap we are facing, MTA New York City Transit has developed several additional actions to achieve budget balance.

The proposed additional actions project significant savings primarily in the areas of subway/bus service, paratransit, customer convenience, and administration.

Total savings (net of revenue losses) of \$167.2 million are proposed for 2008/2009 and \$279.8 million of savings are proposed for each year 2010 through 2012. End-of-year position reductions of 2,262 are proposed for 2009 and 2,272 for each year 2010 through 2012.

In evaluating proposed service reduction actions, every effort was made to identify those actions that would achieve savings while minimizing the impact to our customers.

Descriptions of the proposed additional actions are as follows:

SUBWAY SERVICE - SAVINGS \$5.5 MILLION 2009, \$25.2 MILLION ANNUALLY 2010-2012, POSITION REDUCTIONS 113

Terminate **G at Court Square All Times**

Currently the **G** operates from Smith/9th Streets in Brooklyn to Court Square in Queens during rush hours and middays, and is extended to 71st Avenue/Forest Hills evenings, nights, and weekends. However, on most weekends, construction work requires the **G** to terminate at Court Square. This service change would have the **G** operate at all times to Court Square, requiring **G** customers to transfer between the **G** and the **E V** or **7** at Court Square/23rd Street-Ely Avenue. Scheduling service to 71st Avenue/Forest Hills and then not operating that service is inefficient and confusing to riders. In addition, the travel market between Brooklyn and the areas of Queens east of Court Square is relatively small.

Increase Subdivision B Headway on Weekends to 10 Minutes

Currently, most Subdivision B lines operate on eight-minute headways on weekends. This proposal increases the headway from eight minutes to ten minutes on the **A D E F G J M N Q R** on Saturdays and the **A D E F G N Q R** on Sundays. (A Division headways were similarly increased in 2003.) Increasing headways to ten minutes will result in most trains operating over loading guidelines. However, weekend construction work often necessitates ten-minute headways for Subdivision B lines, and ten minute headways are actually smoother operationally.

Revise Weekday Midday & Evening Guidelines to 125% Seated Load

Currently, weekday midday and evening guidelines are for 100% seated load, which requires trains to be scheduled so that, on average, there are seats available for all customers. This proposal revises the guideline to 125% of a seated load, which is equivalent to 10-18 standees per car (depending on car type) at the maximum load point. Increasing this guideline to 125% will result in an increase in crowding as well as an increase in headways. Most affected customers will experience an average of 1-2 minutes of additional wait time. The **147AEL** lines are affected middays; the **567ABEFNR** lines are affected evenings. After implementation of the Subdivision B 10-minute weekend headways (see above), most lines will already be at 125% seated load or greater on weekends.

Increase Headways From 2 AM-5 AM to 30 Minutes

Currently, headways are 20 minutes on all operating lines between 2:00 a.m. and 5:00 a.m. This proposal will increase headways from 20 to 30 minutes late nights when subway ridership is lowest. All subway lines that operate during this overnight period are affected. Average waiting time for most late night customers will increase from 10 minutes to 15 minutes (less in corridors where multiple services operate during late nights).

Operate **N via Manhattan Bridge Late Nights**

Currently, the **N** operates via the Manhattan Bridge at all times except late nights, when it operates via the Montague Tunnel (replacing the **R**, which does not operate in Manhattan during late nights). Operating the **N** via the Manhattan Bridge late nights will result in no **N** service at six stations (two in Downtown Brooklyn and four in Lower Manhattan). Four of these stations will be closed entirely during late nights, while the other two are part of station complexes where service will still operate on other lines. In addition, certain entrances at Canal Street will be closed late nights. Customers currently using these stations will be required to use the parallel **4** line, which serves stations within 200 feet of all of the **N** stations that will close; transfers between the **N** and the **4** are also available at both ends of the tunnel route segment to be closed. **N** customers traveling between Brooklyn and Manhattan will experience reduced travel time.

Eliminate **W, Extend **Q** to Astoria Weekdays, and Operate **N** Local in Manhattan**

Currently, the **W** operates weekdays only between Astoria and Whitehall Street, supplementing **N** service in Queens and **R** service in Manhattan. This proposal would eliminate the **W** entirely. The **Q** would be extended from its current terminal at 57th Street/7th Avenue in Midtown to Astoria on weekdays, replacing the **W**. The **N** would replace the **W** in Manhattan north of Canal Street by operating local at all times. South of Canal Street, the **R** would continue to serve current **W** stations. As a result of this service change, some customers along the Broadway line south of Canal Street in Manhattan will experience longer wait times, some current **N** customers will experience slightly longer travel times, and Astoria customers will need to transfer to access Lower Manhattan.

Eliminate M between Broad Street and Bay Parkway, Eliminate Z and JZ Skip-Stop Service, and Operate J Local Between Jamaica Center and Myrtle Avenue
Currently, the M operates during weekday rush hours between Metropolitan Avenue in Queens and Bay Parkway in Brooklyn. This proposal would shorten M service to only operate between Metropolitan Avenue in Queens and Broad Street in Manhattan. M service in southern Brooklyn supplements the D and R and is the most lightly-used rush-hour service. Current M riders would take the D or R instead, and may experience extra transfers, additional wait time, and/or additional walking time at the Manhattan end of their trips. In addition, Z service and JZ skip-stop service would be eliminated. The J would make all stops between Jamaica Center and Myrtle Avenue. During rush hours, J service frequency would be increased; some J trains would terminate at Chambers Street due to limited terminal capacity at Broad Street. As a result, some current JZ riders will have longer travel times, while others will have reduced waiting times.

BUS SERVICE - SAVINGS \$50.8 MILLION 2009, \$88.4 MILLION ANNUALLY 2010-2012, POSITION REDUCTIONS 848 For 2009, 879 For 2010-2012

Revised Platform Budget Forecast

Throughout the year, the service budget for the following year – known formally as the Platform Budget – is revised as new information is available and as specific schedules are developed. This item reflects changes that further reduce costs in the 2009 Platform Budget since it was last revised in September.

Cancel X23/X24 Takeover

Currently, Atlantic Express operates the X23 and X24 express bus routes from the south shore of Staten Island to Midtown Manhattan under contract with the City. NYC Transit planned to take over the operation of the service in 2010 at a net cost. This proposal requires that New York City maintain its financial responsibility for X23/X24 service.

Express Bus Adjustments to Reflect Demand

In conjunction with the general fare increase, the express bus fare would be increased from \$5 to \$6.25; over time, it is anticipated that express bus service would be reduced to meet lower demand, with some partially offsetting service increases on adjacent local bus services. Service would be reduced based on projected ridership declines.

Eliminate Weekday Express Bus Services

Eliminate service on two NYC Transit express bus routes (X25, X32) because they are the most lightly used express routes.

Eliminate Weekend Express Bus Services

This proposal eliminates X27 and X28 weekend express bus service between southern Brooklyn and Manhattan, which are very lightly used. Both routes operate near subway services; customers can walk or take local buses to reach the subway as an alternative.

Eliminate Overnight Service on Low Performing Local Bus Routes

Ridership on all overnight local bus service was analyzed using MetroCard data. A guideline-based threshold of 15-20 passengers per hour was applied for the overnight period; routes that did not meet this ridership threshold for at least three consecutive hours during each day of service were initially identified for overnight elimination. Because of the high availability of alternatives in Manhattan, additional Manhattan routes were identified for overnight elimination.

Overnight service (approximately 1:30 a.m. to 4:30 a.m.) would be eliminated on 25 routes:

- B7, B14, B31, B45, B48, B57, B64, B65, B67, and B77 in Brooklyn
- Bx10 in The Bronx
- M1, M2, M16, M22, M23, M42, M50, M66, M79, M96, M102, M103, and M104 in Manhattan
- Q30 in Queens

Overnight service would continue to operate on 71 routes as well as the entire subway system.

Discontinue Bus to Baretto Park Pool & SIR Baseball Special

This proposal eliminates two seasonal special services with low ridership. In the Bronx, NYC Transit inaugurated shuttle service in the summer of 2008 between the subway and the pool at Barretto Point Park. In Staten Island, the Staten Island Railway operates a special train to the Stadium station at the Richmond County Ballpark on game days only.

Reduce Span of Service on Low Performing Local Bus Routes

Ridership during the first two and last two hours of service for all local bus routes that do not operate 24 hours was analyzed and compared to system averages. Routes falling below two-thirds of the system average in terms of passengers per trip during the beginning or end of service were identified for span reductions. Because these reductions eliminate just a handful of trips at either end of the service span of a route (while the majority of service on affected routes is retained), the customer impact is low.

The proposed span reductions are as follows:

- Weekday morning service would begin later on the B16, B69, B70, B71, Bx33, M11, M20, M21, S57, and S66
- Weekday evening service would end earlier on the B2, B4, B9, B11, B13, B16, B69, M21, Q42, Q79, S54, and S60
- On Saturdays, service would begin later on the M20, M100, and M116, while service would end earlier on the B9 and M20
- On Sundays, service would begin later on the M20 and end earlier on the B9 and Q48

Eliminate Duplicative, Circuitous, or Underutilized Route Segments

This proposal includes both route truncation and route restructuring. Two Manhattan routes that significantly overlap other bus services are proposed for truncation; the M104 would be shortened seven days a week while the M1 would be shortened on weekends only. In addition, to reduce duplication and to shorten travel times, the restructuring of numerous routes in the Lower East Side area of Manhattan (affecting the M9, M15, M20, and M21) and the Co-op City area of The Bronx (affecting the Bx26, Bx28, and Bx30) is proposed.

Shorten Two Routes that Duplicate the Subway

Segments of two routes – the B13 and the Q24 – that are underutilized and duplicate the subway are proposed for elimination.

Eliminate Weekend Local Bus Services

This proposal would eliminate weekend service on local bus routes with low ridership and farebox recovery. Initially, routes with less than 2/3 of the system average ridership and farebox recovery on weekends were identified for weekend elimination. Additional routes were identified based on ridership trends and service duplication.

41 local bus routes are proposed for weekend elimination:

- B2, B4, B7, B16, B23, B24, B25, B37, B39, B48, B57, B65, B69, B71, and B75 in Brooklyn
- Bx4, Bx8 (Sun only), Bx14, Bx18, Bx20, Bx33, and Bx34 in The Bronx
- M6, M8, M10, M18, M21, M22, M27, and M50 in Manhattan
- Q14, Q31, Q56, Q76, Q79, and Q84 in Queens
- S42, S54, S57, S60, and S76 in Staten Island

Weekend Bx30 service is also proposed for elimination as part of the Co-op City restructuring.

Eliminate Weekday Service on Low Performing Local Bus Routes

Initially, local bus routes were identified for weekday elimination based on ridership and farebox recovery. Routes with less than 2/3 of the system average for weekday ridership and farebox recovery were considered for weekday elimination. Additional routes were also identified based on service duplication and ridership trends. These routes were then analyzed based on the availability of practical alternatives (such as the availability of a parallel bus route within ½ mile). The routes proposed for weekday elimination have practical bus and/or subway alternatives for customers along virtually the entire length of the route. While customers may experience additional walking or waiting time and may need to make a transfer, they will still be able to complete their trips.

The routes proposed for elimination are:

- B23, B37, B39, and B51 in Brooklyn
- Bx14, Bx20, and Bx34 in The Bronx
- M6, M8, M18, M27, and M30 in Manhattan
- Q26, Q74, Q75, and Q84 in Queens

Eliminate Weekday Service on Local Bus Routes that Duplicate the Subway

The local bus network was analyzed for duplication with the subway network. Initial candidate routes had more than 50% of their length within 0.2 miles of a subway line; ridership and alternative services were then analyzed. This proposal would eliminate weekday service on five routes that operate above, below, or adjacent to one or more subway lines for virtually their entire length. Although these routes do carry significant numbers of customers, the subway provides alternative service.

The routes proposed for elimination are B25 and B75 in Brooklyn, Bx4 in The Bronx, M10 in Manhattan, and Q56 in Queens.

Maintenance and Cleaning Headcount

The proposed service changes reduce bus cleaning and maintenance requirements. The dollar value of this change is calculated automatically using standard cost factors and included as part of the savings shown for each service change. This change represents the position adjustment associated with this dollar savings in maintenance and cleaning.

PARATRANSIT - SAVINGS \$27.3 MILLION 2009, \$56.5 MILLION 2010-2012

Raise Fare to Twice the Regular Base Fare

This initiative will increase the Paratransit fare to double the regular base fare. ADA guidelines allow the Paratransit fare to be up to two times that of the non-discount base transit fare, and other cities/counties currently do this including SEPTA (Philadelphia), Atlanta, Miami-Dade, and Denver. To implement this change, New York City concurrence will be required to modify the current Memorandum of Understanding under which NYC Transit provides Paratransit service. The pace of ridership growth is projected to slow by 9% in response to the fare increase.

Tighten Customer Cancellation/No-Show Policy

Current Paratransit policy provides for suspension of service if 40% of scheduled trips are late cancellations/no-shows in a month, provided that seven or more trips were reserved during the month. This proposal tightens the policy in line with that of most other transit properties and suspends service for two weeks if there are eight late cancellations/no-shows in a six month period. A second suspension within a one year period will be for one month, three or more suspensions within a one year period will be for six weeks. It requires negotiation with the FTA.

Paratransit Cost Reduction Initiative

This initiative will maximize use of in-house services and redistribute Paratransit service to lower priced carriers to reduce costs associated with higher priced contractors.

Increase Taxi/Voucher (Used by Car Services) Trips by 5%

Shift trips from primary carriers to lower cost taxi and car services. This will require a major effort to expand the taxi/car service vendor base willing to provide paratransit services.

CUSTOMER CONVENIENCE - SAVINGS \$25.1 MILLION 2009, \$52.0 MILLION 2010-2012, POSITION REDUCTIONS 808

Eliminate Station Customer Assistant (SCA) Tours

SCAs are deployed at station entrances where all fare sales are handled by MetroCard vending machines. A recent internal study by NYCT found relatively low rates of SCA utilization/interaction with customers, even at high-registration control areas. Eliminating this function results in staffing reductions of 570 SCAs and 26 Station Supervisors.

Reduce Staffing at Stations with More Than One Full-Time Booth

Several stations and station complexes have more than one full-time booth – a total of 78 booths at 36 stations/complexes. It is proposed to eliminate 29 of these staffed booths. An additional 13 booths at major stations, such as Times Square and Penn Station, will have staffing reduced from full-time to part-time. All stations/complexes will retain one full-time booth.

ADMINISTRATION - SAVINGS \$31.2 MILLION 2008/2009, \$36.8 MILLION 2010, \$37.0 MILLION 2011-2012, POSITION REDUCTIONS 338 For 2009, 317 For 2010-2012

Managerial 5% Reduction - Bus Service Streamlining

In developing these proposed additional actions, an internal target was established to achieve a 5 percent reduction in managerial expenses. Towards that target, the bus service changes described above will allow the Department of Buses to reduce 14 superintendent positions: 8 from reclassification of depots downsized from mega-depot status; and 2 each from Training, the Bus Command Center, and the Shop.

Managerial 5% Reduction - Station Automation

Nine Superintendent positions can be eliminated in concert with booth closures, SCA eliminations and tour reductions noted above.

Managerial 5% Reduction - Subways Reorganization

The ongoing line management-based reorganization of the Department of Subways will streamline reporting relationships and eliminate existing organizational silos, resulting in a net savings of 68 positions. This includes 24 managers, 1 professional employee, 1 clerical position, 39 supervisors, and 3 hourly positions.

Managerial 5% Reduction - All Other

To achieve the overall target savings equivalent to 5 percent of managerial positions, departments were asked to identify reductions in administrative and support functions. In combination with the savings achieved by the Bus Service Streamlining, Station Automation and Subways Reorganization initiatives, this will result in saving the cost of 5 percent of NYCT's managerial workforce.

Additional Administrative Reductions

The 5 percent managerial reduction noted above was expanded to increase savings from managerial positions and include a similar reduction in professional, technical, engineering (PTE) and clerical positions. Resultant savings will be approximately equivalent to the cost of 7.5 percent of NYCT's managerial, PTE and clerical positions.

TIS Contract Reforecast

A reforecast of projected contract costs/renewals results in changes in the timing of expenses over several years.

OTPS Reductions

Savings will be achieved through reductions in maintenance, operating, and professional service contracts based on reductions in usage and anticipated under spending.

MAINTENANCE - SAVINGS \$14.7 MILLION 2009, \$20.8 MILLION 2010, \$20.5 MILLION 2011-2012, POSITION REDUCTIONS 153

Track Cleaning Reduction

Resources were added for track cleaning in station areas during the fall of 2007 as part of the Safety and Customer Satisfaction Pilot Programs to increase the frequency of cleaning from weekly or bi-weekly to twice a week. Eight of the original 94 positions were reduced in 2008 due to productivity improvements. Because of budget constraints, the remaining 86 positions are now being eliminated and the track cleaning cycle at the pilot stations will revert back to its original schedule.

Eliminate Depot Bus Quality Control Program

Resources were added for a bus quality control program during the fall of 2007 as part of the Safety and Customer Satisfaction Pilot Programs to maintain buses in 'like new condition' based on strict internal and external appearance standards and a zero tolerance policy regarding graffiti, scratchiti and body damage. Initial funding was sufficient to enroll buses delivered in 2006 or overhauled in 2007. Shop work for this program was reduced by \$2.5 million in the 2009 Budget. Because of budget constraints, the total amount for depot inspections and maintenance associated with this initiative is being eliminated.

R62 Converter – Actual Bid Savings

The converters on the 315-car R62 fleet are being replaced as part of a fleet improvement project in conjunction with SMS on this car class. NYCT has now received a bid price that is significantly lower than budget which will result in savings to this project.

OTHER - SAVINGS \$10.0 MILLION 2008

Defer NYCERS 55/25 AMC Refund Forecast

The July Financial Plan assumed that the funding of the 55/25 additional member contribution refund would include a lump sum payment in 2008 reflecting the actual cash refund to members as of June 2008. A deferral of \$75 million of the lump sum payment is included in the November Financial Plan baseline, which means that this cost will be amortized through the normal cost funding mechanism. A re-estimate has resulted in an additional deferral of \$10.0 million.

REVENUE - INCREASE OF \$2.4 MILLION 2008

Revised Farebox Revenue Forecast

It is now estimated that an additional \$2.4 million of farebox revenue above the baseline estimate will be realized in 2008.

MTA New York City Transit/Staten Island Railway November Financial Plan 2009-2012 Additional Actions for Budget Balance-Proposed Savings Amounts Better/(Worse) in millions													Proposal Rqmt
Proposal	2008		2009		2010		2011		2012		Hearing	Env Rv TBD	
	EOY	Amount	EOY	Amount	EOY	Amount	EOY	Amount	EOY	Amount			
Administration													
Managerial 5% - Bus Service Streamlining		14	19	14	19	14	19	14	19	14		1.9	
Managerial 5% - Station Automation		9	0.6	9	1.2	9	1.2	9	1.2	9		1.2	
Managerial 5% - Subways Reorganization		68	7.2	68	7.2	68	7.2	68	7.2	68		7.2	
Managerial 5% - Other		15	3.3	15	3.3	15	3.3	15	3.3	15		3.3	
Additional Administrative Reductions (7.5% Mgrl/PTE/Clerical)		211	10.7	211	21.9	211	21.9	211	21.9	211		21.9	
TIS Contract Reforecast		0.3	21	3.6	(3.3)	21	(0.1)	21	(0.4)	21		(0.4)	
OTPS Reductions			3.6	3.6	4.6	3.6	1.7	3.6	1.7	3.6		1.9	
Subtotal Administration	0	0.3	30.9	317	36.8	317	37.0	317	37.0	317		37.0	
Customer Convenience/Amenities													
Eliminate Station Customer Assistant (SCA) Tours		596	160	596	38.4	596	38.4	596	38.4	596		38.4	
Reduce Staffing at Stations with >1 Full-Time Booth		212	9.1	212	13.6	212	13.6	212	13.6	212	Y	13.6	
Subtotal Customer Convenience/Amenities	0	0.0	25.1	808	52.0	808	52.0	808	52.0	808		52.0	
Maintenance													
Track Cleaning Reduction		86	7.4	86	7.4	86	7.4	86	7.4	86		7.4	
Eliminate Depot Bus Quality Control Program		67	2.2	67	13.1	67	13.1	67	13.1	67		13.1	
R62 Converter - Actual Bid Savings			5.2		0.3		0.0		0.0			0.0	
Subtotal Maintenance	0	0.0	14.7	153	20.8	153	20.5	153	20.5	153		20.5	
Paratransit													
Raise Fare to Twice the Regular Base Fare			18.0		36.0		36.0		36.0		Y	36.0	
Tighten Late Cancellation/Customer No-Show Policy			2.4		2.4		2.4		2.4			2.4	
Increase Taxi/Voucher Trips by 5%			0.9		1.8		1.8		1.8			1.8	
Paratransit Rate Reduction Initiative			6.0		16.3		16.3		16.3			16.3	
Subtotal Paratransit		0.0	27.3		56.5		56.5		56.5			56.5	
Service - Subways													
Shorten G to Court Square All Times			10	0.2	10	1.9	10	1.9	10	1.9	Y	1.9	
Increase B Subdiv Headway on Weekends to 10 Minutes			40	2.9	40	5.0	40	5.0	40	5.0		5.0	
Reduce Normal Business Adjustments			12	0.8	12	1.4	12	1.4	12	1.4		1.4	
Revise Midday & Evening Guidelines to 125% Seated Load			10	0.6	10	7.0	10	7.0	10	7.0		7.0	
Revise Midday & Evening Guidelines to 125% Seated Load			22	1.4	22	8.4	22	8.4	22	8.4		8.4	
Increase Headways During 2-5am to 30 Minutes				0.3		4.1		4.1		4.1		4.1	
Operate N via Manhattan Bridge Late Nights			6	0.3	6	0.4	6	0.4	6	0.4	Y	0.4	

MTA New York City Transit/Statens Island Railway												
November Financial Plan 2009-2012												
Additional Actions for Budget Balance-Proposed Savings												
Amounts Better/(Worse) in millions												
Proposal	2008		2009		2010		2011		2012		Proposal Rqmt	
	EOY	Amount	EOY	Amount	EOY	Amount	EOY	Amount	EOY	Amount	Hearing	Env Rv
Eliminate W and Extend Q to Astoria			9	0.3	9	3.0	9	3.0	9	3.0	Y	3.0
Operate M to Broad St Rush Hrs; Eliminate Z, Add J Local Svce			26	0.2	26	2.4	26	2.4	26	2.4	Y	2.4
Subtotal Service - Subways	0	0.0	113	5.5	113	25.2	113	25.2	113	25.2		25.2
Service - Buses												
Revised Platform Budget Forecast			30	2.6	30	4.1	30	4.1	30	4.1		4.1
Cancel X23/X24 Takeover			0	0.0	30	5.3	30	5.3	30	5.3		5.3
Express Bus Service Adjustments to Reflect Demand			52	7.3	52	10.9	52	10.9	52	10.9	Y	10.9
Eliminate Low Performing Weekend Express Bus Svc			8	0.6	8	0.9	8	0.9	8	0.9	Y	0.9
Discontinue Overnight Service on Low Performing Routes			19	1.3	19	2.0	19	2.0	19	2.0	Y	2.0
Discontinue Bus to Baretto Park Pool & SIR Baseball Special			0	0.1	0	0.1	0	0.1	0	0.1	Y	0.1
Reduce Service Span on Low Performing Routes			16	1.1	16	1.6	16	1.6	16	1.6	Y	1.6
Restructure Local Bus Routes to Elim Underutilized Segments			56	4.2	56	6.3	56	6.3	56	6.3	Y	6.3
Discontinue Weekend Service on Low Performing Routes			145	10.1	145	15.1	145	15.1	145	15.1	Y	15.1
Elim or Restruc Local Bus Routes that Duplicate Subway			62	3.9	62	5.9	62	5.9	62	5.9	Y	5.9
Discontinue Low Performing Local Routes w/ Alts Available			350	19.6	350	36.2	350	36.2	350	36.2	Y	36.2
Bus Maint & Cleaning Positions Assoc with Actions Above			109		109		109		109		Y	
Subtotal Service - Buses	0	0.0	848	50.8	879	88.4	879	88.4	879	88.4		88.4
Other												
Defer NYCERS 55/25 AMC Refund Payment						0.0		0.0		0.0		0.0
Revised Farebox Revenue Forecast						0.0		0.0		0.0		0.0
SIR 5% Managerial Reduction			2	0.2	2,000	0.2	2	0.2	2	0.2		0.2
TOTAL	0	12.7	2,262	154.5	2,272	279.8	2,272	279.8	2,272	279.8		279.8