

Crossing Charges Changes

Crossing Charges Changes Package

- Staff Summary and Board Resolution on Environmental and “Just and Reasonable” Determinations
- Staff Summary and Board Resolution on Crossing Charge Increases

Attachment 1

- Table of Crossing Charges

Additional Material Relating to Staff Summary on Environmental and “Just and Reasonable” Determinations

- Negative Declaration and Type II Determination
- Just & Reasonable Report
- Environmental Assessment (on separate Disc)

Staff Summary

| | |
|---------------------------|---|
| Subject | Crossing Charge Increases (Environmental and "Just and Reasonable" Determinations) |
| Department | Law |
| Department Head Name | M. Margaret Terry <i>mmT</i> |
| Department Head Signature | |
| Project Manager Name | |

| | |
|--------------------------|-------------------|
| Date | December 11, 2012 |
| Vendor Name | N/A |
| Contract Number | N/A |
| Contract Manager Name | N/A |
| Table of Contents Ref. # | N/A |

| Board Action | | | | | |
|--------------|-------|----------|----------|------|-------|
| Order | To | Date | Approval | Info | Other |
| 1 | Board | 12/19/12 | | | |
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| Internal Approvals | | | |
|--------------------|---------------------------------|-------|---------------------|
| Order | Approval | Order | Approval |
| 3 | President <i>JF/mmT</i> | | VP Procurement |
| | General Counsel | | VP Operations |
| 2 | Executive VP <i>[Signature]</i> | | VP Labor Relations |
| | VP Operations Support | | VP & Chief Engineer |

| Internal Approval (cont.) | | | | | | | |
|---------------------------|--|-------|-------------------------------|-------|---------------------------|-------|----------|
| Order | Approval | Order | Approval | Order | Approval | Order | Approval |
| 1 | Chief Financial Officer <i>[Signature]</i> | | Chief Security Officer | | Chief Maintenance Officer | | Other |
| | Chief Information Officer | | Chief Health & Safety Officer | | Affirmative Action | | Other |

ENVIRONMENTAL AND "JUST AND REASONABLE" RESOLUTION

PURPOSE: To obtain the Board's approval and adoption of the annexed Resolution which will (i) find and determine that proposed increases to the Crossing Charge Schedule will have no significant adverse effect on the environment within the meaning of the State Environmental Quality Review Act ("SEQRA"), (ii) adopt and approve the Negative Declaration in accordance with SEQRA and authorize and direct the President of the Authority or his designee to execute it, and (iii) find that the proposed Crossing Charge increases are "just and reasonable" within the meaning of the General Bridge Act of 1946.

DISCUSSION: On July 25, 2012, the Board authorized the requisite preliminary steps to establish a new Crossing Charge structure consistent with the capital and operating needs of the Metropolitan Transportation Authority's integrated mass transit and commuter rail network. A copy of the resulting proposed Crossing Charge Schedule is included as Attachment 1.

Adoption of the Crossing Charge Schedule constitutes "routine or continuing agency administration" not subject to review under SEQRA as a Type II action because it is "routine or continuing agency administration and management." See SEQRA regulations at 6 NYCRR §617.5(c)(20). Nevertheless, it is the Authority's practice to review actions that would increase crossing charges at its facilities as if they were subject to SEQRA. Under SEQRA, prior to the Board's adoption of a Resolution enacting increased crossing charges, the Board would consider the potential environmental impacts of a proposed toll increase and determine whether there may be a significant adverse impact resulting from the increase. If there are none, the Board would approve a Negative Declaration that the proposed increases in the new Crossing Charge Schedule (Attachment 1) will have no significant adverse environmental impacts on the environment.

An environmental assessment ("EA") therefore was performed to analyze the potential environmental impacts (particularly traffic and air quality) of toll increase scenarios at Authority facilities and along the toll-free diversion routes. The EA analyzed in detail the potential environmental impacts of "worst case" toll increase scenarios and concluded that no significant adverse impacts to the environment would arise at any Authority facility or along toll-free diversion routes from the cash rates and the range of E-ZPass rates that were considered or otherwise found not to result in any adverse impact.

The EA provides a basis for finding that there would be no resulting significant adverse environmental effects from the increases in the proposed Crossing Charge Schedule and, accordingly, supports the adoption of a Negative Declaration as it applies to the new Crossing Charge Schedule. The results are described in the EA and the Negative Declaration separately provided to the Board. The proposed Crossing Charge Schedule consists of cash toll rates and various E-ZPass toll rates within the range of E-ZPass toll rates that were analyzed in the EA or otherwise found not to result in any adverse impact. As a result, the EA provides a basis for concluding that there would be no significant adverse environmental impacts at any Authority facility or along the toll-free diversion routes from the proposed increases and thus no Environment Impact Statement is required in connection with the Board action.

In addition, a report which explains why the proposed increases are "just and reasonable" within the meaning of the General Bridge Act of 1946, should that statute be deemed applicable to one or more of the Authority's facilities, has been prepared and distributed to the Board.

The Resolution also authorizes the President of the Authority or his designee to execute the Negative Declaration.

IMPACT ON FUNDING: Approval and adoption of the attached Resolution will permit the Board to consider and adopt a separate resolution increasing Crossing Charges for users of the Authority's Bridges and Tunnels.

RECOMMENDATION: It is recommended that the Board approve and adopt the attached Resolution finding that the proposed increases in Crossing Charges will have no adverse environmental effects, adopting the Negative Declaration, authorizing the President or his designee to execute the Negative Declaration, and finding the proposed increases "just and reasonable."

New York, New York

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

RESOLUTION

WHEREAS, on July 25, 2012, the Board authorized all applicable measures to establish increases in Crossing Charges at Triborough Bridge and Tunnel Authority (the Authority) facilities consistent with the capital and operating needs of the Metropolitan Transportation Authority (MTA);

WHEREAS, there has been distributed to the Board an Environmental Assessment ("EA") regarding the effects of various proposed Crossing Charge increases as they relate to the facilities of the Authority; and

WHEREAS, the EA analyzed in detail the potential environmental impacts of "worst case" toll increase scenarios and concluded that no significant adverse impacts to the environment would arise at any Authority facility or along the toll-free diversion routes from the cash rates and the range of E-ZPass rates that were considered or otherwise found not to result in any adverse impact;

WHEREAS, the proposed Crossing Charge Schedule consists of cash toll rates and E-ZPass rates within the range of E-ZPass rates analyzed in the EA or otherwise found not to result in any adverse impact;

WHEREAS, the EA provides the basis for finding that there would be no resulting significant adverse environmental effects from the increases in the proposed Crossing Charge Schedule (Attachment 1);

WHEREAS, the EA thus provides a basis for approving and adopting the Negative Declaration as it applies to the new Crossing Charge Schedule; and

WHEREAS, there has been distributed to the Board a proposed Negative Declaration regarding the Crossing Charge increases, prepared in accordance with the State Environmental Quality Review Act; and

WHEREAS, there has been distributed a report that discusses factors bearing on a determination that the Crossing Charge increases are "just and reasonable" and appropriate to meet MTA's financial needs; and

WHEREAS, the Board has considered all of the above.

NOW, THEREFORE, upon motion duly made and seconded, the following resolution is adopted by the Board:

RESOLVED, that the Authority hereby determines, for the reasons set forth in the EA and the Negative Declaration, that the proposed increases in the Crossing Charges of the Authority will not have a significant adverse impact on the environment and, accordingly, that no Environmental Impact Statement is required to be prepared in connection with such actions. A Negative Declaration as it applies to the new Crossing Charge Schedule is hereby approved and adopted and the President of the Authority or his designee is hereby authorized and

directed to execute, file and publish such Negative Declaration, as may be required by law.

RESOLVED, that the Crossing Charges for use of the facilities of the Authority, as increased by the amounts in the new Crossing Charge Schedule, are hereby found to be "just and reasonable."

New York, New York
December 19, 2012

Staff Summary

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|---------------------------|------------------------------|
| Subject | Crossing Charge Increases |
| Department | Law |
| Department Head Name | M. Margaret Terry <i>MMT</i> |
| Department Head Signature | |
| Project Manager Name | |

| | |
|--------------------------|-------------------|
| Date | December 11, 2012 |
| Vendor Name | N/A |
| Contract Number | N/A |
| Contract Manager Name | N/A |
| Table of Contents Ref. # | N/A |

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| Internal Approvals | | | |
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| Order | Approval | Order | Approval |
| 3 | President <i>JF/MMT</i> | | VP Procurement |
| | General Counsel | | VP Operations |
| 2 | Executive VP <i>[Signature]</i> | | VP Labor Relations |
| | VP Operations Support | | VP & Chief Engineer |

| Internal Approval (cont.) | | | | | | | |
|---------------------------|--|-------|-------------------------------|-------|---------------------------|-------|----------|
| Order | Approval | Order | Approval | Order | Approval | Order | Approval |
| 1 | Chief Financial Officer <i>[Signature]</i> | | Chief Security Officer | | Chief Maintenance Officer | | Other |
| | Chief Information Officer | | Chief Health & Safety Officer | | Affirmative Action | | Other |

PURPOSE: To obtain the Board's approval of the annexed Resolution which will (i) repeal the prior Crossing Charge Schedule and adopt a new Crossing Charge Schedule that increases Crossing Charges for use of the Authority facilities and (ii) authorize the President of the Authority or his designee to take all such steps that may be necessary and desirable to establish, implement and permanently adopt, pursuant to law, the new Crossing Charge Schedule.

DISCUSSION: On July 25, 2012, the Board authorized the Authority to take the requisite preliminary steps to implement a new Crossing Charge Schedule. Eight public hearings were conducted in November 2012, at which members of the public were invited to comment on proposed crossing charge increases. The public was also offered the opportunity to record videotaped comments at sessions in New York City and Dutchess, Nassau and Suffolk Counties, while written comments could be submitted via the MTA's website and through the mail. Notice of the proposed changes was separately published in the *State Register* on October 31, 2012, soliciting public comment. Complete transcripts of the hearings and the written and videotaped comments which were received have been distributed to Board members.

The attached proposed Crossing Charge Schedule (Attachment 1) recommended for Board adoption contains:

- An increase in the one-way passenger vehicle crossing charge for fare media other than New York E-ZPass Customer Service Center ("NYCSC") customers, commonly known as "cash," of \$1.00 for major facilities (at the Verrazano-Narrows Bridge ("VNB") the charge is westbound only resulting in an increase of \$2.00); of \$1.00 at the Henry Hudson Bridge; and of \$0.50 at the Rockaway Bridges;
- Increases for NYCSC E-ZPass customers of \$0.53 at major facilities (and \$1.06 at the VNB); \$0.24 at the Henry Hudson Bridge; and \$0.20 at the Rockaway Bridges;

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

- An increase of \$0.12 for registered Rockaway Residents using E-ZPass at the Rockaway Bridges; A \$6.36 toll for registered Staten Island Residents using E-ZPass at the VNB less than three trips per month; and a \$6.00 toll for Staten Island Residents using E-ZPass at the VNB three or more trips per month;
- Other statutory discounts are provided through token roll purchases at the Verrazano-Narrows and Rockaway Bridges; and
- Crossing charge increases for other classes of vehicles.

If approved, the new charges contained in the Schedule are planned for implementation on or about March 1, 2013.

The Board has been presented with a separate resolution, to be voted on prior to this Resolution (i) finding that the proposed increases will have no significant adverse effects on the environment within the meaning of the State Environmental Quality Review Act ("SEQRA"); (ii) adopting and approving a Negative Declaration; and (iii) finding that the proposed increases are just and reasonable within the meaning of the General Bridge Act of 1946.

Finally, the Board is asked to delegate to the President of the Authority or his designee authority to take all necessary and desirable steps to repeal the prior Part 1021.1 of Title 21 of the New York Codes, Rules and Regulations and implement and permanently adopt a new Part 1021.1 of Title 21 NYCRR to reflect the new Crossing Charge Schedule.

IMPACT ON FUNDING: The increases in the new Crossing Charge Schedule are projected to generate additional revenues of approximately \$113 million annually, which funds shall be utilized to subsidize mass transit.

RECOMMENDATION: It is recommended that the Board adopt and approve the attached Resolution repealing the prior Crossing Charge Schedule, establishing the new Crossing Charge Schedule and authorizing the President or his designee to take all steps to establish, implement and permanently adopt the Schedule, pursuant to law.

RESOLUTION

WHEREAS, on July 25, 2012, the Board authorized the President of the Triborough Bridge and Tunnel Authority (the Authority) and his designees to take requisite preliminary steps to implement a new Crossing Charge Schedule consistent with the MTA's financial needs; and

WHEREAS, notices of proposals to increase crossing charges were published on October 17, 2012 in *The New York Times*, *The Daily News*, *Newsday*, *The Journal News*, *The Poughkeepsie Journal*, *The Daily Challenge* and *El Diario*.

WHEREAS, hearings at which members of the public were invited to comment on the proposed toll changes were held at the Brooklyn Marriott at the Brooklyn Bridge, 333 Adams Street Brooklyn, on November 7, 2012; at Hostos Community College, Center for the Arts and Culture, 450 Grand Concourse, Bronx, on November 13, 2012; at the Baruch College Performing Arts Center, Mason Hall, 17 Lexington Avenue at 23rd Street, Manhattan, on November 13, 2012; at the Hilton Garden Inn Newburgh/Stewart Airport, 15 Crossroads Court, Newburgh, on November 14, 2012; at the Sheraton LaGuardia East Hotel, 135-20 39th Avenue, Flushing, Queens, on November 15, 2012; at the Westchester County Center, 198 Central Avenue, White Plains, on November 15, 2012; at the Melville Marriott, 1350 Walt Whitman Road, Melville, on November 27, 2012; and at the College of Staten Island, Center for the Arts, 2800 Victory Boulevard, Staten Island, on November 28, 2012;

WHEREAS, the public was offered the opportunity to record videotaped comments at the New York City Transit Authority in Brooklyn on November 8, 2012; at the Long Island Rail Road Hicksville Station on November 13, 2012; at the Metro-North Poughkeepsie Station on November 13, 2012; and at the Long Island Rail Road Ronkonkoma Station on November 14, 2012; and the public was invited to submit written comments via the MTA's website and through the mail;

WHEREAS, notice of proposed crossing charge increases was published in the *State Register* on October 31, 2012 and the public was invited to submit comments to the Authority; and

WHEREAS, transcripts of the public hearing proceedings and copies of the written and videotaped comments which were received from members of the public have been distributed to members of the Board;

WHEREAS, the Board has considered the testimony of the public at the public hearings and written and videotaped comments submitted to the Authority; and

WHEREAS, the Board, by resolution adopted December 19, 2012, found that the proposed Crossing Charge increases with respect to such action will have no significant adverse effects on the environment under the meaning of SEQRA, adopted and approved a Negative Declaration, authorized and directed the President of the Authority to execute said Negative Declaration and found the Crossing Charge increases to be "just and reasonable;"

NOW, THEREFORE, IT IS:

RESOLVED, that provided the Negative Declaration has been duly executed by the President of the Authority, or his designee, the Crossing Charge Schedule in the prior Part 1021.1 of Title 21 New York Codes, Rules and Regulations shall be and hereby is repealed and the new

Crossing Charge Schedule in the new Part 1021.1 of Title 21 New York Codes, Rules and Regulations, providing for certain increases in the Crossing Charge structure of the Authority, as set forth in the attachment to this resolution, shall be and hereby is adopted to be implemented on or about March 1, 2013; and be it further,

RESOLVED, that the President of the Authority or his designee is hereby fully authorized and directed to take such steps as may be necessary or desirable to repeal the prior Part 1021.1 of the New York Codes, Rules and Regulations and establish, implement and adopt the proposed Crossing Charge Schedule, annexed hereto, in the new Part 1021.1 of the New York Codes, Rules and Regulations, pursuant to law.

December 19, 2012
New York, New York

Part 1021.1 Crossing Charges

Attachment 1

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY CROSSING CHARGES

**A. E-ZPass Charges For E-ZPass New York Customer
Service Center Customers**

| | VERRAZANO- NARROWS BRIDGE (a) | ROBERT F. KENNEDY, BRONX-WHITESTONE, AND THROGS NECK BRIDGES AND QUEENS MIDTOWN AND HUGH L CAREY TUNNELS | HENRY HUDSON BRIDGE | MARINE PARKWAY-GIL HODGES MEMORIAL, AND CROSS-BAY VETERANS MEMORIAL BRIDGES |
|--|-------------------------------------|---|---------------------------|---|
| CLASSIFICATION | Crossing Charges | | | |
| 1 Two-axle vehicles, including: passenger vehicles, station wagons, self-propelled mobile homes, ambulances, hearses, vehicles with seating capacity of not more than 15 adult persons (including the driver) and trucks with maximum gross weight (MGW) of 7,000 lbs. and under | \$5.33 | \$5.33 | \$2.44 | \$2.00 |
| *Registered Staten Island Residents using an eligible vehicle taking 3 or more trips per month | \$3.00 | | | |
| *Registered Staten Island Residents using an eligible vehicle taking less than 3 trips per month | \$3.18 | | | |
| *Registered Rockaway Residents using an eligible vehicle | | | | \$1.31 |
| *Each additional axle costs | \$3.00 | \$3.00 | \$2.25 | \$2.25 |
| 2 All vehicles with MGW greater than 7,000 lbs. and buses (other than franchise buses using E-ZPass and motor homes) | | | | |
| *Two-axle vehicles | \$9.62 | \$9.62 | | \$4.81 |
| *Three-axle vehicles | \$15.76 | \$15.76 | | \$7.88 |
| *Four-axle vehicles | \$20.14 | \$20.14 | | \$10.07 |
| *Five-axle vehicles | \$26.26 | \$26.26 | | \$13.13 |
| *Six-axle vehicles | \$30.64 | \$30.64 | | \$15.32 |
| *Seven-axle vehicles | \$36.76 | \$36.76 | | \$18.38 |
| *Each additional axle | \$6.14 | \$6.14 | | \$3.07 |
| 3 Two-axle franchise buses | \$3.86 | \$3.86 | | \$1.92 |
| 4 Three-axle franchise buses | \$4.58 | \$4.58 | | \$2.41 |
| 5 Motorcycles | \$2.32 | \$2.32 | \$1.66 | \$1.66 |
| *Each additional axle | \$1.25 | \$1.25 | \$1.25 | \$1.25 |

See Footnotes on next page

The Authority reserves the right to determine whether any vehicle is of unusual or unconventional design, weight or construction and therefore not within any of the listed categories. The Authority also reserves the right to determine the crossing charge for any such vehicle of unusual or unconventional design, weight or construction.

Bicycles are not permitted over Bronx-Whitestone, Throgs Neck, Henry Hudson, and Verrazano-Narrows Bridges, or through the tunnels. Such vehicles may cross the Robert F. Kennedy, Marine Parkway-Gil Hodges Memorial and Cross Bay Veterans Memorial Bridges without payment of crossing charge, but must be walked across the pedestrian paths of such bridges.

Only vehicles authorized to use parkways are authorized to use the Henry Hudson Bridge. An unauthorized vehicle using the Henry Hudson Bridge must pay the Marine Parkway-Gil Hodges Memorial Bridge rate.

E-ZPass crossing charges apply to New York E-ZPass Customer Service Center customers only and are available subject to terms, conditions and agreements established by the Authority.

There are no residential restrictions with regard to enrollment as a TBTA Customer in the New York Customer Service Center.

(a) Under Verrazano-Narrows one-way crossing charge collection program, all per crossing charges shown should be doubled. Presently paid in westbound direction only.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY CROSSING CHARGES

B. For Fare Media Other Than E-ZPass Charges for
E-ZPass New York Customer Service Center Customers

| B. For Fare Media Other Than E-ZPass Charges for E-ZPass New York Customer Service Center Customers | | ROBERT F. KENNEDY, BRONX-WHITESTONE, AND THROGS NECK BRIDGES AND QUEENS MIDTOWN AND HUGH L CAREY TUNNELS | | HENRY HUDSON BRIDGE | | MARINE PARKWAY-GIL HODGES MEMORIAL, AND CROSS-BAY VETERANS MEMORIAL BRIDGES | |
|--|--|---|------------------|---------------------------|---------|---|--|
| CLASSIFICATION | | VERRAZANO- NARROWS BRIDGE (a) | Crossing Charges | | | | |
| 1 Two-axle vehicles, including: passenger vehicles, station wagons, self-propelled mobile homes, ambulances, hearses, vehicles with seating capacity of not more than 15 adult persons (including the driver) and trucks with maximum gross weight (MGW) of 7,000 lbs. and under | | \$7.50 | \$7.50 | \$5.00 | \$3.75 | | |
| The following discounted charges are available for eligible class 1 vehicles (f): | | | | | | | |
| *Prepaid charges through discount token roll purchase (f) | | | | | | \$2.50(d) | |
| *Prepaid charges per crossing for registered Staten Island Residents using an eligible vehicle with three or more occupants (HOV) | | \$1.48(b) | | | | | |
| *Prepaid charges per crossing for registered Staten Island Residents using an eligible vehicle through token roll purchase (f) | | \$4.2625(c) | | | | | |
| *Prepaid charges per crossing for registered Rockaway Peninsula/Broad Channel Residents using an eligible vehicle through token roll purchase | | | | | | \$1.7857(e) | |
| *Each additional axle costs | | \$3.00 | \$3.00 | \$2.25 | \$2.25 | | |
| 2 All vehicles with MGW greater than 7,000 lbs. and buses (other than franchise buses using E-ZPass and motor homes) | | | | | | | |
| *Two-axle vehicles | | \$15.00 | \$15.00 | | \$7.50 | | |
| *Three-axle vehicles | | \$24.00 | \$24.00 | | \$12.00 | | |
| *Four-axle vehicles | | \$31.00 | \$31.00 | | \$15.50 | | |
| *Five-axle vehicles | | \$40.00 | \$40.00 | | \$20.00 | | |
| *Six-axle vehicles | | \$47.00 | \$47.00 | | \$23.50 | | |
| *Seven-axle vehicles | | \$58.00 | \$58.00 | | \$29.00 | | |
| *Each additional axle | | \$9.00 | \$9.00 | | \$4.50 | | |
| 3 Two-axle franchise buses | | \$6.25 | \$6.25 | | \$3.00 | | |
| 4 Three-axle franchise buses | | \$7.25 | \$7.25 | | \$3.50 | | |
| 5 Motorcycles | | \$3.00 | \$3.00 | \$3.00 | \$3.00 | | |
| *Each additional axle | | \$1.25 | \$1.25 | \$1.25 | \$1.25 | | |

See Footnotes on next page

The Authority reserves the right to determine whether any vehicle is of unusual or unconventional design, weight or construction and therefore not within any of the listed categories. The Authority also reserves the right to determine the crossing charge for any such vehicle of unusual or unconventional design, weight or construction.

Bicycles are not permitted over Bronx-Whitestone, Throgs Neck, Henry Hudson, and Verrazano-Narrows Bridges, or through the tunnels. Such vehicles may cross the Robert F. Kennedy, Marine Parkway-Gil Hodges Memorial and Cross Bay Veterans Memorial Bridges without payment of crossing charge, but must be walked across the pedestrian paths of such bridges.

Only vehicles authorized to use parkways are authorized to use the Henry Hudson Bridge. An unauthorized vehicle using the Henry Hudson Bridge must pay the Marine Parkway-Gil Hodges Memorial Bridge rate.

- (a) Under Verrazano-Narrows one-way crossing charge collection program, all per crossing charges shown should be doubled. Presently paid in westbound direction only.
- (b) Sold as mail order 24 round trips for \$71.04.
- (c) Sold in-lane as 10 round trips for \$85.25.
- (d) Sold in-lane as 12 trips for \$30.00.
- (e) Sold in-lane as 14 trips for \$25.00.
- (f) Prepaid discount token roll sales may be discontinued when permissible.

Triborough Bridge and Tunnel Authority

NEGATIVE DECLARATION AND TYPE II DETERMINATION

Under the State Environmental Quality Review Act

For the 2013 Toll Adjustment and Related Action

I. Introduction

The Triborough Bridge and Tunnel Authority (“TBTA” or the “Authority”) has proposed to increase crossing charges at the nine facilities it operates within the City of New York, effective March 1, 2013 (the “Proposed Action”). The nine TBTA facilities that would be affected by the Proposed Action are the: Bronx Whitestone Bridge (“BWB”), Brooklyn Battery Tunnel (“BBT”)¹, Queens Midtown Tunnel (“QMT”), Throgs Neck Bridge (“TNB”), Robert F. Kennedy (“RFK”) Bridge, Verrazano Narrows Bridge (“VNB”), Henry Hudson Bridge (“HHB”), Cross Bay Veterans Memorial Bridge (“CBB”) and Marine Parkway Gil Hodges Memorial Bridge (“MPB”). For purposes of its toll structure, TBTA categorizes the BWB, BBT, QMT, TNB, the RFK Bridge and the VNB as “Major Facilities.” Because the VNB toll is collected only in one direction (Staten Island-bound) it is double the toll for the Major Facilities. The CBB and the MPB are “Minor Facilities.” The HHB has its own toll rate.

Attached as Exhibit A to this determination are two crossing charge schedules detailing the current toll rates and the proposed toll rates that would result from the toll increase that constitutes the Proposed Action. As shown in Exhibit A, the Proposed Action would result in the following rates for passenger vehicles at: the Major Facilities, a \$7.50 cash toll rate and a \$5.33 E-ZPass toll rate; the VNB, a \$15.00 cash toll rate and a \$10.66 E-ZPass toll rate; the HHB, a \$5.00 cash toll rate and a \$2.44 E-ZPass toll rate; and the Minor Facilities, a \$3.75 cash toll rate and a \$2.00 E-ZPass toll rate.² Charges for other vehicle classes would increase proportionately, and certain discounts would be available.

The primary reason for the Proposed Action is to allow TBTA to contribute additional funds to close the projected budget deficit for the Metropolitan Transportation Authority (“MTA”), pursuant to the MTA’s 2013-2016 Financial Plan. The MTA, its subsidiaries, and the New York City Transit Authority (“NYCTA”) are required by law to pay for operating expenses, debt servicing costs, maintenance, repairs and other costs from revenue and other funds actually available to them, and may not operate at a deficit.³ TBTA is permitted by law to generate surplus funds, after payment of all bond obligations, operating and administration, and other necessary expenses to

¹ On October 22, 2012, the BBT was renamed the Hugh L. Carey Tunnel, but for consistency with related documents it is referred to as the BBT in this document.

² In this document a “cash toll” rate refers to the toll rate charged for the use of any fare media other than E-ZPass by New York E-ZPass Customer Service Center (“NYCSC”) customers. Cash toll rates are charged to cash customers and non NYCSC E-ZPass customers (effective July 12, 2009) as well as to Tolls by Mail customers at the HHB during the All-Electronic Tolling pilot program which began on November 10, 2012. Only NYCSC E-ZPass customers are eligible for the E-ZPass toll rates.

³ Public Authorities Law § 1205(1), § 1266(3).

subsidize the mass transit system operated by the MTA, its subsidiaries, and NYCTA.⁴ Thus, surplus funds that would be generated by the Proposed Action would help support the continued operation of the integrated mass transit and commuter transportation systems operated by MTA, NYCTA and their subsidiaries.

II. State Environmental Quality Review Act Compliance and Related Issues

The Proposed Action constitutes “routine or continuing agency administration” exempt from the State Environmental Quality Review Act, Environmental Conservation Law § 8-0101 et seq. (“SEQRA”), and SEQRA’s implementing regulations appearing at 6 New York Code, Rules and Regulations (“N.Y.C.R.R.”) Part 617. *See* 6 N.Y.C.R.R. Section 617.5(c)(20), which incorporates “routine or continuing agency administration and management,” into the list of “Type II” actions that are “not subject to review” under SEQRA. Nevertheless, it is TBTA’s practice to review actions that would increase crossing charges at TBTA facilities as if they were subject to SEQRA. Accordingly, TBTA is acting as lead agency for purposes of conducting such an environmental review, and has prepared a detailed analysis, identifying each relevant area of environmental concern and assessing the effects of the Proposed Action on the areas so identified. The results of this analysis are described below in Section III.

A. Other Actions

1. 2013 Fare Increases

In parallel with the Proposed Action, fare increases, to be effective March 1, 2013, have been proposed for the following components of the MTA system: NYCTA; Long Island Rail Road (“LIRR”), Metro-North Railroad (“MNR”), MTA Bus Company and the Staten Island Rapid Transit Operating Authority. Fare increases adopted for these operating agencies are exempt from SEQRA review pursuant to Sections 1266 and 1266-c of the New York Public Authorities Law. To account for any cumulative impact caused by the potential simultaneous implementation of the Proposed Action and these fare increases, the background conditions used to evaluate the Proposed Action account for a small anticipated shift of transit riders to autos due to the proposed fare increases. *See* Section II.B below.

2. Possible Future Toll Increases

Each July MTA issues a preliminary budget for the next year and a financial plan for the three years that follow, which projects revenues, subsidies and expenses for the four-year period. The preliminary budget and financial plan are revised and updated in November, adopted by the MTA Board in December, and reissued as an adopted budget and financial plan in February of the following year to reflect additional adjustments and to establish a 12-month allocation of the adopted budget. This four-year financial planning process helps MTA identify its long-range goals and objectives for the operation of its services and facilities, and develop and refine its plan for funding those activities. The plan undergoes periodic review and adjustment throughout the year.

To help address projected deficits for future years, the 2013-2016 Financial Plan anticipates a potential toll increase in 2015 in addition to the Proposed Action. For purposes of forecasting

⁴ Public Authorities Law § 553(17), § 563.

revenues, these financial plans assume that any such toll increase would be coupled with a fare increase to yield an additional consolidated farebox and toll revenue of \$500 million. The 2013-2016 Financial Plan identifies the estimated yield from such a potential combined fare/toll increase as \$425 million in 2015 and \$515 million in 2016. However, no specific 2015 fare or toll schedule has been identified or proposed.

Due to the breadth and scale of the MTA system and the many sources of funds used to support it, virtually every element in the four-year financial plan is an estimate that is subject to further refinement. For example, revenues are a direct result of system usage, and certain subsidies are tied to taxes that fluctuate in response to economic conditions. To predict future income from such sources requires complex financial modeling involving present-day economic indicators that are constantly being updated. A similar approach is employed in predicting costs. Accordingly, MTA's financial plan is an evolving document which projects expenses, revenues and subsidies at a particular point in time, but is revised on an ongoing basis. It is for this reason that MTA updates its four-year financial plan periodically as each year progresses, as described above, to provide the most accurate predictions of its financial condition.

The identification of a possible future action in MTA's financial planning documents does not obligate TBTA to institute the projected 2015 toll increase. At present, there is no specific proposal for a 2015 toll increase under consideration by TBTA or MTA and any such increase may or may not ultimately be adopted by the TBTA Board. TBTA may elect to propose a toll increase sooner or later than 2015, and the amount of any required toll increase has not been determined. Moreover, operations at TBTA's toll plazas, including TBTA's method of toll collection, have undergone dramatic change and it can be expected that those operations will continue to evolve.

Accordingly, the Authority finds that any future specific proposal for a toll increase in or about 2015 should be analyzed and considered through a separate environmental review. Circumstances warrant a separate review of the environmental impacts of any proposed 2015 toll increase, in light of the uncertainties that exist with respect to any such proposal, as discussed above. In order to perform an environmental review of a possible 2015 toll increase, assumptions would have to be developed with respect to the timing of any future toll increase, the amount of such an increase (which would require assumptions to be made regarding the future state of the economy and potential MTA revenues from other sources, among many other things), and how such a toll increase would be allocated among vehicle types and applied to cash and E-ZPass tolls. Undertaking such a speculative environmental review in connection with the Proposed Action would be particularly inappropriate because MTA must achieve a balanced operating budget for 2013, and is expected to adopt that budget in December of 2012. Moreover, the adoption of the Proposed Action is independent of any future toll increase and will not make it any more likely that a toll increase would be implemented in 2015. On the contrary, the adoption of the Proposed Action will allow MTA to reap some benefit immediately from the resulting increased revenue and carry over such savings to subsequent years, thereby reducing future projected operating deficits. Moreover, MTA's ability to forecast the 2014, 2015 and 2016 operating budgets, refine the measures required to address deficits and assess the environmental effects of those measures will benefit from the availability of additional years of financial and other data. Therefore, the Authority finds that it is necessary and prudent, and no less protective of the environment, to separate the environmental review of the Proposed Action from the environmental review of any future toll increase.

B. The Environmental Assessment

To assist TBTA in undertaking an environmental review of the proposed toll increase, an environmental assessment form (“EAF”) has been prepared. In addition, TBTA engaged Stantec Consulting Services Inc. in association with AKRF Inc., to prepare a study analyzing the effect of the proposed toll increase, which together with the EAF, constitute the “Environmental Assessment” (“EA”). The EA evaluates the effects the Proposed Action would have on transportation and air quality,⁵ and the information and analyses contained in the EA are the basis for the determinations set forth herein. TBTA fully incorporates the EA by reference into this Negative Declaration. As discussed below, the EA demonstrates that the Proposed Action would not result in any large and/or important impacts and that the Proposed Action would have no significant adverse environmental impacts.

In order to provide the TBTA Board with flexibility to consider toll rates that would meet the needs of the MTA’s integrated transportation network, the EA presented various reasonable worst case toll increase scenarios derived from TBTA’s initial toll increase proposal. The two primary toll increase scenarios, designated as Toll Scenario 1 and Toll Scenario 2, respectively, are summarized in Table 1 below (which also appears in the EA as Table III-1). In addition to Toll Scenarios 1 and 2, two alternate toll scenarios are considered for the HHB, designated as Toll Scenario 1M and Toll Scenario 2M, respectively. Toll Scenario 1 has a lower cash toll increase than Scenario 2, but a higher toll increase for E-ZPass tolls. Toll Scenario 2, which is the equivalent of the toll increase proposed for passenger vehicles in TBTA’s initial toll increase proposal, has a higher cash toll increase but a lower E-ZPass toll increase than Toll Scenario 1. The EA also analyzed a range of potential E-ZPass toll rates, in combination with specific proposed cash toll rates, that deviated from the initially proposed E-ZPass toll rates by up to: +/- \$0.20 at the Major Facilities; +/- \$0.40 at the VNB for all NYCSC customers except for Staten Island Residents; +/- \$0.24 at the VNB for Staten Island Residents; +/- \$0.10 at the HHB; +/- \$0.07 at the Minor Facilities for all NYCSC customers except Rockaway Residents at the CBB; and +/- \$0.05 at the CBB for Rockaway Residents. EA at III-2.⁶

The toll increase scenarios presented in the EA represent a range of potential toll increases that were considered for the Proposed Action. The Proposed Action that is now before the TBTA Board for adoption consists of the cash toll increase represented by Scenario 2 and various E-ZPass toll rates that fall within the range of E-ZPass toll rates that were analyzed or were otherwise found not to result in any adverse impact. Accordingly, the toll structure of the Proposed Action was covered by the analyses in the EA. As discussed below, the Proposed Action would result in environmental effects that would be no greater than those resulting from the reasonable worst case scenarios analyzed in the EA in each of the areas of potential concern. Therefore, the conclusions from the EA are equally applicable to the Proposed Action. EA at II-3 to II-11, III-2 to III-6, IV-3 to IV-30.

⁵ Transportation and air quality were identified as the areas that would most likely be affected by the Proposed Action and that, therefore, should be subject to environmental analysis. See EA at I-1.

⁶ All page and table references in this Negative Declaration refer to the December 2012 Environmental Assessment prepared by Stantec Consulting Services Inc. and AKRF Inc., for TBTA.

Table 1
Summary of Proposed Toll Rate Scenarios Analyzed in the EA
Passenger Cars

| Scenario | Payment Method | Verrazano Narrows Bridge(1) | Major Facilities(2) | Minor Facilities(3) | Henry Hudson Bridge |
|--|---------------------------------------|-----------------------------|---------------------|---------------------|---------------------|
| Current | Cash(4) | \$13.00 | \$6.50 | \$3.25 | \$4.00 |
| | E-ZPass | \$9.60 | \$4.80 | \$1.80 | \$2.20 |
| | E-ZPass (RR Toll Rate) (5) | | | \$1.19 | |
| | E-ZPass (SI Toll Rate) (6) | \$5.76 | | | |
| 1 | Cash(4) | \$14.00 | \$7.00 | \$3.50 | \$4.50 |
| | E-ZPass Toll Range | \$10.42-\$11.22 | \$5.21-\$5.61 | \$1.96-\$2.10 | \$2.38-\$2.58 |
| | E-ZPass Toll Range (RR Toll Rate) (5) | | | \$1.29-\$1.39 | |
| | E-ZPass Toll Range (SI Toll Rate) (6) | \$6.25-\$6.73 | | | |
| 2 | Cash(4) | \$15.00 | \$7.50 | \$3.75 | \$5.00 |
| | E-ZPass Toll Range | \$10.20-\$11.00 | \$5.10-\$5.50 | \$1.92-\$2.06 | \$2.33-\$2.53 |
| | E-ZPass Toll Range (RR Toll Rate) (5) | | | \$1.26-\$1.36 | |
| | E-ZPass Toll Range (SI Toll Rate) (6) | \$6.12-\$6.60 | | | |
| 1M | Cash(4) | | | | \$4.25 |
| | E-ZPass Toll Range | | | | \$2.38-\$2.58 |
| 2M | Cash(4) | | | | \$4.50 |
| | E-ZPass Toll Range | | | | \$2.33-\$2.53 |
| Notes: (1) Double tolls collected one-way at the VNB SI-bound; no tolls collected Brooklyn-bound. (2) Major Facilities – BWB, BBT, QMT, RFK, and TNB. (3) Minor Facilities – CBB and MPB. (4) Cash rate applies to E-ZPass customers not having an account with the New York Customer Service Center and to Tolls by Mail customers during the All-Electronic Tolling Pilot at the HHB. (5) RR – Rockaway Resident (including residents of Broad Channel) toll rate, applicable to Minor Facilities (CBB, MPB) only. (6) SI – Staten Island Resident toll rate, applicable to VNB only. | | | | | |

The EA revealed that the major effect of the Proposed Action at the TBTA facilities would be a reduction in traffic volumes due to the elimination or consolidation of trips (“shrinkage”), the migration of drivers to mass transit, and diversion of traffic to non-tolled routes and facilities. *See* EA at IV-11 to IV-25. Also, according to the EA, a toll increase could affect plaza operations by changing cash transaction times.⁷ The Proposed Action, however, would not change whole-dollar amount tolls to change-making amounts at any facility. The EA further indicated that by causing some drivers to avoid the increased tolls by diverting to non-tolled facilities, the Proposed Action would affect traffic and air quality conditions along the non-tolled alternate routes.

The EA examined the environmental consequences of each of these anticipated effects of the proposed toll increase. Because several toll increase scenarios were under consideration, the EA identified the expected reasonable worst case traffic and air quality impacts that would result from the toll increase scenarios that were being considered on: (i) plaza operations at the TBTA Facilities; and (ii) along the non-tolled alternate routes. *See* EA at IV-1 to IV-30.

⁷ For example, individual cash toll collection transaction times could increase under circumstances where the cash toll goes from a whole-dollar amount (involving only bills) to a change-making amount (involving bills and coins), and such an increase in the time required for cash transactions would tend to cause additional delays, and possibly increased queuing and mobile source emissions at the TBTA toll plazas.

With respect to the TBTA plaza conditions, the EA identified the scenario that presents the reasonable worst case for causing traffic and air quality impacts at and in the vicinity of the affected toll plazas, which is identified in the EA as the “Minimum Toll Increase Scenario,” because it would result from the lowest proposed toll increase (resulting in the lowest level of diversions and the highest volumes of plaza traffic). EA at IV-5 to IV-6. The EA compared traffic and air quality conditions under the Minimum Toll Increase Scenario to the 2013 No Action condition. The EA provides the basis for finding that the effects of the Proposed Action on plaza operations and air quality in the vicinity of the toll plazas would be less than the Minimum Toll Increase Scenario. *See* EA at IV-5 to IV-8. Further details regarding the development and analysis of the Minimum Toll Increase Scenario can be found in the EA. EA at II-6 to II-11, III-2 to III-6.

Similarly, the EA identified the reasonable worst case scenario for causing diversions to non-tolled facilities, which is identified in the EA as the “Maximum Toll Increase Scenario,” because it would result from the highest proposed toll increase (resulting in the highest amount of diversions to non-tolled facilities). EA at IV-3 to IV-5. The EA compared the traffic and air quality conditions on diversion routes that would result under the Maximum Toll Increase Scenario to those that would exist under the 2013 No Action condition. The analysis in the EA provides the basis for finding that the effects of the Proposed Action along diversion routes would be less than the Maximum Toll Increase Scenario. EA at IV-3 to IV-8. Further details regarding the development and analysis of the Maximum Toll Increase Scenario can be found in the EA. EA at II-6 to II-11, III-2 to III-6.

The 2013 No Action condition assumed in the analyses accounts for any background traffic growth associated with MTA’s proposed 2013 fare increases. *See* EA at IV-10.

III. Consideration of Impacts Resulting from the Proposed Action

A. Toll Plaza Conditions

The EA presents a detailed analysis of traffic and air quality impacts that would result from the reasonable worst case scenarios considered for the Proposed Action at each of the TBTA toll plazas. As discussed above, the Proposed Action would have impacts no greater than the Minimum Toll Increase Scenario, which would yield the greatest impacts at each of the TBTA toll plazas analyzed in the EA. It is expected that the Proposed Action, like the Minimum Toll Increase Scenario, would improve slightly operations and air quality at the toll plazas as compared to the No Action condition. EA at IV-11 to IV-25. Following is a summary of the EA’s conclusions concerning these effects.

1. Bronx Whitestone Bridge

a. Effect on Plaza Operations

Under both the Minimum Toll Increase Scenario and the Proposed Action, toll plaza operations at the BWB would improve slightly due to fewer vehicles at the toll plaza as compared with the No Action condition, despite transaction times being expected to remain the same. It is expected that transaction times for change making would not be different because the current change-making cash toll (\$6.50) would continue to be a change-making amount (requiring bills and

coins) under the Proposed Action (\$7.50). As a result, no adverse impacts on plaza operations or its approaches are expected. EA at V.1-10.

b. Effect on Air Quality

Under both the Minimum Toll Increase Scenario and the Proposed Action, it is expected that there would be a minor reduction in vehicular emissions at the BWB due to the reduction in traffic volumes and associated idling times, despite transaction times being expected to remain the same. As a result, no adverse air quality impacts are expected. EA at V.1-10 to V.1-11.

2. Brooklyn Battery Tunnel

a. Effect on Plaza Operations

Under both the Minimum Toll Increase Scenario and the Proposed Action, toll plaza operations at the BBT would improve slightly due to fewer vehicles at the toll plaza as compared with the No Action condition, despite transaction times being expected to remain the same. It is expected that transaction times for change making would not be different because the current change-making cash toll (\$6.50) would continue to be a change-making amount (requiring bills and coins) under the Proposed Action (\$7.50). As a result, no adverse impacts on plaza operations or its approaches are expected. EA at V.2-10.

b. Effect on Air Quality

Under both the Minimum Toll Increase Scenario and the Proposed Action, it is expected that there would be a minor reduction in vehicular emissions at the BBT due to the reduction in traffic volumes and associated idling times, despite transaction times being expected to remain the same. As a result, no adverse air quality impacts are expected. EA at V.2-10 to V.2-11.

3. Cross Bay Bridge

a. Effect on Plaza Operations

Under both the Minimum Toll Increase Scenario and the Proposed Action, toll plaza operations at the CBB would improve slightly due to fewer vehicles at the toll plaza as compared with the No Action condition, despite transaction times being expected to remain the same. It is expected that transaction times for change making would not be different because the current change-making cash toll (\$3.25) would continue to be change-making amount (requiring bills and coins) under the Proposed Action (\$3.75). As a result, no adverse impacts on plaza operations or its approaches are expected. EA at V.3-11.

b. Effect on Air Quality

Under both the Minimum Toll Increase Scenario and the Proposed Action, it is expected that there would be a minor reduction in vehicular emissions at the CBB due to the reduction in traffic volumes and associated idling times, despite transaction times being expected to remain the same. As a result, no adverse air quality impacts are expected. EA at V.3-12.

4. Henry Hudson Bridge

a. Effect on Plaza Operations

With the Proposed Action, toll plaza operations at the HHB would improve slightly due to fewer vehicles at the toll plaza as compared with the No Action condition, despite transaction times being expected to remain the same. It is expected that transaction times for change making would not be different because the current whole-dollar cash toll (\$4.00) would continue to be a whole-dollar amount (requiring bills) under the Proposed Action (\$5.00). As a result, no adverse impacts on plaza operations or its approaches are expected. EA at V.4-10 to V.4-12.

b. Effect on Air Quality

Under both the Minimum Toll Increase Scenario and the Proposed Action, it is expected that there would be a minor reduction in vehicular emissions at the HHB due to the reduction in traffic volumes and associated idling times, despite transaction times being expected to remain the same. As a result, no adverse air quality impacts are expected. EA at V.4-12 to V.4-13.

5. Marine Parkway Bridge

a. Effect on Plaza Operations

Under both the Minimum Toll Increase Scenario and the Proposed Action, toll plaza operations at the MPB would improve slightly due to fewer vehicles at the toll plaza as compared with the No Action condition, despite transaction times being expected to remain the same. It is expected that transaction times for change making would not be different because the current change-making cash toll (\$3.25) would continue to be a change-making amount (requiring bills and coins) under the Proposed Action (\$3.75). As a result, no adverse impacts on plaza operations or its approaches are expected. EA at V.5-11.

b. Effect on Air Quality

Under both the Minimum Toll Increase Scenario and the Proposed Action, it is expected that there would be a minor reduction in vehicular emissions at the MPB due to the reduction in traffic volumes and associated idling times, despite transaction times being expected to remain the same. As a result, no adverse air quality impacts are expected. EA at V.5-11 to V.5-12.

6. Queens Midtown Tunnel

a. Effect on Plaza Operations

Under both the Minimum Toll Increase Scenario and the Proposed Action, toll plaza operations at the QMT would improve slightly due to fewer vehicles at the toll plaza as compared with the No Action condition, despite transaction times being expected to remain the same. It is expected that transaction times for change making would not be different because the current change-making cash toll (\$6.50) would continue to be a change-making amount (requiring bills and coins) under the Proposed Action (\$7.50). As a result, no adverse impacts on plaza operations or its approaches are expected. EA at V.6-10.

b. Effect on Air Quality

Under both the Minimum Toll Increase Scenario and the Proposed Action, it is expected that there would be a minor reduction in vehicular emissions at the QMT due to the reduction in traffic volumes and associated idling times, despite transaction times being expected to remain the same. As a result, no adverse air quality impacts are expected. EA at V.6-10 to V.6-11.

7. Robert F. Kennedy Bridge – Bronx Plaza

a. Effect on Plaza Operations

Under both the Minimum Toll Increase Scenario and the Proposed Action, toll plaza operations at the RFK-Bronx Plaza would improve slightly due to fewer vehicles at the toll plaza as compared with the No Action condition, despite transaction times being expected to remain the same. It is expected that transaction times for change making would not be different because the current change-making cash toll (\$6.50) would continue to be a change-making amount (requiring bills and coins) under the Proposed Action (\$7.50). As a result, no adverse impacts on plaza operations or its approaches are expected. EA at V.7-10.

b. Effect on Air Quality

Under both the Minimum Toll Increase Scenario and the Proposed Action, it is expected that there would be a minor reduction in vehicular emissions at the RFK-Bronx Plaza due to the reduction in traffic volumes and associated idling times, despite transaction times being expected to remain the same. As a result, no adverse air quality impacts are expected. EA at V.7-10 to V.7-11.

8. Robert F. Kennedy Bridge – Manhattan Plaza

a. Effect on Plaza Operations

Under both the Minimum Toll Increase Scenario and the Proposed Action, toll plaza operations at the RFK-Manhattan Plaza would improve slightly due to fewer vehicles at the toll plaza as compared with the No Action condition, despite transaction times being expected to remain the same. It is expected that transaction times for change making would not be different because the current change-making cash toll (\$6.50) would continue to be a change-making amount (requiring bills and coins) under the Proposed Action (\$7.50). As a result, no adverse impacts on plaza operations or its approaches are expected. EA at V.8-10.

b. Effect on Air Quality

Under both the Minimum Toll Increase Scenario and the Proposed Action, it is expected that there would be a minor reduction in vehicular emissions at the RFK-Manhattan Plaza due to the reduction in traffic volumes and associated idling times, despite transaction times being expected to remain the same. As a result, no adverse air quality impacts are expected. EA at V.8-10 to V.8-11.

9. Throgs Neck Bridge

a. Effect on Plaza Operations

Under both the Minimum Toll Increase Scenario and the Proposed Action, toll plaza operations at the TNB would improve slightly due to fewer vehicles at the toll plaza as compared with the No Action condition, despite transaction times being expected to remain the same. It is expected that transaction times for change making would not be different because the current change-making cash toll (\$6.50) would continue to be a change-making amount (requiring bills and coins) under the Proposed Action (\$7.50). As a result, no adverse impacts on plaza operations or its approaches are expected. EA at V.9-10.

b. Effect on Air Quality

Under both the Minimum Toll Increase Scenario and the Proposed Action, it is expected that there would be a minor reduction in vehicular emissions at the TNB due to the reduction in traffic volumes and associated idling times, despite transaction times being expected to remain the same. As a result, no adverse air quality impacts are expected. EA at V.9-10 to V.9-11.

10. Verrazano Narrows Bridge

a. Effect on Plaza Operations

Under both the Minimum Toll Increase Scenario and the Proposed Action, toll plaza operations at the VNB would improve slightly due to fewer vehicles at the toll plaza as compared with the No Action condition, despite transaction times being expected to remain the same. It is expected that transaction times for change making would not be different because the current whole-dollar cash toll (\$13.00) would continue to be a whole-dollar amount (requiring bills) under the Proposed Action (\$15.00). It should be noted that the EA states that this conclusion would be valid even if an E-ZPass toll rate for Staten Island Residents was adopted that is lower than the range of E-ZPass toll rates for Staten Island Residents analyzed by the EA, which is the case with the Proposed Action. The EA makes this conclusion because such a toll rate would not affect E-ZPass transaction times and sufficient capacity exists at the toll plaza for these transactions. As a result, no adverse impacts on VNB plaza operations or its approaches are expected. EA at V.10-11.

b. Effect on Air Quality

Under both the Minimum Toll Increase Scenario and the Proposed Action, it is expected that there would be a minor reduction in vehicular emissions at the VNB due to the reduction in traffic volumes and associated idling times, despite transaction times being expected to remain the same. As a result, no adverse air quality impacts are expected. EA at V.10-12.

B. Predicted Diversion Volumes

1. Bronx Whitestone Bridge

The EA analyzed the Maximum Toll Increase Scenario and estimated that peak period traffic volumes at the BWB would decrease by about 1.8 percent. This reduction would translate into a decrease of 472 vehicles during the peak periods. Specifically, traffic during the AM peak hour (8 to

9 AM) is estimated to decrease by 35 vehicles Bronx-bound and 27 vehicles Queens-bound. During the PM peak hour (4 to 5 PM), the loss of traffic is estimated to be 29 vehicles Bronx-bound and 36 vehicles Queens-bound. EA at V.1-6. Some of these vehicles would divert to the Queensboro Bridge. EA at V.1-8. Impacts of traffic diverted from the BWB along the diversion routes are discussed in Section III.C., below.

2. Brooklyn Battery Tunnel

The EA analyzed the Maximum Toll Increase Scenario and estimated that peak period traffic volumes at the BBT would decrease by about 5.6 percent. This reduction would translate into a decrease of 762 vehicles during the peak periods. Specifically, traffic during the AM peak hour (8 to 9 AM) is estimated to decrease by 87 vehicles Manhattan-bound and by 20 vehicles Brooklyn-bound. During the PM peak hour (5 to 6 PM), the loss of traffic is estimated to be 37 vehicles Manhattan-bound and 70 vehicles Brooklyn-bound. EA at V.2-6. Some of these vehicles would divert to the Brooklyn Bridge, the Manhattan Bridge or the Williamsburg Bridge. EA at V.2-8. Impacts of traffic diverted from the BBT at locations along the diversion routes are discussed in Section III.C., below.

3. Cross Bay Bridge

The EA analyzed the Maximum Toll Increase Scenario and estimated that peak period traffic volumes at the CBB would decrease by about 1.1 percent. This reduction would translate into a decrease of 117 vehicles during the peak periods. Specifically, traffic during the AM peak hour (7 to 8 AM) is estimated to decrease by 12 vehicles Queens-bound and by 5 vehicles Rockaway-bound. During the PM peak hour (3 to 4 PM), the loss of traffic is estimated to be 8 vehicles Queens-bound and 8 vehicles Rockaway-bound. EA at V.3-7. Some of these vehicles would divert to the Nassau Expressway. EA at V.3-9. Impacts of traffic diverted from the CBB at locations along the diversion routes are discussed in Section III.C., below.

4. Henry Hudson Bridge

The EA analyzed the Maximum Toll Increase Scenario and estimated that peak period traffic volumes at the HHB would decrease by about 4.9 percent. This reduction would translate into a decrease of 863 vehicles during the peak periods, with the highest reductions in volume occurring during 8 to 9 AM in the morning and 5 to 6 PM in the afternoon. The AM peak hour traffic (8 to 9 AM) is estimated to decrease by 73 vehicles Manhattan-bound and by 39 vehicles Bronx-bound. During the PM peak hour (5 to 6 PM), the loss of traffic is estimated to be 68 vehicles Manhattan-bound and 66 vehicles Bronx-bound. EA at V.4-6. Some of these vehicles would divert to the Broadway Bridge. EA at V.4-8. Impacts of traffic diverted from the HHB at locations along the diversion routes are discussed in Section III.C., below.

5. Marine Parkway Bridge

The EA analyzed the Maximum Toll Increase Scenario and estimated that peak period traffic volumes at the MPB would decrease by about 1.6 percent. This reduction would translate into a decrease of 92 vehicles during the peak periods. Specifically, traffic during the AM peak hour (7 to 8 AM) is estimated to decrease by 10 vehicles Brooklyn-bound and by 3 vehicles Rockaway-bound. During the PM peak hour (5 to 6 PM), the loss of traffic is estimated to be 5 vehicles Brooklyn-

bound and 8 vehicles Rockaway-bound. EA at V.5-7. Some of these vehicles would divert to Rockaway Boulevard, Nassau Expressway, or the Rockaway Freeway. EA at V.5-9. Impacts of traffic diverted from the MPB at locations along the diversion routes are discussed in Section III.C., below.

6. Queens Midtown Tunnel

The EA analyzed the Maximum Toll Increase Scenario and estimated that peak period traffic volumes at the QMT would decrease by about 3.0 percent. This reduction would translate into a decrease of 624 vehicles during the peak periods. Specifically, traffic during the AM peak hour (8 to 9 AM) is estimated to decrease by 62 vehicles Manhattan-bound and 20 vehicles Queens-bound. During the PM peak hour (5 to 6 PM), the loss of traffic is estimated to be 45 vehicles Manhattan-bound and 42 vehicles Queens-bound. EA at V.6-6. It is expected that most of these vehicles would divert to the Queensboro Bridge. EA at V.6-8. Impacts of traffic diverted from the QMT along the diversion routes are discussed in Section III.C., below.

7. Robert F. Kennedy Bridge – Bronx Plaza

The EA analyzed the Maximum Toll Increase Scenario and estimated that peak period traffic volumes at the RFK-Bronx Plaza would decrease by about 2.1 percent. This reduction would translate into a decrease of 393 vehicles during the peak periods. Specifically, traffic during the AM peak hour (7 to 8 AM) is estimated to decrease by 27 vehicles Bronx-bound and 27 vehicles Queens-bound. During the PM peak hour (3 to 4 PM), the loss of traffic is estimated to be 24 vehicles Bronx-bound and 27 vehicles Queens-bound. EA at V.7-6. It is expected that some of these vehicles would divert to the Queensboro Bridge and another non-tolled crossing. EA at V.7-8. Impacts of traffic diverted from the RFK-Bronx Plaza along the diversion routes are discussed in Section III.C., below.

8. Robert F. Kennedy Bridge – Manhattan Plaza

The EA analyzed the Maximum Toll Increase Scenario and estimated that peak period traffic volumes at the RFK-Manhattan Plaza would decrease by about 3.4 percent. This reduction would translate into a decrease of 758 vehicles during the peak periods. Specifically, traffic during the AM peak hour (8 to 9 AM) is estimated to decrease by 64 vehicles Manhattan-bound and 37 vehicles Queens/Bronx-bound. During the PM peak hour (3 to 4 PM), the loss of traffic is estimated to be 52 vehicles Manhattan-bound and 51 vehicles Queens/Bronx-bound. EA at V.8-6. It is expected that some of these vehicles would divert to the Queensboro Bridge and another non-tolled crossing. EA at V.8-8. Impacts of traffic diverted from the RFK-Manhattan Plaza along the diversion routes are discussed in Section III.C., below.

9. Throgs Neck Bridge

The EA analyzed the Maximum Toll Increase Scenario and estimated that peak period traffic volumes at the TNB would decrease by about 1.7 percent. This reduction would translate into a decrease of 491 vehicles during the peak periods. Specifically, traffic during the AM peak hour (7 to 8 AM) is estimated to decrease by 40 vehicles Bronx-bound and 28 vehicles Queens-bound. During the PM peak hour (4 to 5 PM), the loss of traffic is estimated to be 25 vehicles Bronx-bound and 38 vehicles Queens-bound. EA at V.9-6. It is expected that some of these vehicles would divert to the

Queensboro Bridge. EA at V.9-8. Impacts of traffic diverted from the TNB along the diversion routes are discussed in Section III.C., below.

10. Verrazano Narrows Bridge

The EA analyzed the Maximum Toll Increase Scenario and estimated that peak period traffic volumes at the VNB would decrease by about 2.0 percent. This reduction would translate into a decrease of 454 vehicles during the peak periods. Specifically, traffic during the AM peak hour (8 to 9 AM) is estimated to decrease by 44 vehicles Staten Island-bound. During the PM peak hour (5 to 6 PM), the loss of traffic is estimated to be 78 vehicles Staten Island -bound. EA at V.10-7. It is expected that some of these vehicles would divert to the indirect untolled routes between Brooklyn and New Jersey. EA at V.10-9. Impacts of traffic diverted from the VNB along the diversion routes are discussed in Section III.C., below.

C. Effect of Traffic Diversions on Conditions at Critical Locations

The EA presents a detailed analysis of traffic and air quality impacts that would result from the Proposed Action along the diversion routes under the Maximum Toll Increase Scenario. The Proposed Action, as adopted, would have impacts on traffic and air quality along the diversion routes that are no greater than those examined in the EA under the Maximum Toll Increase Scenario. EA at IV-3 to IV-5.

The EA includes a detailed analysis of the effect of the Maximum Toll Increase Scenario on traffic and air quality conditions along four traffic corridors representing the primary diversion corridors serving non-tolled crossings: (1) Canal Street via the Manhattan Bridge, Brooklyn Bridge and BBT; (2) 59th Street and vicinity via the Queensboro Bridge; (3) Broadway, between Dyckman and West 231st Street, via the Broadway Bridge; and (4) the Rockaways via Rockaway Boulevard/Turnpike and the Nassau Expressway. EA at IV-26 to IV-27, VI-1. These corridors were determined to be the locations with the greatest potential for impacts from traffic diverted from the TBTA facilities under the Maximum Toll Increase Scenario. EA at IV-26. A total of 37 critical intersections and 242 movements (i.e., lane groupings within intersections) were analyzed in the EA. EA at VI-28 to VI-29.

As discussed below, based upon the traffic analyses at these four representative, reasonable worst case study areas, it can be concluded that, in general, traffic diversions due to the Maximum Toll Increase Scenario would be small and would result in insignificant increases in delays at affected intersections. Increased delays at each of the affected intersections would be below the New York State Department of Transportation (“NYSDOT”) guidelines for determining acceptable traffic operations. Increased delays also would generally be below the City Environmental Quality Review (“CEQR”) Technical Manual thresholds, which are not binding upon State public benefit corporations such as the TBTA. It should be noted that, in addition, the CEQR Technical Manual traffic thresholds are intended to apply to the analysis of traffic generated by projects or new developments and are, therefore, not applicable to the analysis of effects resulting from the diversion of existing traffic. Nevertheless, the Authority has elected to consider the CEQR Technical Manual thresholds along with other factors in assessing traffic impacts of diversions. As discussed below, at the few locations where CEQR thresholds would be exceeded the additional delays associated with these exceedances would not result in any significant traffic impacts. EA at VI-19 to VI-29.

1. Traffic Diversions to Canal Street Area

Because of the one way toll collection Staten Island-bound on the VNB and the lack of tolls New Jersey-bound at the facilities operated by the Port Authority of New York and New Jersey, cars and trucks could potentially avoid tolls entirely in the west-bound direction by diverting across the non-tolled East River Bridges to the Holland Tunnel (or the Lincoln Tunnel). Therefore, a portion of the traffic diverted from the Verrazano Narrows Bridge is expected to use the Manhattan Bridge, the Brooklyn Bridge, or the BBT (with a toll lower than at the VNB) to gain access to the Holland Tunnel, with a portion using Canal Street. No tolls are collected Brooklyn-bound on the VNB and, therefore, no diversions are anticipated in the east-bound direction. EA at VI-1 to VI-2.

It is estimated that approximately 50 percent of diverted trips would use the BBT in traveling to the Holland Tunnel, via West Street and Canal Street. Approximately 40 percent of the diversions would use the Brooklyn Bridge, which is the non-tolled facility assumed to be preferred choice for passenger cars traveling to the Holland Tunnel via 6th Avenue and Canal Street. Diverted trucks would use the Manhattan Bridge (since trucks are not allowed on the Brooklyn Bridge) and proceed to the Holland Tunnel via Canal Street. There is congestion along Canal Street, especially in the west-bound direction approaching the Holland Tunnel during the PM peak hour, with speeds averaging less than 5 miles per hour, reducing the attractiveness of this alternative route. Therefore, diversions from the VNB and the BBT are most likely to occur during the off-peak and nighttime periods when traffic along Canal Street is less congested. EA at VI-2.

In addition, traffic that would divert from the BBT due to the Proposed Action is expected to use either the Brooklyn Bridge or Manhattan Bridge to enter Manhattan and access the Holland Tunnel via either Canal Street or Watts Street. Based on existing commercial and office land usage in Lower Manhattan as well as a PANYNJ-TBTA vehicle tag match analysis, approximately 25 percent of trips using the BBT would potentially use Canal Street as part of their route to the Holland Tunnel; the remaining 75 percent of the diverted trips from the BBT are destined outside of the Canal Street corridor and would primarily use the Brooklyn Bridge as an alternate route. EA at VI-4.

It is estimated that 90 percent of trips diverted from the BBT to the Canal Street corridor would be passenger cars, all of which are expected to use the Brooklyn Bridge. Approximately 67 percent of passenger car trips would continue traveling via 6th Avenue to Canal Street (or Watts Street) and through the Holland Tunnel to New Jersey. The remaining 33 percent of passenger car trips would travel via the Battery Park underpass and the West Side Highway to Canal Street and the Holland Tunnel; these trips would not impact the Canal Street study area since the diverted traffic rejoins its original route. The remaining 10 percent of trips diverted to the Canal Street corridor from the BBT would be trucks; since trucks are not allowed on the Brooklyn Bridge, all truck trips would divert to the Manhattan Bridge and access the Holland Tunnel via Canal Street. EA at VI-4.

There is congestion along Canal Street, especially in the westbound direction approaching the Holland Tunnel during the PM peak hour thereby reducing the attractiveness of this alternative route. In addition, there is significant congestion along the Brooklyn-Queens Expressway between Atlantic Avenue and Flatbush Avenue approaching the toll-free Brooklyn Bridge and Manhattan Bridge. Therefore, diversions from the Brooklyn Battery Tunnel are most likely during the off-peak and nighttime periods when traffic along Canal Street is less congested. It is estimated that the peak period diversion rate would be one half of the daily diversion rate. EA at VI-4.

The EA provides estimates of total traffic diversions to Canal Street via the Manhattan Bridge, Brooklyn Bridge and BBT due to the anticipated diversions from the VNB and BBT. During the AM peak hour, a total of 28 vehicles are expected to divert in the west-bound direction. During the PM peak hour, a total of 36 vehicles would divert west-bound. The Midday peak hour diversions would be higher than the AM and PM diversions because the Canal Street corridor would be less congested during that period. During the Midday peak period, a total of 68 vehicles would divert west-bound. EA at VI-5.

Since traffic diversions to the Canal Street corridor are relatively small, the increase in average delay at analyzed intersections during the AM, Midday, and PM peak hours would be generally less than 1 second. The highest increase in average intersection delay is 1.5 seconds, at the intersection of Canal Street and Hudson Street/Holland Tunnel during the Midday peak hour, which is well under the 5 second NYSDOT significance threshold. Therefore, the proposed toll increase at the Verrazano Narrows Bridge and the Brooklyn Battery Tunnel would not result in traffic impacts that would exceed the NYSDOT criteria for significance along the Canal Street corridor. EA at VI-22.

The application of the more stringent CEQR traffic criteria for significance would be exceeded at only one lane grouping (during one analysis period) at the Canal Street and Hudson Street/Holland Tunnel. At the east-bound left turn movement during the PM peak hour, 12 vehicles would be added and there would be 5.6 seconds of additional delay, which would exceed the CEQR criteria by .6 seconds. As stated in the EA, this exceedance is not considered significant for the following reasons: (i) the exceedance would occur at only one approach, and the intersection as a whole would continue to operate under the same LOS; (ii) the additional average intersection delay of 1 second is well within the NYSDOT guideline of 5 seconds or less; (iii) only 12 vehicles would be added to the east-bound left turn movement during the PM peak hour, amounting to less than 1 additional vehicle per signal cycle; and (iv) traffic control agents are routinely deployed at this intersection during the peak periods to optimize intersection performance and control access into the Holland Tunnel to New Jersey. Therefore, any increase in delay is expected to be lower than predicted in the EA analysis. EA at VI-22. Accordingly, the Proposed Action would not have a significant adverse effect on traffic as a result of diversions affecting the Canal Street corridor.

In addition, the EA revealed that these diversions would not cause estimated concentrations of carbon monoxide ("CO") near the Holland Tunnel at Canal Street and 6th Avenue to increase (because the potential increase was lower than the model's precision and lower than monitoring detectable limits). EA at VII-18. This location is considered to represent the area with the highest potential air quality impact from diversions destined towards the Holland Tunnel. EA at VII-16. Accordingly, the Maximum Toll Increase scenario at the VNB and the BBT would not result in any significant air quality impacts with respect to CO due to the diversion of traffic. EA at VII-18. In addition, the EA found that the highest predicted concentrations for particulate matter less than 2.5 microns ("PM_{2.5}") and particulate matter less than 10 microns ("PM₁₀") would not result in any violations of the National Ambient Air Quality Standards ("NAAQS") for these pollutants or any significant impacts on air quality. EA at VII-18 to VII-19.

2. Traffic Diversions to the Queensboro Bridge and Vicinity

The traffic corridor using the Queensboro Bridge/59th Street Bridge is the primary diversion route for the QMT, RFK Bridge, BWB and TNB. Diverted traffic from these facilities is expected

to use the Queensboro Bridge and then one of the non-tolled bridges in Manhattan to gain access to the Bronx or the George Washington Bridge. EA at VI-6.

There is congestion during the peak periods along this corridor, especially during the PM peak. Therefore, diversions to the Queensboro Bridge are most likely to occur during the off-peak and nighttime periods when traffic on the 59th Street Bridge and along 1st and 2nd Avenues is less congested. It is estimated that the peak period diversion rate would be one half of the daily diversion rate. EA at VI-6.

The EA presents the estimated traffic diversions to the Queensboro Bridge from the tolled TBTA facilities crossing the East River under the Maximum Toll Increase Scenario. During the AM peak hour, a total of 81 vehicles would divert: 28 east-bound and 53 west-bound. During the PM peak hour, a total of 85 vehicles would divert: 41 east-bound and 44 west-bound. The Midday peak hour diversions would be higher than the AM and PM diversions because, as discussed above, congestion during that period would be less. A total of 198 vehicles would divert to the Queensboro Bridge during the Midday peak: 98 east-bound and 100 west-bound. Because the Queensboro Bridge has multiple access points, the effects of diverted traffic would be spread out over various routes and intersections. EA at VI-6, VI-8.

Because these traffic diversions to the 59th Street Bridge and surrounding streets are relatively small, increases in delays at most intersections for the AM, Midday and PM peak hours would be generally less than 2 seconds due to the Maximum Toll Increase Scenario. No intersections would experience significant delays based on the NYSDOT guidelines. Moreover, the CEQR thresholds would be slightly exceeded for only one lane grouping during one analysis period: the north-bound left turn movement at 57th Street and 1st Avenue during the Mid-Day peak hour (the “57th Street Mid-Day peak location”). EA at VI-23.

The 57th Street Mid-Day peak location would operate in the No Action condition at a level of service (“LOS”) of E in the Action condition at a level of LOS F. Eight vehicles would be added to this left turn movement during the Mid-Day peak hour and the average delay would increase by 4.8 seconds under the Maximum Toll Increase scenario. Under the CEQR threshold, the addition of a delay of 4 seconds or more is considered significant at an LOS of E. Thus, the Maximum Toll Increase Scenario would result in the exceedance of the CEQR threshold at the 57th Street Mid-Day peak location by 0.8 seconds during Mid-Day peak period. However, this delay affects only one approach, and the effect on the intersection as a whole would be well within the NYSDOT guidelines. In addition, because traffic control agents, which are not accounted for in the quantitative traffic analysis, are routinely deployed at this intersection during peak periods to optimize intersection performance, it is expected that this intersection will perform better than predicted. Thus, the actual increase in delay is expected to be lower than the predicted 4.8 seconds. EA at VI-23. In TBTA’s judgment the projected additional delay would not result in a significant traffic impact at the 57th Street Mid-Day peak location. EA at VI-23. Accordingly, under the Maximum Toll Increase Scenario at the QMT, RFK Bridge, BWB and TNB, the Proposed Action would not result in any significant traffic impacts due to the diversion of traffic.

The EA analyzed the air quality impacts that would result under the Maximum Toll Increase Scenario at the Queensboro Bridge and Second Avenue, which represents the area that would experience the highest impact (on both traffic and air quality) from diversions to the Queensboro Bridge. EA at VII-16 to VII-17. In addition, the EA revealed that these diversions would not cause

estimated concentrations of CO near the Queensboro Bridge at 2nd Avenue to increase (because the potential increase was lower than the model's precision and lower than monitoring detectable limits). Accordingly, the Maximum Toll Increase scenario at the VNB and the BBT would not result in any significant air quality impacts with respect to CO due to the diversion of traffic. EA at VII-18. In addition, the EA found that the highest predicted concentrations for PM_{2.5} and PM₁₀ would not result in any violations of the NAAQS for these pollutants or any significant impacts on air quality. EA at VII-18 to VII-19.

3. Traffic Diversions to Broadway Bridge

The Broadway Bridge is the primary diversion route for the HHB, although some traffic may divert to other non-tolled bridges. EA at VI-8.

Diverted traffic can enter or exit the Henry Hudson Parkway at Broadway (Route 9A) in the Bronx and at Dyckman Street in Manhattan. Another option available is the Major Deegan Expressway (I-87) exit to West 230th Street via Mosholu Parkway, which has a connection to the Henry Hudson Parkway. Local Riverdale and Kingsbridge traffic could use Riverdale Avenue and West 230th Street to access Broadway. In Manhattan, Seaman Avenue is an optional diversion route. EA at VI-8.

Drawing upon TBTA's origin-destination data, the EA estimated that about 20 percent of the diverted traffic under the Maximum Toll Increase Scenario would originate from the northwest Bronx area using Riverdale Avenue and West 230th Street to access Broadway. The remaining 80 percent of diverted traffic would split evenly between using the West 230th Street exit of the Major Deegan and the Broadway exit of the Henry Hudson Parkway. All diverted traffic would converge at the intersection of Broadway and West 230th Street regardless of the route taken. EA at VI-8. Therefore, this intersection was identified as the critical intersection for traffic and air quality analysis purposes. The EA assumed that most diversions would take place during the off-peak and nighttime periods when there is less congestion. It is estimated that the peak period diversion rate would be one half of the daily diversion rate. EA at VI-9.

The EA presents the estimated traffic diversions under the Maximum Toll Increase Scenario to the Broadway Bridge via several alternate routes converging at West 230th Street. During the AM peak hour, a total of 24 vehicles would divert to the Broadway Bridge: 8 north-bound and 16 south-bound. During the PM peak period, a total of 30 vehicles would divert: 15 north-bound and 15 south-bound. The Midday peak hour diversions would be higher, with a total of 51 vehicles: 23 north-bound and 28 south-bound. EA at VI-9.

Because these traffic diversions to the Broadway Bridge and along Broadway are relatively small, increases in delays would be generally less than 2 seconds under the Maximum Toll Increase Scenario. No intersections would experience significant delays based on the NYSDOT guidelines. Moreover, the CEQR thresholds would be exceeded at only one approach during one analysis period: the west bound left turn movement during the PM peak hour at Broadway and West 230th Street (the "230th Street PM peak location"). EA at VI-24.

The 230th Street PM peak location currently operates at a LOS of F. Six vehicles would be added to this left turn movement during the PM peak hour (amounting to less than one vehicle per cycle) and the average delay would increase by 3.3 seconds under the Maximum Toll Increase

Analysis. Under the CEQR guidelines, the addition of a delay of 3 seconds or more is considered significant at an LOS of F. Thus, the Maximum Toll Increase Scenario would exceed the CEQR threshold by 0.3 seconds at the 230th Street PM peak location. However, this delay affects only one approach, and the effect on the intersection as a whole would be well within the NYSDOT guidelines. In TBTA's judgment the addition of six vehicles during the PM peak hour, and the resulting additional delay would not cause a significant traffic impact at the 230th Street PM peak location. Accordingly, there would be no significant traffic impacts due to the diversion of traffic resulting from the Maximum Toll Increase Scenario at the HHB. EA at VI-24.

The EA found that the traffic increments under the Maximum Toll Increase along the diversion routes near the intersection of West 230th Street and Broadway (which would experience the highest increment from HHB diversions) would be similar to those predicted near the Holland Tunnel, but that the total traffic volume and congestion at this Bronx location would be less. EA at VII-17. It also noted that diesel-powered and heavy duty trucks, a significant source of particulate matter, are not permitted on the HHB. In light of these considerations, the EA found that the projected air quality impacts of diversions from the HHB are expected to be less than those predicted near the Holland Tunnel. Since no exceedance of NAAQS or significant adverse air impacts were found near that facility, it can be concluded that the Proposed Action at the HHB would not result in any significant air quality impacts due to the diversion of traffic. EA at VII-17.

4. Traffic Diversions to Beach Channel Drive, Rockaway Freeway, Seagirt Avenue, and the Nassau Expressway

The Nassau Expressway is a primary diversion route for traffic from the MPB and the CBB. The main routes used to access the Nassau Expressway are via Seagirt Boulevard and the Rockaway Freeway, and Beach Channel Drive and Rockaway Freeway. The EA presents the estimated traffic diversions due to the Maximum Toll Increase Scenario to the Nassau Expressway via those routes, under two circumstances. First, it assesses diversions assuming that there will be full funding for the current rebate program under which residents of Rockaway and Broad Channel ("Rockaway Residents") have their tolls on the Cross Bay Bridge fully rebated by the MTA (the "CBB Rebate Program"). Since eligible residents of Rockaway and Broad Channel now receive a full rebate of CBB tolls, these customers would not be affected by the Proposed Action, and would not divert from the CBB, assuming the CBB Rebate Program remains fully funded. However, since it is likely that the MTA will continue the CBB Rebate Program at its current level only if there is sufficient funding to do so, the EA also assessed the potential for diversions to the Nassau Expressway assuming that the CBB Rebate Program reverts to the level in effect between July 23, 2010, and March 31, 2012 when the first two trips made by Rockaway Residents across the CBB were excluded from the rebate and only subsequent trips made during a calendar day using the same E-ZPass tag were eligible for the rebate. EA at VI-11 to VI-14.

a. Traffic effects of diversions to the Nassau Expressway assuming full funding of the CBB Rebate Program

During the AM peak hour there would be an increase of 19 vehicles on the Nassau Expressway: 7 vehicles south-bound and 12 vehicles north-bound. About 16 vehicles would use Seagirt Boulevard, and 3 vehicles would use Beach Channel Drive to access the Nassau Expressway. During the Mid-Day peak hour there would be an increase of 41 vehicles on the Nassau Expressway: 20 vehicles south-bound and 21 vehicles north-bound. About 33 vehicles would use

Seagirt Boulevard and 4 vehicles would use Beach Channel Drive to access the Nassau Expressway. During the PM peak hour there would be an increase of 20 vehicles on the Nassau Expressway: 12 vehicles south-bound and 8 vehicles north-bound. About 16 vehicles would use Seagirt Boulevard and 4 vehicles would use Beach Channel Drive to access the Nassau Expressway. EA at VI-11 to VI-13.

Because these traffic diversions to the Nassau Expressway would be relatively small and increases in delays would be generally less than 1 second during the AM, Midday, and PM peak hours, the LOS under the effect of the Maximum Toll Increase Scenario would be within the NYSDOT guidelines. Moreover, the more stringent CEQR traffic thresholds would not be exceeded either at locations within New York City or at locations in Nassau County (where such criteria are not routinely used as guidance). Therefore, there would be no significant traffic impacts under to the Maximum Toll Increase Scenario at the CBB and the MPB. EA at VI-25.

b. Traffic effects of diversions to the Nassau Expressway assuming partial funding of the CBB Rebate Program

The EA found that during the AM peak hour, a total of 44 vehicles would divert, 30 northbound and 14 southbound. During the PM peak hour, a total of 34 vehicles would divert, 15 northbound and 19 southbound. The Midday peak hour diversions would be higher than the AM and PM diversions because of less congestion. A total of 75 vehicles would divert, 38 northbound and 37 southbound. EA at VI-13 to VI-14.

Delays resulting from diversions to Rockaway Boulevard and the Nassau Expressway would generally be less than 2 seconds during the AM, Midday, and PM peak hours, and the highest increase in average intersection delay would be 2.1 seconds at Rockaway Boulevard and Brookville Boulevard during the AM peak hour. No intersections would experience significant delays based on the NYSDOT guidelines. Within New York City, the more stringent CEQR criteria for significance would be exceeded at the intersection of Rockaway Boulevard and Brookville Boulevard. At this location 30 vehicles would be added to the westbound through movement during the AM peak hour, and an additional delay of 4.5 seconds would be experienced at this movement. This delay would exceed the referenced CEQR threshold by 0.5 seconds. In addition, 19 vehicles would be added to the eastbound through/right turn movement during the PM peak hour, and an additional delay of 3.1 seconds would be experienced at this movement. This delay would exceed the referenced CEQR threshold by 0.1 seconds. The EA found that such exceedances were not significant, because the overall effect of the diversions at the intersection are well within the NYSDOT guidelines, and in both instances the increase in traffic at the affected movements would amount to less than one additional vehicle per signal cycle. EA at VI-25 to VI-26.

The EA also found the CEQR thresholds to be exceeded at two intersections in Nassau County, where such criteria are not routinely considered. Given the minimal nature of the exceedances, the fact that the effect of the diversions would be well within NYSDOT guidelines, and that the added traffic would, in all instances amount to less than one additional vehicle per signal cycle, TBTA finds that the effect of the diversions at these locations would not be significant. EA at VI-26.

With respect to air quality under both the fully funded and partially funded CBB Rebate Program, the EA concluded that local impacts from the diversion of traffic from the CBB and the

MPB due to the Maximum Toll Increase Scenario would not result in significant adverse local air quality impacts. EA at VII-17.

D. Regional Vehicle Miles Traveled and Air Quality Analysis

The EA indicates that the increase in region-wide vehicle miles traveled (“VMT”) as a result of the Maximum Toll Increase Scenario would be approximately 0.03 percent with or without the current CBB Rebate Program, a negligible increase. EA at VII-31. The EA also indicates that the predicted contribution to regional emissions of volatile organic compounds (“VOCs”), nitrogen oxides (“NOx”), and CO, PM_{2.5}, PM₁₀, and greenhouse gases due to increased diversions and idling time under the Maximum Toll Increase Scenario is very small. Expressed as a percentage of region-wide on-road emissions, the Maximum Toll Increase Scenario, with or without the current Rockaway Rebate Program is expected to result in an increase of emissions of VOCs, NOx and CO by 0.15%, 0.07% and 0.07%, respectively. The projected increase in PM_{2.5} and greenhouse gases corresponds to 0.03% and 0.13%, respectively, of the total regional PM_{2.5} and greenhouse gas emissions from on-road sources. These emissions increases would not be a significant contribution to region-wide emissions, and are not expected to interfere with State Implementation Plans for region-wide attainment of the ozone NAAQS standard, maintenance of the CO NAAQS, current or future State Implementation Plans for attaining the PM_{2.5} NAAQS or current local plans for reducing greenhouse gas emissions. EA at VII-29 to VII-31. Therefore the Proposed Action would not have a significant adverse impact on regional VMT or air quality.

IV. Conclusions and Findings

Having undertaken a thorough environmental analysis, the Authority hereby determines that the Proposed Action may properly be considered to be routine or continuing agency administration and management, exempt from SEQRA requirements. Moreover, based on the foregoing analysis and the EA incorporated herein by reference, the Authority finds and concludes that the Proposed Action will not result in any large and/or important impacts and that the Proposed Action will have no significant adverse environmental impact. This Negative Declaration has been prepared in accordance with Article 8 of the New York State Environmental Conservation Law.

Dated: New York, New York
December __, 2012

EXHIBIT A

EXISTING AND PROPOSED CROSSING CHARGE SCHEDULES

EXISTING CROSSING CHARGE SCHEDULE

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY CROSSING CHARGES

A. Prepaid E-ZPass Charges For E-ZPass New York Customer
Service Center Customers

| VERRAZANO- NARROWS BRIDGE (a) | ROBERT F. KENNEDY, BRONX-WHITESTONE, AND THROGS NECK BRIDGES AND QUEENS MIDTOWN AND BROOKLYN-BATTERY TUNNELS | HENRY HUDSON BRIDGE | MARINE PARKWAY-GIL HODGES MEMORIAL, AND CROSS-BAY VETERANS MEMORIAL BRIDGES |
|-------------------------------------|---|---------------------------|---|
|-------------------------------------|---|---------------------------|---|

CLASSIFICATION

Crossing Charges

| | | | | |
|--|---------|---------|--------|---------|
| 1 Two-axle vehicles, including: passenger vehicles, station wagons, self-propelled mobile homes, ambulances, hearses, vehicles with seating capacity of not more than 15 adult persons (including the driver) and trucks with maximum gross weight (MGW) of 7,000 lbs. and under | \$4.80 | \$4.80 | \$2.20 | \$1.80 |
| *Registered Staten Island Residents using an eligible vehicle | \$2.88 | | | |
| *Registered Rockaway Residents using an eligible vehicle | | | | \$1.19 |
| *Each additional axle costs | \$2.75 | \$2.75 | \$2.00 | \$2.00 |
| 2 All vehicles with MGW greater than 7,000 lbs. and buses (other than franchise buses using E-ZPass and motor homes) | | | | |
| *Two-axle vehicles | \$8.66 | \$8.66 | | \$4.33 |
| *Three-axle vehicles | \$14.18 | \$14.18 | | \$7.09 |
| *Four-axle vehicles | \$18.12 | \$18.12 | | \$9.06 |
| *Five-axle vehicles | \$23.63 | \$23.63 | | \$11.82 |
| *Six-axle vehicles | \$27.57 | \$27.57 | | \$13.79 |
| *Seven-axle vehicles | \$33.08 | \$33.08 | | \$16.54 |
| *Each additional axle | \$5.52 | \$5.52 | | \$2.76 |
| 3 Two-axle franchise buses | \$3.47 | \$3.47 | | \$1.73 |
| 4 Three-axle franchise buses | \$4.12 | \$4.12 | | \$2.17 |
| 5 Motorcycles | \$2.09 | \$2.09 | \$1.49 | \$1.49 |
| *Each additional axle | \$1.25 | \$1.25 | \$1.25 | \$1.25 |

See Footnotes on next page

The Authority reserves the right to determine whether any vehicle is of unusual or unconventional design, weight or construction and therefore not within any of the listed categories. The Authority also reserves the right to determine the crossing charge for any such vehicle of unusual or unconventional design, weight or construction.

Bicycles are not permitted over Bronx-Whitestone, Throgs Neck, and Verrazano-Narrows Bridges, or through the tunnels. Such vehicles may cross the Robert F. Kennedy, Henry Hudson, Marine Parkway-Gil Hodges Memorial and Cross Bay Veterans Memorial Bridges without payment of crossing charge, but must be walked across the pedestrian paths of such bridges.

Only vehicles authorized to use parkways are authorized to use the Henry Hudson Bridge. An unauthorized vehicle using the Henry Hudson Bridge must pay the Marine Parkway-Gil Hodges Memorial Bridge rate.

E-ZPass crossing charges apply to New York E-ZPass Customer Service Center customers only and are available subject to terms, conditions and agreements established by the Authority.

There are no residential restrictions with regard to enrollment as a customer in the New York Customer Service Center.

(a) Under Verrazano-Narrows one-way crossing charge collection program, all per crossing charges shown should be doubled. Presently paid in westbound direction only.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY CROSSING CHARGES

B. For Fare Media Other Than Prepaid E-ZPass Charges for E-ZPass New York Customer Service Center Customers

| B. For Fare Media Other Than Prepaid E-ZPass Charges for E-ZPass New York Customer Service Center Customers | | VERRAZANO-NARROWS BRIDGE (a) | ROBERT F. KENNEDY, BRONX-WHITESTONE, AND THROGS NECK BRIDGES AND QUEENS MIDTOWN AND BROOKLYN-BATTERY TUNNELS | HENRY HUDSON BRIDGE | MARINE PARKWAY-GIL HODGES MEMORIAL, AND CROSS-BAY VETERANS MEMORIAL BRIDGES |
|---|--|------------------------------|--|---------------------|---|
| CLASSIFICATION | | Crossing Charges | | | |
| 1 | Two-axle vehicles, including: passenger vehicles, station wagons, self-propelled mobile homes, ambulances, hearses, vehicles with seating capacity of not more than 15 adult persons (including the driver) and trucks with maximum gross weight (MGW) of 7,000 lbs. and under | \$6.50 | \$6.50 | \$4.00 | \$3.25 |
| | The following discounted charges are available for eligible class 1 vehicles (f): | | | | |
| | *Prepaid charges through discount token roll purchase (f) | | | | \$2.167(d) |
| | *Prepaid charges per crossing for registered Staten Island Residents using an eligible vehicle with three or more occupants (HOV) | \$1.34(b) | | | |
| | *Prepaid charges per crossing for registered Staten Island Residents using an eligible vehicle through token roll purchase (f) | \$3.8623(c) | | | |
| | * Prepaid charges per crossing for registered Rockaway Peninsula/Broad Channel Residents using an eligible vehicle through token roll purchase | | | | \$1.615(e) |
| | *Each additional axle costs | \$2.75 | \$2.75 | \$2.00 | \$2.00 |
| 2 | All vehicles with MGW greater than 7,000 lbs. and buses (other than franchise buses using E-ZPass and motor homes) | | | | |
| | *Two-axle vehicles | \$13.00 | \$13.00 | | \$6.50 |
| | *Three-axle vehicles | \$21.00 | \$21.00 | | \$10.50 |
| | *Four-axle vehicles | \$27.00 | \$27.00 | | \$13.50 |
| | *Five-axle vehicles | \$35.00 | \$35.00 | | \$17.50 |
| | *Six-axle vehicles | \$41.00 | \$41.00 | | \$20.50 |
| | *Seven-axle vehicles | \$50.00 | \$50.00 | | \$25.00 |
| | *Each additional axle | \$8.00 | \$8.00 | | \$4.00 |
| 3 | Two-axle franchise buses | \$5.25 | \$5.25 | | \$2.60 |
| 4 | Three-axle franchise buses | \$6.25 | \$6.25 | | \$3.25 |
| 5 | Motorcycles | \$2.75 | \$2.75 | \$2.75 | \$2.75 |
| | *Each additional axle | \$1.25 | \$1.25 | \$1.25 | \$1.25 |

See Footnotes on next page

The Authority reserves the right to determine whether any vehicle is of unusual or unconventional design, weight or construction and therefore not within any of the listed categories. The Authority also reserves the right to determine the crossing charge for any such vehicle of unusual or unconventional design, weight or construction.

Bicycles are not permitted over Bronx-Whitestone, Throgs Neck, and Verrazano-Narrows Bridges, or through the tunnels. Such vehicles may cross the Robert F. Kennedy, Henry Hudson, Marine Parkway-Gil Hodges Memorial and Cross Bay Veterans Memorial Bridges without payment of crossing charge, but must be walked across the pedestrian paths of such bridges.

Only vehicles authorized to use parkways are authorized to use the Henry Hudson Bridge. An unauthorized vehicle using the Henry Hudson Bridge must pay the Marine Parkway-Gil Hodges Memorial Bridge rate.

- (a) Under Verrazano-Narrows one-way crossing charge collection program, all per crossing charges shown should be doubled. Presently paid in westbound direction only.
- (b) Sold as mail order 24 round trips for \$64.32.
- (c) Sold in-lane as 10 round trips for \$77.25.
- (d) Sold in-lane as 12 trips for \$26.00.
- (e) Sold in-lane as 13 trips for \$21.00.
- (f) Prepaid discount token roll sales may be discontinued when permissible.

PROPOSED CROSSING CHARGE SCHEDULE

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY CROSSING CHARGES

A. E-ZPass Charges For E-ZPass New York Customer
Service Center Customers

| | VERRAZANO- NARROWS BRIDGE (a) | ROBERT F. KENNEDY, BRONX-WHITESTONE, AND THROGS NECK BRIDGES AND QUEENS MIDTOWN AND HUGH L CAREY TUNNELS | HENRY HUDSON BRIDGE | MARINE PARKWAY-GIL HODGES MEMORIAL, AND CROSS-BAY VETERANS MEMORIAL BRIDGES |
|--|-------------------------------------|---|---------------------------|---|
| CLASSIFICATION | Crossing Charges | | | |
| 1 Two-axle vehicles, including: passenger vehicles, station wagons, self-propelled mobile homes, ambulances, hearses, vehicles with seating capacity of not more than 15 adult persons (including the driver) and trucks with maximum gross weight (MGW) of 7,000 lbs. and under | \$5.33 | \$5.33 | \$2.44 | \$2.00 |
| *Registered Staten Island Residents using an eligible vehicle taking 3 or more trips per month | \$3.00 | | | |
| *Registered Staten Island Residents using an eligible vehicle taking less than 3 trips per month | \$3.18 | | | |
| *Registered Rockaway Residents using an eligible vehicle | | | | \$1.31 |
| *Each additional axle costs | \$3.00 | \$3.00 | \$2.25 | \$2.25 |
| 2 All vehicles with MGW greater than 7,000 lbs. and buses (other than franchise buses using E-ZPass and motor homes) | | | | |
| *Two-axle vehicles | \$9.62 | \$9.62 | | \$4.81 |
| *Three-axle vehicles | \$15.76 | \$15.76 | | \$7.88 |
| *Four-axle vehicles | \$20.14 | \$20.14 | | \$10.07 |
| *Five-axle vehicles | \$26.26 | \$26.26 | | \$13.13 |
| *Six-axle vehicles | \$30.64 | \$30.64 | | \$15.32 |
| *Seven-axle vehicles | \$36.76 | \$36.76 | | \$18.38 |
| *Each additional axle | \$6.14 | \$6.14 | | \$3.07 |
| 3 Two-axle franchise buses | \$3.86 | \$3.86 | | \$1.92 |
| 4 Three-axle franchise buses | \$4.58 | \$4.58 | | \$2.41 |
| 5 Motorcycles | \$2.32 | \$2.32 | \$1.66 | \$1.66 |
| *Each additional axle | \$1.25 | \$1.25 | \$1.25 | \$1.25 |

See Footnotes on next page

The Authority reserves the right to determine whether any vehicle is of unusual or unconventional design, weight or construction and therefore not within any of the listed categories. The Authority also reserves the right to determine the crossing charge for any such vehicle of unusual or unconventional design, weight or construction.

Bicycles are not permitted over Bronx-Whitestone, Throgs Neck, Henry Hudson, and Verrazano-Narrows Bridges, or through the tunnels. Such vehicles may cross the Robert F. Kennedy, Marine Parkway-Gil Hodges Memorial and Cross Bay Veterans Memorial Bridges without payment of crossing charge, but must be walked across the pedestrian paths of such bridges.

Only vehicles authorized to use parkways are authorized to use the Henry Hudson Bridge. An unauthorized vehicle using the Henry Hudson Bridge must pay the Marine Parkway-Gil Hodges Memorial Bridge rate.

E-ZPass crossing charges apply to New York E-ZPass Customer Service Center customers only and are available subject to terms, conditions and agreements established by the Authority.

There are no residential restrictions with regard to enrollment as a TBTA Customer in the New York Customer Service Center.

(a) Under Verrazano-Narrows one-way crossing charge collection program, all per crossing charges shown should be doubled. Presently paid in westbound direction only.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY CROSSING CHARGES

B. For Fare Media Other Than E-ZPass Charges for
E-ZPass New York Customer Service Center Customers

| | VERRAZANO- NARROWS BRIDGE (a) | ROBERT F. KENNEDY, BRONX-WHITESTONE, AND THROGS NECK BRIDGES AND QUEENS MIDTOWN AND HUGH L CAREY TUNNELS | HENRY HUDSON BRIDGE | MARINE PARKWAY-GIL HODGES MEMORIAL, AND CROSS-BAY VETERANS MEMORIAL BRIDGES |
|--|-------------------------------------|---|---------------------------|---|
| CLASSIFICATION | Crossing Charges | | | |
| 1 Two-axle vehicles, including: passenger vehicles, station wagons, self-propelled mobile homes, ambulances, hearses, vehicles with seating capacity of not more than 15 adult persons (including the driver) and trucks with maximum gross weight (MGW) of 7,000 lbs. and under | \$7.50 | \$7.50 | \$5.00 | \$3.75 |
| The following discounted charges are available for eligible class 1 vehicles (f): | | | | |
| *Prepaid charges through discount token roll purchase (f) | | | | \$2.50(d) |
| *Prepaid charges per crossing for registered Staten Island Residents using an eligible vehicle with three or more occupants (HOV) | \$1.48(b) | | | |
| *Prepaid charges per crossing for registered Staten Island Residents using an eligible vehicle through token roll purchase (f) | \$4.2625(c) | | | |
| * Prepaid charges per crossing for registered Rockaway Peninsula/Broad Channel Residents using an eligible vehicle through token roll purchase | | | | \$1.7857(e) |
| *Each additional axle costs | \$3.00 | \$3.00 | \$2.25 | \$2.25 |
| 2 All vehicles with MGW greater than 7,000 lbs. and buses (other than franchise buses using E-ZPass and motor homes) | | | | |
| *Two-axle vehicles | \$15.00 | \$15.00 | | \$7.50 |
| *Three-axle vehicles | \$24.00 | \$24.00 | | \$12.00 |
| *Four-axle vehicles | \$31.00 | \$31.00 | | \$15.50 |
| *Five-axle vehicles | \$40.00 | \$40.00 | | \$20.00 |
| *Six-axle vehicles | \$47.00 | \$47.00 | | \$23.50 |
| *Seven-axle vehicles | \$58.00 | \$58.00 | | \$29.00 |
| *Each additional axle | \$9.00 | \$9.00 | | \$4.50 |
| 3 Two-axle franchise buses | \$6.25 | \$6.25 | | \$3.00 |
| 4 Three-axle franchise buses | \$7.25 | \$7.25 | | \$3.50 |
| 5 Motorcycles | \$3.00 | \$3.00 | \$3.00 | \$3.00 |
| *Each additional axle | \$1.25 | \$1.25 | \$1.25 | \$1.25 |

See Footnotes on next page

The Authority reserves the right to determine whether any vehicle is of unusual or unconventional design, weight or construction and therefore not within any of the listed categories. The Authority also reserves the right to determine the crossing charge for any such vehicle of unusual or unconventional design, weight or construction.

Bicycles are not permitted over Bronx-Whitestone, Throgs Neck, Henry Hudson, and Verrazano-Narrows Bridges, or through the tunnels. Such vehicles may cross the Robert F. Kennedy, Marine Parkway-Gil Hodges Memorial and Cross Bay Veterans Memorial Bridges without payment of crossing charge, but must be walked across the pedestrian paths of such bridges.

Only vehicles authorized to use parkways are authorized to use the Henry Hudson Bridge. An unauthorized vehicle using the Henry Hudson Bridge must pay the Marine Parkway-Gil Hodges Memorial Bridge rate.

- (a) Under Verrazano-Narrows one-way crossing charge collection program, all per crossing charges shown should be doubled. Presently paid in westbound direction only.
- (b) Sold as mail order 24 round trips for \$71.04.
- (c) Sold in-lane as 10 round trips for \$85.25.
- (d) Sold in-lane as 12 trips for \$30.00.
- (e) Sold in-lane as 14 trips for \$25.00.
- (f) Prepaid discount token roll sales may be discontinued when permissible.

REPORT TO THE BOARDS OF THE
METROPOLITAN TRANSPORTATION AUTHORITY
AND TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY
IN CONNECTION WITH
PROPOSED TOLL CHANGES

December 19, 2012

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I. Introduction

This report is submitted to the Boards of the Metropolitan Transportation Authority (“MTA”) and the Triborough Bridge and Tunnel Authority (“TBTA”) in connection with proposed toll changes for the bridges and tunnels operated and maintained by the TBTA. The report explains why the proposed toll charges are just and reasonable.

The report is divided into several sections. Section II describes the Court determination in *Molinari v. Triborough Bridge and Tunnel Authority*, which held that 1992 toll increases were “just and reasonable” because they were used to support a single integrated transportation system from which the toll-payers benefited.

Section III describes the complex relationships among the New York metropolitan area’s roads, highways, bridges and tunnels, and public transportation systems. This section examines the transportation choices available to commuters traveling into Manhattan’s central business district and explains how a reduction in the public transportation system’s level of service or infrastructure can result in increased traffic and highway congestion, which the crowded roadways cannot accommodate.

Section IV briefly describes the legislative history of the New York metropolitan region’s unified transportation system and the use of TBTA surpluses and other resources to support mass transportation. This section demonstrates that the New York State Legislature has repeatedly recognized that the continued viability of the MTA’s mass transportation facilities is essential to the State and the region and as a result has endorsed the use of TBTA revenues from bridge and tunnel tolls to support the operating and capital needs of public transportation.

Sections V and VI describe the MTA’s operating and capital budget plans, including the substantial projects proposed for TBTA’s bridges and tunnels. The MTA’s capital programs are based in part upon the use of TBTA tolls to support (i) the operating and capital needs of the MTA public transportation system and (ii) the issuance of TBTA Bonds which in turn support the capital needs of such system. This revenue source is critical to the continued viability of the MTA’s entire transportation network.

II. Making a Just and Reasonable Determination in Light of the *Molinari* Decision

In *Molinari v. Triborough Bridge and Tunnel Authority*, 838 F. Supp. 718 (E.D.N.Y. 1993), the United States District Court for the Eastern District of New York held that toll increases on the Verrazano-Narrows Bridge were “just and reasonable” within the meaning of the allegedly governing statute.

The Court found the challenged toll increases to be just and reasonable because they were used to support a single integrated transportation system from which the toll-payers benefited. The Court explained:

the toll may not be challenged successfully if it is used to support a single integrated transportation system in which the successful operation of the

bridge is dependent in whole or in part on the operation of the other related facilities. Simply stated, it is just and reasonable for those who use a bridge to pay a toll that may be used to subsidize the system-wide operation of other transit facilities from which they benefit.

The Court reviewed the circumstances that led in 1968 to the creation of the MTA in order to implement a unified mass transportation system for the region. The Court observed that there are sound policy reasons for according substantial deference to the findings of the State Legislature that the intra-city bridges and tunnels of the TBTA are part of a single integrated transportation system and that the cost of the operation of the MTA's mass transportation facilities be included in the rate base for the tolls on TBTA facilities. The Court noted that:

Public transportation is critical because of the dense population of the area, because much of the City of New York and its eastern suburbs are located on three islands that are connected to each other and the mainland by a limited number of bridge and tunnel crossings, and because such a large proportion of traffic each day goes into and out of Manhattan Island.

It further explained that the users of these bridges benefit from the subways, buses, and the commuter rail lines because, without these facilities, it would become increasingly difficult, if not impossible, to commute by automobile once they crossed the bridges into Manhattan.

The court questioned at length the applicability of 33 U.S.C. § 508, which provides that tolls for any bridges constructed under the Bridge Act of 1906, the General Bridge Act of 1946, and the International Bridge Act of 1972 "shall be just and reasonable," to the Throgs Neck and Verrazano-Narrows Bridges. However, the court found it unnecessary to resolve whether the statute applied because the plaintiffs had failed to present evidence sufficient to create a triable issue of fact on their claim that the challenged toll increases were not "just and reasonable."

The reasoning of the *Molinari* decision is applicable to the currently proposed changes to the toll structure. As set forth in further detail in this report, the proposed changes are a necessary component of the MTA's Financial Plan and funds raised by these toll increases will be used to support the MTA's single integrated transportation system.

III. TBTA Facilities and MTA's Transportation Network are Interdependent

This section explains the complex inter-relationship between the New York metropolitan area's highways and river crossings and its regional public transportation system and describes how a reduction in mass transportation services and/or a decline in the quality of the mass transportation infrastructure conditions can adversely affect traffic conditions on the region's roadways, bridges, and tunnels which would have adverse consequences for the region's and State's economies.

The New York metropolitan area is the most public transportation-dependent region in the United States. There are approximately 15 million residents in the MTA's service

region (New York City, Long Island, Westchester, Dutchess, Putnam, Rockland, and Orange counties in New York, and Fairfield and New Haven counties in Connecticut). The MTA's Comprehensive Travel Survey indicates that over 7.5 million passengers use public transportation each day. This survey includes commuters traveling to, from or within New York City, as well as along MTA service corridors in the suburbs. Virtually all of these commuters use one of the mass transportation modes operated by the New York City Transit Authority ("NYCTA"), Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"), Staten Island Rapid Transit Authority ("SIRTOA"), Metro-North Commuter Railroad and Long Island Rail Road (together the "Commuter Railroads"), or MTA Bus.

More than 5.437 million transit trips and 1.97 million vehicular trips are made daily into and out of the narrow confines of the Manhattan Central Business District ("CBD") (south of 60th Street). The bridges and tunnels of the TBTA provide significant access for this vehicular traffic. In 2011, more than 803,000 vehicular trips were made on an average weekday over the TBTA's 7 bridges and through its 2 tunnels, and weekend trips averaged 721,000 per day.

The interdependence of the highway and transit elements of the region's transportation network has long been recognized by the region's State Legislatures. As early as 1962, the Legislatures of New York and New Jersey enacted one of the first statutes in the nation to provide that excess revenues, derived largely from automobile tolls, were to be used to finance essential rail operations in the metropolitan area. The Port Development Act directed the Port of New York Authority to purchase and modernize the Hudson and Manhattan Railroad and to fund that railroad's deficit operations from its own resources without recourse to the taxing powers or credit of the State. In 1965, the Legislatures of New York, New Jersey, and Connecticut created the Tri-State Transportation Commission, the purpose of which was to carry out organized transportation planning on a regional basis. Section IV of this report describes this legislation, which created the Metropolitan Commuter Transportation Authority ("MCTA") to address a historical imbalance between "rubber and rail" public efforts. In 1968, the MTA was established with the goal of creating a balanced transportation system in the region. The Federal Intermodal Surface Transportation Efficiency Act ("ISTEA") of 1991 requires the New York Metropolitan Transportation Council ("NYMTC"),¹ a group of transportation providers established in 1981 to coordinate transportation planning and funding among both highway and transit service providers in the New York City region. (This role has been extended in the 2012 Moving Ahead for Progress in the 21st Century ("MAP-21") Federal transportation law.) NYMTC not only prepares a comprehensive Long Range Plan of highway and transit improvements, but also develops and implements an Intermodal Management System as follows:

The National Intermodal Transportation System shall consist of all forms of transportation in a unified, interconnected manner, including the

¹ The MTA is a voting member of NYMTC's Board and of its Program and Finance and Administration Committees, all of which require unanimous agreement of its members to act on transportation plans and funding programs.

transportation systems of the future, to reduce energy consumption and air pollution while promoting economic development and supporting the Nation's preeminent position in international commerce.

The TBTA crossings linking Manhattan with the other boroughs share common travel markets with the MTA's public transportation services and have limited available capacity. A disruption in service on a commuter train or transit line, such as a blackout, hurricane, strike or service breakdown, can result in increased traffic and congestion at one or more of these crossings. Traffic delays can then result in increased vehicular congestion on connecting roadways, creating a ripple effect throughout the highway network.

Given the interdependence of the highway and transit networks, a decline in the availability and/or quality of transit service can be expected to result in increased use of the already over-burdened highway network, without any practical means to provide additional road capacity.

A significant share of the CBD-bound work trips made by transit, both those originating in the City and in the suburbs, are made by commuters who also have access to an automobile. These commuters evaluate the costs of auto travel versus both the cost and qualitative conditions of public transportation and may be inclined to switch to their cars if the availability and/or relative quality of mass transportation declines. At the present time, a significant number of links in the region's highway network are barely able to accommodate the trips currently made by auto to the CBD, particularly during peak periods. By the year 2035, from a base year of 2002, it is forecast that the number of Regional Vehicle Miles of Travel will increase 16% above the level in 2010. Moreover, because the region's highway network is already near or at maximum peak period capacity, a relatively small shift in transit trips to auto travel would significantly increase congestion and air pollution levels and hamper the region's ability to meet federal air quality mandates. To prevent these adverse consequences, MTA must be able to maintain and expand use of mass transportation by providing a high level of service quality on all of its facilities. Failure to do so could result in patrons choosing private automotive transportation modes, with attendant negative impacts on the environment and regional mobility.

Unless the availability and quality of transit services in the metropolitan New York City area are protected, the resulting increases in traffic congestion will negatively impact the region's and State's economies. The Texas Transportation Institute (2011 Report) estimates that in 2010 vehicular congestion imposed \$9.8 billion in additional costs on the New York metropolitan region, resulting from vehicular delay and fuel costs. If a well-run mass transportation system were not available, automobile travel delays would increase substantially and the cost of doing business would rise as well. As a result, the New York metropolitan region would become less competitive with other parts of the country. Many businesses would consider leaving the region for areas with better, more convenient transportation systems.

The following sections describe the interdependency of MTA transit and highway/bridge facilities. They indicate the magnitude of existing mass transportation service and ridership, and project the potential impacts on highway volumes if a modal shift of commuters should occur. The descriptions are based on data showing the reported and potential travel behavior in each of the major transportation corridors into the Manhattan CBD, and are based in part on data generated for the 2010 NYMTC HUB Bound Report, as well as data from the 2000 Census, 2006-2008 American Community Survey data, the NYCDOT New York City Bridge Traffic Volumes 2010, and the NYCDOT 2009 Manhattan River Crossings report. To incorporate the latest available data on trips to work from American Community Survey (“ACS”), which does not separate Manhattan CBD workplaces from the workplaces in the rest of Manhattan, the numbers shown estimate travel to CBD workplaces by assuming that the CBD workplace share of work trips with a Manhattan workplace is the same in the ACS data (which averages 2006, 2007, and 2008) as it was in the 2000 Census data.²

It should be noted that some of the travel data in Section III is from pre-2010 because more recent data was unavailable. In 2010, the MTA implemented service changes that eliminated some bus routes and changed some subway line designations. While these service changes may affect travel demand in some corridors, the impacts are anticipated to be relatively minor and do not alter the conclusions of this Just and Reasonable Report.

A. Bronx/Northern Manhattan Corridor

Current high levels of highway use by private automobiles in the Bronx/Northern Manhattan Corridor already result in congestion. This congestion would increase if there were even a slight shift in the number of persons driving automobiles into the CBD. Approximately 1,385,000 vehicular and transit trips to the CBD are made across the 60th Street cordon on a typical weekday, and 1,372,000 such trips are made in the opposite direction; approximately 2,757,000 total trips are made on a typical weekday. Approximately 33% of these trips are made by persons driving their automobiles into the CBD, and approximately 65% (1,804,000) of these trips are made by public transportation (subway, commuter rail, express bus, or local bus).³

Based on the Census Bureau’s 2006-2008 American Community Survey Journey-To-Work, 58,000 auto trips to work are made into Manhattan from the Bronx and northern suburban counties (including Westchester, Dutchess, Putnam and Fairfield) (the “Bronx

² It should be noted that the Journey-To-Work data from ACS and Census does not have a one-to-one correspondence with weekday work trips. The ACS questionnaire, which asks whether a person worked for pay during the previous week, includes patterns other than the five-day work week.

³ Metro-North’s Hudson, Harlem and New Haven lines carried more than 200,000 passengers from and to all stations into or out of Grand Central Terminal on a typical weekday in 2010 (with 64,000 arriving in the 7-10AM peak period). NYCTA’s subways (Lexington Avenue “4”, “5” and “6”; 7th Avenue “1”, “2”, and “3”; or Concourse “B” and “D”; or the A or C subway lines) carried approximately 769,000 passengers into the CBD on a typical workday in 2010.

Corridor”), over 51% (30,000) of which originate in the suburbs.⁴ The current high volume of automobiles on the roads and bridges means that even a small shift from transit to automobile use would cause even greater congestion on the region’s highways. More than 60% of the 160,000 Bronx Corridor public transportation work trips originate in the City itself, and 42% of these trips (67,000) are made by people who have access to a car. Given the average peak hour auto occupancy of about 1.22 persons in automobiles on these bridges, a 10% shift from transit to auto in the Bronx alone would be projected to result in approximately 5,500 additional cars on the highways of the Bronx and its bridges to Manhattan. The potential transit shift is also significant among the corridor’s 94,000 suburban commuters, where 95% (89,000) of work trip makers have cars. A 10% shift among these commuters (8,900 riders) would put as many as 7,300 more cars on the road each day. The combined impact of additional suburban and city car trips would mean as many as 1,000 additional vehicles an hour on key highways during peak periods. In addition, the potential impact of a service disruption on Metro-North would include a significant extension of the peak period congestion at the Robert F. Kennedy Bridge.

Increases in congestion would also be significant on the adjacent Major Deegan and Bruckner expressways, both of which already operate at close to full capacity during peak periods. Such congestion would delay not only commuters, but freight and goods carriers using Bronx highways as through routes between New Jersey and New England. Finally, increased automobile travel and traffic congestion would result in increased atmospheric pollution in the New York metropolitan region.

B. Brooklyn/Queens Corridor

Current high levels of highway use by private automobiles in the Brooklyn/Queens Corridor already result in congestion, which would increase if there were even a slight shift in the number of persons driving automobiles into the CBD. Of the average 1,729,000 daily trips made through the Brooklyn/Queens corridor (including trips from Nassau and Suffolk counties) to the CBD, approximately 77% (1,332,000) are made on public transportation.⁵ Automobile travel from the Brooklyn/Queens Corridor into the

⁴ The most heavily used bridge into Manhattan from this corridor is the city’s Alexander Hamilton Bridge (92,000 vehicles per day in 2010, according to NYCDOT’s 2010 Manhattan River Crossings report), which feeds into the George Washington Bridge, so that much of its traffic never reaches the CBD. Second in volume for trips into Manhattan in this corridor is the Third Avenue Bridge (61,000 per day), followed by the TBTA’s Henry Hudson (38,000) and Robert F. Kennedy Bridges (52,000 including traffic coming thru its Queens-to-Manhattan links) and, to a lesser extent the City’s other Harlem River bridges. Some traffic from this sector crosses the TBTA’s Whitestone or Throgs Neck Bridges into Queens, and then uses one of New York City’s East River crossings.

⁵ From Queens, most of this travel is via the Long Island Rail Road into Penn Station (115,000 daily arrivals from all origins), the NYCTA’s Queens Boulevard “E”, “F”, “R” and “M”, Astoria “N” or Flushing “7” subway lines or express bus service via the Long Island Expressway and Queens Midtown Tunnel. From Brooklyn, NYCTA operates 16 subway routes into Manhattan from Brooklyn (Fourth Ave “R”, West End “D”, Sea Beach “N”, Culver/Prospect “F”, Brighton “B” and “Q”, New Lots/Eastern Parkway “3” and “4”, Nostrand Ave “2” and “5”, Fulton Street “A” and “C”, Broadway/Jamaica “J”, “M”,

CBD accounts for 320,000 vehicle trips a day (389,000 person trips). Autos enter Manhattan from Queens via the TBTA's Robert F. Kennedy Bridge and Queens-Midtown Tunnel, or by the City's Ed Koch Queensboro Bridge. From Brooklyn, most auto trips travel at some point on the borough's one major limited-access highway, the Gowanus-Expressway/Brooklyn-Queens Expressway. Access to Manhattan is via the TBTA's Hugh L. Carey Tunnel (formerly, the Brooklyn Battery Tunnel) or the City of New York's Brooklyn Bridge, Manhattan Bridge or Williamsburg Bridge.

For this corridor, the estimated average number of work trips in the 2006-2008 period was 784,000, of which 94,000 were auto trips. Over 85% (587,000) of the estimated 680,000 Brooklyn/Queens Corridor transit work trips (bus, subway and rail) originate within the city limits, and about 54% (317,000) of these intra-city trips are made by people who have access to automobiles. Among the 93,000 commuters making transit trips to work that originate in Nassau and Suffolk counties (primarily commuter rail), 98% (91,000) have cars. These two groups represent the potential addition of thousands of additional vehicles on the highway and bridge and tunnel system if transit services do not remain competitive. With peak hour auto-occupancy at about 1.20 for this corridor, a 10% shift (about 41,000) of Queens Corridor transit users who can use auto would add about 34,000 cars a day to the highway network. Even with maximum traffic flow of about 2,200 vehicles per hour per lane (Level of Service E – capacity level traffic flow), this additional traffic volume would require at least one additional vehicle lane to be available during peak travel periods.

The potential impact of this situation can be seen in the results of the 1979 Long Island Rail Road strike, which added 5,000 daily trips to the Midtown Tunnel, and the 1983 strike, which increased the rush-hour congestion period at East River crossings significantly.

In Queens, the Grand Central Parkway and many segments of the Long Island Expressway are among the most congested roadways in the City. As a result, commuters who might be diverted from transit due to service cutbacks or fare increases without a corresponding auto toll increase would have considerable difficulty making use of these two key roadways feeding the existing river crossings into Manhattan.

Any significant addition of cars in Brooklyn would also adversely affect express bus services from Staten Island and south Brooklyn (which also use the Gowanus Expressway), which could in turn generate more car trips.

If all transit users shifted to auto, with 3,456,000 trips in both directions at 2,200 vehicles per hour per lane over 24 hours, and 54 available lanes, (including the 12 on the Verrazano-Narrows Bridge and the 4 lanes from Queens on the Robert F. Kennedy Bridge), rush-hour congestion levels would be in effect in both directions all day and night without accounting for the impacts of disabled vehicles and emergency services.

and "Z", and Canarsie "L" trains) as well as express bus services, with local service due to be restored in 2013.

Far more likely, this scenario would result in seriously reduced travel to the CBD, and if prolonged, catastrophic economic disruption.

C. Staten Island Corridor

The TBTA's Verrazano-Narrows Bridge to Brooklyn is Staten Island's only direct physical link to the rest of New York City. The bridge is important both to motorists and to transit users, providing access for private cars and express buses to the Gowanus Expressway and river crossings into Manhattan. Alternative routes between Staten Island and the CBD are limited to the Staten Island Ferry (which does not carry autos) and Port Authority crossings into New Jersey, which re-enter New York through one of the Hudson River crossings.

Approximately 53,000 work trips originate in Staten Island and terminate in the CBD, of which 78% (41,000) are transit-based. The largest share of the public transportation trips are made by NYCTA express buses which use the Verrazano-Narrows Bridge. Twenty-one express bus routes link all parts of the island with the CBD. A smaller share is made by the City's Staten Island Ferry from St. George. Most Ferry commuters use NYCTA local buses or SIRTOA train service to access the Ferry. The SIRTOA rail line connects the Staten Island Ferry to 21 stations along the south shore, and schedules are designed to facilitate transfers with ferry arrivals and departures. In addition, 31 local bus routes provide service within the borough, with three routes offering connections to subway service in southern Brooklyn. Among all Staten Island transit commuters to the CBD, about 89% (37,000) have automobiles.

Even though a larger share of all Staten Island trips is made by car than in other City boroughs, a disruption or cutback in MTA transportation services and improvements would have a significant impact on motorists. This can be seen in the results of the 1980 transit strike, when disruptions in bus and subway service led to an increase in the share of Staten Island trips made by auto from 31% to 45%. New Staten Island auto trip-makers would face severe bottlenecks on the overcrowded Staten Island Expressway and the Verrazano-Narrows Bridge. Also, additional auto volume caused by a shift in travel from transit to auto would exacerbate existing traffic problems in the Brooklyn Corridor, since virtually all trips made across the Verrazano-Narrows Bridge are funneled into the Gowanus Expressway. This added congestion would also come at a time when the Gowanus Expressway will be under reconstruction. Traffic delays due to construction are expected throughout the life of the project, which is not scheduled to be completed until 2016. As a result, vehicular congestion will rise on the Gowanus Expressway and could be exacerbated even further if currently-available transit services cannot be provided. Such congestion might also lead to increased Ferry ridership as an alternative travel path to Manhattan, which would in turn place a greater burden on local bus and SIRTOA service to feed passengers to the Ferry terminal.

D. Recent Experience With Diversions From Transit

During and in the immediate aftermath of 2012's Tropical Storm Sandy, all service on NYCTA subways and buses, LIRR, Metro-North, and PATH was suspended for at least

part of two weekdays. Service to a majority of the subway system was not restored until November 3, which represented 5 lost week days of service. On days when NYCTA services were substantially curtailed and many travelers attempted to drive to Midtown, there was insufficient roadway capacity to accommodate the travel demands, even when a number of trip destinations (public schools city-wide and Lower Manhattan commercial locations) were closed. In response to extreme traffic congestion on October 31, the first day after the storm had passed and before any rail transit service had been restored, the City imposed restrictions on drivers over the Henry Hudson, Robert F. Kennedy, Brooklyn, Manhattan, Williamsburg, and Ed Koch Queensboro Bridges and through the Lincoln Tunnel from 6:00 a.m. through midnight, requiring that each vehicle have at least three passengers. These interruptions to mass transit services resulted in extreme traffic delays both in the region and particularly in the CBD, as well as a corresponding economic loss because workers were unable to reach their workplace or were significantly delayed in getting there.

Similarly, during the December 2005 transit strike, the City of New York and transportation providers took various measures to alleviate the massive disruptions caused by lack of NYCTA subway and bus service. This included a number of measures to increase vehicle occupancy (including requiring that each vehicle have at least four passengers from 5-11 a.m., group riding in taxis, and extra carpool staging areas), to promote automobile flow (suspension of non-emergency roadway construction, commercial vehicle restrictions), increased rush-hour highway capacity (lane reversals during peak hours), and increasing other transit availability (increased ferry service as well as commuter rail, and suburban buses; and people walked). Notwithstanding these measures, in the absence of NYCTA subway and bus service, roadway congestion and traffic delays during the transit strike remained extreme, with attendant economic loss inflicted on the region.

Among the shifts in travel patterns were: vehicles with more than twice the number of people in them during the peak period; significant shifts in vehicle flow from the 8-9am to the 11am-noon period, as well as significant increase in 4-5am trips with some people leaving home as early as 2-3am to beat the rush; a shift of the outbound peak to the 7-11pm period rather than 3-7pm; about 85,000 more morning passengers on commuter rail (55,000 on LIRR; 30,000 on Metro-North) and about 80,000 more on PATH.

A significant amount of additional manpower was required to implement these measures, operating in crisis mode: e.g., enforcement of traffic restrictions, staffing the Office of Emergency Management, and extra personnel at commuter rail platforms to manage the crush loads on platforms and in railcars.

These experiences provide further evidence that a robust and efficient transportation system benefits not only those who ride it, but also all travelers in the region, as well as all who benefit from a thriving regional economy. The bridges, tunnels, highways, rapid transit, railroad, and bus systems of the MTA region must be considered as a unified whole, where each element requires the good order and function of the other to provide sufficient transportation for the metropolitan region.

In sum, the interdependency between MTA's mass transportation and TBTA's bridge and tunnel facilities remains as vital as ever.

IV. The State Legislature Has Found the Use of Toll Revenues to Support Regional Mass Transportation Operations and Capital Facilities To Be Reasonable and Appropriate.

(An extensive description of the legislative history of the use of TBTA surpluses to subsidize mass transportation in the MTA transportation district was included in the report submitted to the Board in 1992 in connection with the then-proposed toll increase. That description is available under separate cover and appears here in condensed form.)

A. 1965-1986

1. The MTA Was Created to Integrate and Coordinate Transportation Facilities on a Regional Basis.

The MTA was first established as the Metropolitan Commuter Transportation Authority ("MCTA"), by Chapter 324 of the Laws of 1965, to operate the commuter services being provided by the Long Island Rail Road and the New York, New Haven and Hartford Railroad. In establishing the MCTA, the Legislature declared that:

the Federal government, the State and local governments have spent billions of dollars in recent years to provide limited access highways in the New York metropolitan area. The diminution or discontinuance of rail commuter transportation services would necessitate even greater expenditures for highways at great expense to the taxpayers and great inconvenience to the commuters and the people working or residing in the area.

In January 1967, Governor Rockefeller emphasized the need for, and initiated the process intended to achieve, a balanced transportation system in the State. On March 8, 1967, in a Special Message to the Legislature, which accompanied the introduction of what became Chapter 717 of the Laws of 1967, Governor Rockefeller stated:

we must view transportation as a coordinated and comprehensive system, as a logical, efficient interweaving of transport resources, rather than an independent and unrelated collection of highway, rail, bus and aviation facilities.

The MCTA was reconstituted as the MTA. In addition to giving the MTA Board unified policy direction and control for railroad, omnibus, marine and air activities, as described in the original MCTA legislation, the MTA legislation added responsibility for the NYCTA, MaBSTOA and TBTA. In enacting Chapter 717, Title 9, the Legislature found that:

It is the sense of the Legislature, as a matter of state concern, that a greater degree of coordination of effort should now be sought with respect to the

activities of four such agencies which are presently responsible for the development and operation of certain of the more important of these facilities. To this end, it is the purpose of this title to place each of these authorities under common control by a single board and to impose upon that board the additional responsibility of developing and implementing a unified mass transportation policy for such region.

2. TBTA Operating Surpluses are Designated to Subsidize Mass Transportation.

To provide financial assistance to implement a unified mass transportation policy, the Legislature authorized the use of operating surpluses of the TBTA to support mass transportation activities of NYCTA and the MTA.

In 1972, the Legislature enacted the formula for the mandatory sharing of TBTA operating surpluses which remains in effect today. Public Authorities Law 1219-a(2)(b) mandates the transfer of \$24 million plus fifty percent of the balance of the TBTA's operating surplus to NYCTA and the transfer of the remainder of such operating surplus to the Commuter Railroads.

3. The MTA's Regional Scope is Recognized in the State's Tax Structure.

Throughout the decade of the 1970's, the TBTA surplus and regular State appropriations were the only sources of income supplementing fare revenues to meet the area's mass transportation needs. By 1980, these resources were no longer sufficient. The Legislature therefore authorized a two percent gross receipts tax on oil companies operating in the State for mass transportation purposes. In approving the legislation necessary to implement the tax and the related programs, the Governor stressed the importance of the State's transportation systems to its citizens and to the economy of the State.

This 1980 legislation was the first in a series of new statutes which levied dedicated State and regional taxes to support the MTA's integrated transportation network. The regional scope of the MTA, which had been recognized in statutes providing for the MTA's organization and operations, was now incorporated into the State's tax structure.

The following taxes dedicated to the MTA are now in effect:

- A business privilege tax imposed on petroleum businesses operating in the State, consisting generally of a basic tax that varies based on product type, a supplemental tax which, in general, is applied at a uniform rate, and a petroleum business carrier tax.
- A portion of the motor fuel tax on gasoline and diesel fuel sold in the State.
- A portion of State motor vehicle fees consisting mainly of vehicle registration and driver license fees.

- Three-eighths of one percent sales and compensating use tax imposed on sales and uses of certain tangible personal property and services applicable only within MTA's transportation district.
- A legislatively-allocated portion of two taxes imposed on certain transportation and transmission companies (such as trucking, telegraph and local telephone companies), consisting of an annual franchise tax based on the amount of the taxpayers' issued capital stock, and an annual franchise tax on the taxpayers' gross earnings from all sources calculated to be in the State pursuant to statutory formulae.
- A temporary franchise surcharge imposed on the portion of the franchise and other taxes of certain corporations, banks and insurance, utility, transportation and transmission companies attributable (according to various complex formulae) to business activity carried on within MTA's transportation district.

These taxes are deposited into statutory trust funds and, subject to State appropriation, are to be used for MTA's transit and commuter rail purposes. However, through legislative actions, the appropriations can be amended to be increased or reduced. Additionally, at any given time, legislative actions can direct funds to non-MTA purposes.⁶

In addition, the State Legislature has directed that portions of certain mortgage recording taxes and real property transfer taxes be allocated to the MTA for transit and commuter purposes.

4. TBTA Surpluses are Expanded to Address Both Operating and Capital-Financing Needs.

In 1981, the Legislature declared a "transportation emergency" in the MTA transportation district and enacted a bill which authorized the MTA and its affiliates to issue up to an aggregate of \$3.2 billion of notes and bonds to fund capital construction or rehabilitation programs: \$1.6 billion backed by NYCTA revenues, \$800 million backed by annual State service contracts and \$800 million of TBTA obligations. The Legislature also required the MTA to submit, by October 1981, a five-year Capital Program plan to the executive and legislative officers who constitute the Metropolitan Transportation Authority Capital Program Review Board (the "CPRB"), which among other things, provided for the use of TBTA revenues not only to subsidize the operations of mass transportation facilities, but also to service \$1.1 billion of debt to finance capital improvements on these facilities.

⁶ Examples are NYS' 2009 Deficit Reduction Program cuts, which diverted \$143 million of State appropriated MTA funds to other State uses and the 2010 Federal Medical Assistance Percentage cuts, which divert approximately \$16 million of State appropriated funds for the MTA to other non-MTA uses.

Tolls were raised three times during the period of the first 1982-1986 Capital Program: to \$1.25 in 1982, to \$1.50 in 1984 and to \$1.75 in 1986.⁷

B. 1987-1991

1. The MTA's Second Capital Program, Which Also Integrated Multi-Year Operating Budget Plans into the Financial Structure, Continued to Rely Extensively on TBTA Surpluses to Help Meet the Operating and Capital Needs of Mass Transportation.

The financial structure for the MTA's second five-year (1987-1991) Capital Program further integrated operating-budget and capital-program planning by developing a new form of multi-year operating-budget financial plan (the "operating envelope") along with the Capital Program and having them both cover the same five-year period, with the effects of the Capital Program (including debt service requirements) reflected in the operating envelope. This served as the framework for developing combined capital and operating programs through 2009. Legislation enacted to support the Second Capital Program plan increased, by \$1.1 billion, the TBTA's authorization for toll-backed obligations and authorized special obligations backed by the mortgage recording taxes (which eventually provided \$512 million of new financing).

The operating envelope contemplated toll increases of 25 cents in January 1987 and of 25 cents every other year thereafter, which increases were expected to reduce the additional revenues required for the MTA from the State and the City from \$350 million to \$250 million annually.

Subsequent to the enactment of this legislation the CPRB approved the bond covenants of the TBTA which provided that tolls would not be reduced below the levels established in 1987 (when the first planned 25-cent increase, to \$2.00, was approved by the Board of TBTA⁸). Tolls were increased in 1989 to \$2.50.⁹

The goals of the five-year Capital Program and operating envelope were met, despite a severe recession, in which employment in the MTA transportation district dropped 6.1%

⁷ These toll amounts are the non-discounted passenger toll rates for crossing the RFK, Bronx-Whitestone, and Throgs Neck Bridges and Queens-Midtown and Brooklyn-Battery (now, the Hugh L. Carey) Tunnels. They were also the toll rates for crossing the Verrazano Narrows Bridge in both directions through March 20, 1986 when tolls began being collected only in the westbound direction in compliance with Federal law. At that time, the westbound toll became double the amount of tolls collected on the RFK, Bronx-Whitestone, and Throgs Neck Bridges and Queens-Midtown and Hugh L. Carey Tunnels. Tolls for the Henry Hudson, Marine Parkway-Gil Hodges Memorial, and Cross Bay Veterans Memorial Bridges in these years were \$0.90 in 1982, stayed at \$0.90 in 1984, and were increased to \$1.00 in 1986. References to subsequent toll increases are for the "major" crossings: the RFK, Bronx-Whitestone, and Throgs Neck Bridges, and Queens-Midtown and Hugh L. Carey Tunnels, and half of the Verrazano Narrows Bridge.

⁸ The tolls for the Henry Hudson, Marine Parkway-Gil Hodges Memorial, and Cross Bay Veterans Memorial Bridges remained \$1.00.

⁹ The tolls for the Henry Hudson, Marine Parkway-Gil Hodges Memorial, and Cross Bay Veterans Memorial Bridges were increased to \$1.25.

from 1989 to 1991 and, consequently, tax-related subsidies and fare revenues were below expectations.

Despite the revenue shortfall, no additional fare or toll increases beyond those planned were determined to be necessary (although the two planned toll increases, in 1989 and 1991, were combined into one). Fare increases were kept at less than the rate of inflation and service was improved. The 1987-1991 Capital Program was carried out as planned. In fact, the entire five-year capital, operating, and service-improvement effort may well have been one of the most successful and true-to-promise public-sector endeavors ever completed in the United States.

C. 1992-1999

1. The Third Capital Program Continued to Rely on TBTA Surpluses to Help Fund Operating and Capital Requirements.

In 1993, the Legislature authorized the MTA's third Capital Program plan, initially intended to cover the years 1992-1996; it approved the implementation of another five-year plan in 1995 to cover the years 1995-1999. The last two years of the 1992-1996 Capital Program were incorporated into the 1995-1999 Capital Program plan. The Legislature continued to recognize the need for safe and reliable public transportation in the MTA's Transportation District and noted the need for continued capital investment in the MTA system to provide the metropolitan region with "greater mobility and productivity and improved air quality and energy efficiency."

To effectuate the 1992-1996 Capital Program plan, the Legislature set an aggregate debt issuance cap of \$3.1 billion for the period 1992-1996 for the MTA, TBTA, and NYCTA combined. Among other things, this debt-issuance integration meant that the MTA could select the most efficient and least costly financing plan, using whichever form of debt in whatever amount made the most economic sense. The Legislature also linked the maintenance of certain fare levels on NYCTA and Commuter Railroad facilities to the availability of TBTA surplus revenues. The Legislature and the Governor established a four-year operating envelope for the MTA that identified the revenues necessary to maintain the fares on the NYCTA and Commuter Railroad facilities at their then current levels until 1995, which revenues included the TBTA surplus to be generated, in part, from a 1993 toll increase in which tolls were raised to \$3.00 (\$1.50 for the Henry Hudson, Marine Parkway-Gil Hodges Memorial, and Cross Bay Veterans Memorial Bridges).

For the 1995-1999 Capital Program plan, the Federal, State and City governments each significantly reduced the amount of intergovernmental aid to the MTA from anticipated levels, affecting both the operating and capital components of the plan. Inherent in this five-year, \$12.55 billion Capital Program and corresponding operating plan were the tenets that the MTA maintain appropriate quality and quantity of service to encourage regional economic growth, maintain integrity of the capital program, sharpen its focus on safety, meet its statutory mandate to be self-sustaining and maintain momentum of the

past decade. In 1996, tolls were increased to \$3.50 (\$1.75 for the Henry Hudson, Marine Parkway-Gil Hodges Memorial, and Cross Bay Veterans Memorial Bridges).

While the plan's component for operating-budget balance relied heavily on expense reductions (more than \$3 billion over the five-year period), fare increases and a TBTA toll increase were also important elements of the plan. In addition, the capital component of the five-year plan called for the issuance of more than \$6 billion in MTA and TBTA debt.

D. 2000-Present

1. The 2000-2004 Capital Plan was Designed to Enhance Services and Implement New Initiatives.

The capital program and corresponding operating plan for 2000-2004 were built on the 1995-1999 experience to maintain fiscal stability for all MTA related entities and to enable those entities to maintain their respective operations on a self-sustaining basis through 2004. The 2000-2004 capital plan was designed to continue a program of capital expenditures that supported the ongoing maintenance of the MTA's transportation network and provided needed improvements to enhance services to its customers, as well as expanding service through a number of new initiatives such as East Side Access and Second Avenue Subway. The principles established to guide the plan were: improve customer satisfaction by expanding and improving service; increase safety; continue cost reductions; and increase efficiencies.

Funding for the Capital Program plan relied on \$4.544 billion from the restructuring of existing debt as well as the issuance of \$7.919 billion of new money bonds. This included funds for the TBTA \$1 billion capital plan. Tolls were increased in 2003 (to \$4.00, and, for the Henry Hudson, Marine Parkway-Gil Hodges Memorial, and Cross Bay Veterans Memorial Bridges, \$2.00), as well as fares, to fund operating gaps and continue the funding of capital projects.

E. 2005 – Present

1. The 2005–2009 Capital Plan Invested in Reliability, Quality Service, System-wide Security, and Expansion.

The 2005-2009 capital program and corresponding operating plan built on the 2000-2004 experience. This capital program was designed to maintain fiscal stability for all MTA related entities and to enable those entities to maintain their respective operations on a self-sustaining basis through 2009. The 2005-2009 capital plan continued a program of capital expenditures that supported the ongoing maintenance of the MTA's transportation network and provided needed improvements to enhance services to its customers, as well as expanding service through a number of new initiatives such as East Side Access; Second Avenue Subway; JFK Link; and Extension of the #7 Line. Funding for the Capital Program plan relied on the issuance of \$9.4 billion of new money bonds. This included funds for the TBTA \$1.2 billion capital plan. Tolls were raised three times

during the period of the 2005-2009 Capital Program: to \$4.50 in 2005, to \$5.00 in 2008 and to \$5.50 in 2009.¹⁰

2. The State in 2009 Adopted Legislation Providing Additional Revenues to MTA to Support Mass Transportation and in 2010, the Capital Plan for the 2010-2014 Period was Deemed Approved by the Capital Program Review Board.

In December 2008, the Commission on Metropolitan Transportation Authority Financing established by Governor David Paterson and chaired by Richard Ravitch, issued a report setting forth recommended strategies to provide adequate funding for MTA's essential capital projects and operating needs. The recommended actions included a new regional mobility tax in the twelve county MTA Commuter District of \$0.34 per \$100 on wages paid, as well as on individuals' net earnings from self-employment, and the transfer of the East River and Harlem River bridges from New York City to MTA in conjunction with the imposition of tolls thereon by MTA. The proceeds from the tax and the net proceeds from the tolls were to be used to support MTA's capital projects and operating needs.

In May 2009, legislation was enacted providing additional sources of revenue to MTA in the form of the payroll mobility tax and other taxes, fees, and surcharge to address the financial needs of the MTA. The legislative findings incorporated into the bill noted that "[m]ass transportation services in the metropolitan commuter transportation district ("MTA district") are essential to meeting the basic mobility and economic needs of the citizens of the MTA district, the state and the region. The contributions of such mass transportation services are also essential to addressing fundamental environmental policy and social needs of the state's residents."¹¹

MTA thereafter formulated its capital program for the 2010-2014 period. The 2010-2014 capital program was deemed approved by the Capital Program Review Board in June 2010. Effective December 30, 2010, tolls on TBTA facilities were increased to \$6.50 (\$4.00 for the Henry Hudson Bridge and \$3.25 for the Marine Parkway-Gil Hodges Memorial and Cross Bay Veterans Memorial Bridges). On December 21, 2011, the MTA Board approved an amendment to the 2010-2014 capital program for the Transit, Commuter and Bridges and Tunnels systems that funds the last three years of the program through a combination of self-help (efficiency improvements and real estate initiatives), participation by our funding partners and innovative and pragmatic financing arrangements. On March 27, 2012 the CPRB deemed approved the amended 2010-2014 Capital Programs for the Transit and Commuter systems as submitted.

¹⁰ Tolls for the Henry Hudson, Marine Parkway-Gil Hodges Memorial, and Cross Bay Veterans Memorial Bridges in 2005 were \$2.25. In 2008 and 2009, the tolls for the Henry Hudson Bridge were increased to \$2.75 and \$3.00 respectively, but were increased only to \$2.50 and \$2.75 for the Marine Parkway-Gil Hodges Memorial and Cross Bay Veterans Memorial Bridges.

¹¹ In December, 2011, as part of an agreement between the Legislative and Executive branches to overhaul New York's tax law, the Legislature passed and the Governor signed into law, amendments to the Tax Law which reduced the amount of the Payroll Mobility Tax payable by some smaller employers, eliminated it for schools and school districts, and recognized that MTA would require alternate funding from the State to make up the difference.

The 2010-2014 capital program and corresponding operating plan build on the 2005-2009 experience and are designed to maintain fiscal stability for all MTA related entities and to enable all such entities to maintain their respective operations on a self-sustaining basis through 2014. The 2010-2014 capital plan, which includes funds for the TBTA \$2.079 billion capital plan, is designed to continue a program of capital expenditures that will support the ongoing maintenance of the MTA's transportation network and provide needed improvements to enhance services to its customers, as well as expand service through a number of new initiatives including East Side Access and the Second Avenue Subway. (Budget breakout tables provided below.) Funding for the amended Capital Program plan (including TBTA projects) relies on the issuance of \$12.582 billion of new money bonds; there is no restructuring of existing debt.

The principles established to guide the plan are: maintain the high levels of service reliability and safety provided today; improve service on the existing system; complete critical expansion projects to ease crowding and support growth. The highlights of the capital programs are as follows:

- The capital program relates to state of good repair, normal replacement and system improvement and totals \$18.5 billion, allocated as follows:
 - Transit System—\$11.6 billion.
 - Commuter System—\$2.3 billion in expenditures for LIRR and \$1.5 billion in expenditures for MNR.
 - TBTA—\$2.1 billion for heavy deck, structural and cable rehabilitation work begun in the prior program, with particular emphasis on rehabilitation of the Bronx-Whitestone, Robert F. Kennedy and Verrazano-Narrows Bridges.
 - MTA Bus—\$297 million.
- The system expansion projects, which are managed by MTA Capital Construction, total \$5.7 billion, and include East Side Access and Second Avenue Subway.
- The security and interagency program includes:
 - MTA-wide Security—\$ 250 million
 - MTA Police Department—\$85 million
 - MTA BSC / Facilities Rehabilitation—\$259 million
 - MTA Planning Initiatives—\$56 million

In conclusion, it is clear that the legislative and MTA Board policies of regional sharing of benefits and burdens (begun in 1965), of inter-MTA sharing of operating surpluses (begun in 1968), of the use of TBTA tolls as a major vehicle to finance mass transportation capital projects (begun in 1981), and of periodic toll increases to achieve the foregoing (begun in 1982) will continue into the future.

V. The Proposed Toll Increase Is Necessary and Reasonable to Support Capital Needs

The proposed TBTA toll increase is necessary, reasonable, and appropriate in light of the capital needs of MTA's mass transportation system, the capital needs of the TBTA's own facilities, and the operating requirements of MTA's mass transportation network.

The Boards of the MTA and its operating agencies have approved the following capital programs:

NEW YORK CITY TRANSIT AUTHORITY
2010-2014 CAPITAL PROGRAM SUMMARY
(Dollars in Millions)

| CATEGORY | TOTAL 2010-2014 |
|------------------------------|----------------------------|
| Subway Cars | \$ 1,039 |
| Buses | 1,588 |
| Passenger Stations | 2,056 |
| Track | 1,262 |
| Line Equipment | 373 |
| Line Structures | 482 |
| Signals and Communications | 2,870 |
| Power | 275 |
| Shops & Yards | 355 |
| Depots | 483 |
| Service Vehicles | 112 |
| Miscellaneous | 612 |
| Staten Island Railway | 142 |
| TOTAL TRANSIT PROGRAM | \$11,649 |

Numbers may not total due to rounding

**METRO-NORTH COMMUTER RAILROAD
2010-2014 CAPITAL PROGRAM SUMMARY
(Dollars in Millions)**

| CATEGORY | TOTAL 2010-2014 |
|----------------------------|----------------------------|
| Rolling Stock | \$ 257 |
| Passenger Stations | 271 |
| Track and Structures | 298 |
| Communications and Signals | 248 |
| Power | 91 |
| Shops and Yards | 289 |
| Miscellaneous | 90 |
| METRO-NORTH TOTAL | \$1,544 |

Numbers may not total due to rounding

**LONG ISLAND RAIL ROAD
2010-2014 CAPITAL PROGRAM SUMMARY
(Dollars in Millions)**

| CATEGORY | TOTAL 2010-2014 |
|----------------------------|----------------------------|
| Rolling Stock | \$ 396 |
| Passenger Stations | 126 |
| Track | 780 |
| Line Structures | 172 |
| Communications and Signals | 448 |
| Shops and Yards | 121 |
| Power | 118 |
| Miscellaneous | 154 |
| LIRR TOTAL | \$2,316 |

Numbers may not total due to rounding

**NETWORK EXPANSION
2010-2014 CAPITAL PROGRAM SUMMARY
(Dollars in Millions)**

| CATEGORY | TOTAL 2010-2014 |
|----------------------------------|----------------------------|
| East Side Access | \$2,954 |
| Full Length Second Avenue Subway | 1,487 |
| Regional Investment | 401 |
| ESA RS/Liability Reserve | 697 |
| Miscellaneous | 200 |
| TOTAL NETWORK EXPANSION | \$5,739 |

Numbers may not total due to rounding

**MTA SECURITY AND INTERAGENCY
2010-2014 CAPITAL PROGRAM SUMMARY
(Dollars in Millions)**

| CATEGORY | TOTAL 2010-2014 |
|------------------------------|----------------------------|
| Security | \$250 |
| Interagency | 400 |
| MTA INTERAGENCY TOTAL | \$650 |

Numbers may not total due to rounding

**MTA BUS COMPANY
2010-2014 CAPITAL PROGRAM SUMMARY
(Dollars in Millions)**

| CATEGORY | TOTAL 2010-2014 |
|----------------------|----------------------------|
| Bus Company Projects | \$ 297 |
| TOTAL | \$297 |

Numbers may not total due to rounding

To provide resources to pay for these projects, the MTA has identified the following sources, which reflect reliance on MTA and TBTA obligations backed by TBTA's toll revenues:

**MTA CAPITAL PROGRAM
RESOURCE PROJECTIONS 2010-2014
(Dollars in Millions)**

| FUNDING SOURCE | TOTAL 2010-2014 |
|--|----------------------------|
| Federal Formula, Flexible and Misc. | \$ 5,783 |
| Federal High Speed Rail | 295 |
| Federal Security | 225 |
| Federal RRIF loan | 2,200 |
| MTA Bus Federal Formula/Match | 167 |
| City Capital Funds | 762 |
| State Assistance | 770 |
| MTA Bonds | 10,503 |
| Other | 1,490 |
| Bridges and Tunnels Dedicated Funds | 2,079 |
| TOTAL MTA CAPITAL PROGRAM FUNDING | \$24,274 |

Numbers may not total due to rounding

VI. TBTA 2010-2014 Capital Program Summary

In addition to the capital needs of mass transportation facilities, capital funds must be used to preserve and improve TBTA's own facilities. Approximately \$2,079 million of funding is necessary during the 2010-2014 period. The amount of TBTA bonds that will be issued to fund TBTA projects is included in the line "Bridges and Tunnels Dedicated Funds" in the Funding Source chart above. TBTA operating revenue surpluses not used to pay TBTA bond debt service are then pledged to pay certain MTA bonds that are issued to finance transit and commuter capital projects.

A. Recent Initiatives

While each bridge and tunnel is in a state of good repair, TBTA's nine facilities are now aging and require a higher level of capital investment than ever before to keep them structurally sound. More than half of these facilities are over 70 years old. Over a period of decades, and even with regular maintenance, the structures and mechanical components of all bridges and tunnels eventually deteriorate from the combined effects of

traffic loadings, environmental exposure, and aging. TBTA has recognized this aging and has increased capital spending on these facilities from pre-1989 levels of between \$10 to 15 million per year to approximately \$415 million annually.

TBTA produced its first multi-year capital program (totaling \$160 million) in 1989. This enabled it to begin the process of rehabilitating, replacing and modernizing aging equipment and facility components. In anticipation of the 1992-1996 Capital Program, a 20 Year Needs Assessment of all bridges and tunnels was completed, and the most comprehensive inspections ever undertaken of the facilities were carried out. The 20 Year Needs Assessment, which utilized comprehensive surveys of each facility, reviews of past maintenance records, and life cycle cost analysis of facility components, identified approximately \$2.0 billion in capital needs for the 1992 to 2011 period (1990 dollars). The areas in need of rehabilitation and replacement were most heavily concentrated on the roadways and decks of each facility and in the various ancillary structural elements of each bridge and tunnel. TBTA last updated its 20 Year Needs Assessment for the 2010-2029 period and projected a \$12.4 billion (2010 dollars) capital expenditure over that time period, and is in the process of updating its needs assessment for the 2015-2034 period.

During the 1992 to 2009 time frame, TBTA's capital program totaled \$3,312 million. The major work undertaken during this time period included:

- Installation of a new tunnel ceiling and new lighting, rehabilitation of the roadways and ventilation improvements at the Hugh L. Carey Tunnel (formerly, the Brooklyn Battery Tunnel) (\$178 million).
- Rehabilitation of the Battery Parking Garage (\$54 million).
- Rehabilitation of the ceilings and walls and the roadway and ventilation improvements at the Queens Midtown Tunnel (\$172 million).
- Fairing installation and replacement of the suspended span decks of the Bronx-Whitestone Bridge (\$216 million).
- Roadway, drainage and structural work at the Henry Hudson Bridge (\$54 million).
- Robert F. Kennedy Bridge overhaul initiative spanning multiple capital programs to rebuild the entire bridge's roadway deck, upgrade anchorages, and rehabilitate the suspension cables. This effort continues in the 2005-2009 and future capital programs. Completed work includes deck replacement on the viaducts and suspended spans, rehabilitation of the approach spans and deck replacement on the Harlem River Lift span (almost \$500 million).
- Replacement of the deck at the Marine Parkway Bridge (\$98 million).
- Rebuilding of the ramps connecting the Cross Island Parkway, rehabilitation of the Queens approach ramps, structural rehabilitation and upgrades to the electrical substation at the Throgs Neck bridge (\$65 million).

- Improvements to utilities such as a new heating, ventilation and air-conditioning system in the toll booths (\$16 million).
- Replacement of the underground storage tanks to protect against soil and water pollution around TBTA's facilities (\$6 million).
- Various ITS (Intelligent Transportation System) projects to provide improved information to customers including CCTV, electronic message signs, weather recording systems and traffic safety improvements (\$69 million).
- Installation of security systems at all facilities (\$13 million).
- Construction of new service buildings at the Throgs Neck, Bronx-Whitestone, Marine Parkway and Henry Hudson Bridges and expansion of the east ramp auto shop on Randalls Island (\$89 million).
- The most far-reaching accomplishment of TBTA in the area of toll collection in recent years is the introduction of E-ZPass to its customers (\$63 million). All facilities were equipped with the E-ZPass technology by December 1996.
- Replacement of the Bronx-Whitestone Bridge Bronx Elevated and On-Grade Approaches, Deck and End Ramp. Construction includes the replacement of the Bronx elevated approaches and reconstruction of the on-grade roadway and end ramp concrete decks. Work also included the strengthening of the bridge against seismic events, replacement of power and communications systems, roadway lighting and extension of fire standpipe system (\$233.8 million).
- Replacement of the Henry Hudson Bridge Lower Level Deck. The lower level deck was completely replaced on the northern approach structure, the deck over the garage was rehabilitated, a new drainage system is being installed, and structural steel and concrete repairs were addressed. New lighting was installed and structural system on the lower level was retrofitted for seismic events (\$88.8 million).
- Deck and Structural Rehabilitation on the Cross Bay Veterans Memorial Bridge. Deficient elements of the concrete deck slab and the drainage system were rehabilitated. The railings and lighting standards and bridge navigation lights were replaced (\$69.9 million).
- Replacement of Concrete Deck on the Throgs Neck Bridge. The decks on the Queens Approach were replaced, the abutment rehabilitated and a fire standpipe system installed (\$76.7 million).
- Rehabilitation of the Approach Span Decks of the Verrazano-Narrows Bridge. The lower level approach decks in Staten Island and Brooklyn and the Lily Pond Avenue Bridge were replaced (\$87.0 million).
- Rehabilitation of the Verrazano-Narrows Bridge Upper Level Decks on Suspended Span. This project was designed for the replacement of the suspended portion of the existing upper level roadway deck of the Verrazano-Narrows Bridge between the Staten Island and Brooklyn anchorages. Utility relocation and

testing of an orthotropic deck were completed in advance of the full deck replacement in the 2010-2014 Capital Program. (\$54.2 million).

B. 2010-2014 Requirements

As outlined below, TBTA's amended capital program over the 2010-2014 period totals \$2,079 million (dollars inflated to year of commitment). Approximately 50% of projected expenditures will be incurred at two facilities: the Robert F. Kennedy Bridge and the Verrazano-Narrows Bridge.

TBTA 2010-2014 CAPITAL PROGRAM BY FACILITY (Dollars in Millions)

| | |
|--|----------------|
| Robert F. Kennedy Bridge | \$ 491 |
| Queens Midtown Tunnel | 96 |
| Marine Parkway Bridge | 39 |
| Authority-Wide Projects | 128 |
| Henry Hudson Bridge | 95 |
| Bronx-Whitestone Bridge | 330 |
| Throgs Neck Bridge | 220 |
| Hugh L. Carey Tunnel (formerly, the Brooklyn-Battery Tunnel) | 148 |
| Verrazano-Narrows Bridge | 502 |
| Cross Bay Bridge | 30 |
| TOTAL | \$2,079 |

Inflated to year of commitment. Numbers may not total due to rounding

The program is summarized below by category of work and annual commitments. Almost 80% of the program is for work on structures, roadways and decks.

TBTA 2010-2014 CAPITAL PROGRAM SUMMARY (Dollars in Millions)

| CATEGORY | 2010 | 2011 | 2012 | 2013 | 2014 | TOTAL |
|-------------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Structures | \$ 41.8 | \$ 6.5 | \$ 70.5 | \$ 95.6 | \$ 81.0 | \$ 295.4 |
| Roadways and Deck | 202.3 | 476.3 | 259.6 | 342.3 | 34.9 | 1,315.4 |
| Toll Plazas | 22.1 | 6.3 | 15.1 | 50.5 | 0.0 | 94.0 |

| | | | | | | |
|---------------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Utilities | 63.9 | 9.3 | 65.0 | 39.8 | 0.0 | 178.0 |
| Buildings and Sites | 1.0 | 2.9 | 1.3 | 3.7 | 1.4 | 10.4 |
| Miscellaneous | 7.4 | 7.0 | 5.5 | 5.7 | 6.2 | 31.9 |
| Structural Painting | 45.9 | 61.6 | 18.0 | 10.8 | 18.0 | 154.3 |
| TOTAL | \$384.4 | \$570.0 | \$435.0 | \$548.4 | \$141.4 | \$2,079.2 |

Inflated to year of commitment. Numbers may not total due to rounding.

For the most part, the projects in the normal replacement category are a direct outcome of the 20 Year Needs Assessment and the comprehensive annual inspections. The inspections in particular identified specific components of each bridge and tunnel that needed rehabilitation or replacement.

C. Impact of Capital Construction on Regional Mobility

While the expanded capital construction program could cause some short term traffic delays on or near TBTA facilities, TBTA continually reviews its lane closure policy, on a project by project basis, in an effort to reduce construction costs, minimize disruptions to the public and allow the contractor maximum work times. Some construction projects will be undertaken in areas of the facility unaffected by traffic, e.g. repairing service buildings, vent buildings, etc. and, therefore, will not require lane closures.

The benefits (including construction savings) of full lane closures or tunnel tube closures for extended periods of time, including peak hours, are weighed against the potential negative impact on customer service, traffic patterns, diversions and revenue and are evaluated in each case.

TBTA also has procedures in place to ensure that work will be coordinated with City, State, and other planned construction activity, especially on the approach traffic routes serving the bridges and tunnels. TBTA routinely reviews and comments during the design process on New York State and City Department of Transportation projects that could adversely affect traffic flows on TBTA's facilities. The primary concerns are: (1) the convenience of the motoring public destined for TBTA facilities, (2) the potential for loss of revenues by diversion of traffic to competing free bridges, (3) protection of TBTA infrastructure, and (4) competition for limited contracting resources.

In some cases, TBTA may find situations that can prove advantageous in scheduling work on its facilities. To the extent that work permits, TBTA will evaluate the extent to which deviation from its normal lane closure policy is practicable -- an option which may yield significant cost savings.

D. Major Projects in the 2010-2014 Capital Program

The 2010-2014 Capital Program seeks to maintain TBTA's core infrastructure and to improve service. As the descriptions of many of the projects outlined below show, successfully completing the capital program will not only keep the facilities in a state of good repair, but will also help TBTA meet its wider mission of maintaining throughput on the bridges and tunnels and improving service to its customers.

The following are the major projects, or combination of projects, in TBTA's 2010-2014 plan. All dollar values are inflated to the year of commitment.

Hugh L. Carey Tunnel (formerly, the Brooklyn-Battery Tunnel):

Rehabilitation of Tunnel Walls, Roadway Drainage and Firelines and Miscellaneous Ceiling Repairs. This project is a continuation of the Phase I work previously carried out under the 2000-2004 capital program. Work will include the rehabilitation of the tile walls, drainage, firelines, tunnel ceiling veneer panels, and miscellaneous leak repairs (\$78.6 million).

Replacement of Electrical Switchgear & Power Distribution Equipment. The existing obsolete switchgear will be replaced to greatly enhance the flexibility and reliability of the tunnel's electrical power system. Newly installed generators will be placed on an automatic transfer switching system and new tunnel feeders will be installed to complete the emergency power portion of the project, with associated fire/life safety improvements (\$56.7 million).

Robert F. Kennedy Bridge:

Replacement of the Bronx and Manhattan Toll Plaza deck area, utility relocation, personnel and facilities relocation. This project will design and reconstruct approximately 320,000 square feet of the existing Bronx Toll Plaza. Also included is the relocation of utilities, personnel and facilities that exist under the toll plazas. The design for complete replacement of Manhattan Toll Plaza will also be carried out as part of the project (\$338.3 million).

Demolition and Reconstruction of the Manhattan to Queens Ramp. This Project will design and reconstruct the Manhattan to Queens (MQ) Ramp that merges with the Queens to Bronx roadway. The construction will include the widening of the ramp, closing the gap between the Queens Bronx roadway and MQ Ramp, repairs to existing piers and beams, replacement of pedestals, bearings, roadway decks, stringers, barriers, light poles, drainage, roadway stripping and traffic signage. The existing pedestrian ramp will be demolished. The reconstructed ramp will be designed and constructed to current seismic and load requirements (\$63.6 million).

Bronx Whitestone Bridge:

Elevated and On-Grade Queens Approach Structure Replacement. Construction includes the replacement of the Queens elevated approaches and reconstruction of the on-grade

roadway and end ramp concrete decks. Work associated with the strengthening of the bridge against seismic events, replacement of power and communications systems, installation of new roadway lighting and extension of fire standpipe system will be carried out. (\$166.1 million).

Replacement of the Upper and Lower Level Toll Plaza and Southbound Approach. This project will design for the reconstruction of both levels of the toll plaza, the lower level southbound approach deck, and the lower level maintenance garage. The first phase of the construction will be carried out, which includes the construction of remote toll plazas and relocation of the lower level garage utilities (\$49.4 million).

Queens Midtown Tunnel:

Ventilation Building Electrical Upgrade, Replace Electrical Switchgear & Fan Motor Control Replacement. This project will replace the existing electrical switchgear, fan motor control equipment and all 46 fan motors for the tunnel ventilation at both ventilation buildings and two new life/safety features will be added: automatic transfer switches between different switchgear sections and external connections for portable diesel generators (\$70.4 million).

Throgs Neck Bridge:

Suspended Span Replacement (Phase A). Design and phase one of construction for the deck replacement on suspended spans will be performed under this project, including utility relocations, underdeck traveler system installation, and roadway lighting replacement (\$96.8 million).

Structural Painting: Bronx Approach Spans. This project will clean, remove lead paint and paint the steel members of the approach spans with new high performance coating (\$46.2 million).

Verrazano-Narrows Bridge:

Replacement of Upper Level Decks on Suspended Spans. This project involves removal and replacement of the existing concrete deck in the upper level suspended span with an orthotropic deck. The elevated approach roadway will be widened to accommodate a future reversible Bus/HOV lane across the bridge. (\$414.0 million).

Rehabilitation of Toll Plaza East and West Bound Ramps. The eastbound and westbound ramps and the eastbound mainline of the Verrazano-Narrows Bridge will be rehabilitated. New traffic interchange work will be carried out in and around the toll plaza including modifications to entrance and exit ramps from the Staten Island Expressway approach. (\$73.6 million).

In addition to the TBTA and MTA Capital and Operating-Budget needs described above, the proposed toll increase is reasonable and appropriate to support the strong credit rating for TBTA bonds.

The MTA's operating revenues (fare, tolls, and miscellaneous revenues) cover only about one-half the operating costs for MTA's integrated transportation network. Federal, State and local subsidies, as well as certain dedicated taxes, and certain other sources, make up the difference. This is a result of deliberate public policy decisions made and reaffirmed over long periods of time by the appropriate governmental entities. In theory, the MTA could be made totally self-supporting and self-sufficient if tolls and fares were raised to very high levels, but such increases would have a significant detrimental effect on the operation of the region's transportation system. The toll changes now before the TBTA Board support the existing legislative scheme.

Analyses of MTA's return on equity and investment cannot be measured, given the MTA's dependence on governmental subventions and the difficulty of valuing the MTA's assets. Were it not for capital funds contributed by Federal, State and local governments, a consolidation of the MTA's financial statements would show negative equity.