




Staff Summary

Subject 2010 Budget: Major Service Changes						Date March 24, 2010			
Department Chief Financial Officer						Vendor Name			
Department Head Name David Moretti						Contract Number			
Department Head Signature 						Contract Manager Name			
Project Manager Name Douglas Johnson						Table of Contents Ref #			
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Finance Committee	3/22/10						1	Chief Financial Officer 
2	Board	3/24/10				3	Chief of Staff	2	Legal 
							Director of B&FM		
							Dep. Exec Dir of Admin		

Narrative

Purpose: To obtain the Board's adoption and approval of the attached Resolution, which authorizes agency implementation of the major service changes subject to public hearing, and the modification of the Cross Bay Bridge resident rebate program. Action on the student fare discount proposal is not required at this time, given that proposed implementation of the proposal's first phase is not until September 2010.

Discussion: At the December 2009 Board meeting, the Board adopted the 2010 Final Budget, which, among other cost-reduction measures, set forth a package of service changes and the proposed discontinuance of the Cross Bay Bridge resident rebate program. The Board at that time authorized agency staff to undertake the requisite steps to seek public comment on those proposals that required public hearing prior to final adoption and implementation.

In January, the package of service change proposals was refined by agency staff under the supervision of the Chairman. This review sought to affect the fewest number of riders, minimize impacts on riders, improve cost-efficiency of service, and maintain network coverage where possible while operating service within service and capacity guidelines. The revised package of service changes was set forth in materials distributed to the Board and posted on the MTA website. Hearing notices were prepared identifying the major service changes that require public hearing prior to adoption and implementation. The public hearing notices also identified the proposed budget actions to discontinue student fare discounts and the Cross Bay Bridge resident rebate program.

Following publication and posting of the hearing notices in early February, 2010, the Board held nine public hearings, between March 1 and March 8, 2010, to receive public comment on these proposed changes. Based upon review of public comments, certain restorations and modifications have been made to the January package of service changes and to the Cross Bay Bridge resident rebate program.

Attachment 1 to this staff summary identifies the restorations and modifications to the January package of service changes. Attachment 2 contains the complete service change package, after incorporating these restorations and modifications. Attachment 3 lists those proposed service changes within the service package which require Board authorization prior to agency implementation. Attachment 4 describes the proposed modification to the Cross Bay Bridge resident rebate program.

Implementation of the package of service changes and the Cross Bay Bridge resident rebate program modification, as described in Attachments 2 and 4, will produce total cost savings on an annualized basis of approximately \$93 million. As a result of the restorations and modifications, these savings are \$8 million less than was anticipated in the 2010 Final Budget; therefore, additional savings measures will be required of the agencies to make up this difference. An Environmental Assessment was prepared by MTA consultants and staff in accordance with SEQRA standards addressing the service changes. Copies of the Environmental Assessment have been distributed to the Board and by separate resolution that is to be considered prior to this resolution, the Board is requested to adopt appropriate environmental findings and determinations based upon the Environmental Assessment and to approve a Negative Declaration pursuant to SEQRA with respect to the service changes.

Adoption of the resolution would authorize the relevant agencies to implement the major service changes and modify the Cross Bay Bridge resident rebate program. All of these actions are cost-saving measures in support of achieving a balanced budget for 2010.

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Impact on Funding: Adoption of this Resolution will create substantial savings to agency operating budgets following implementation of the authorized actions. Such savings would result from the restructuring, reduction or elimination of certain transportation services and the modification of the Cross Bay Bridge resident rebate program.

Recommendation: It is recommended that the MTA Board adopt the Resolution attached to this Staff Summary.

RESOLUTION

2010 BUDGET IMPLEMENTATION: MAJOR SERVICE CHANGES PERTAINING, AS APPLICABLE, TO MTA, NYCTA, MaBSTOA, SIRTOA, MTA BUS, MSBA, LIRR, and TBTA

WHEREAS, on December 16, 2009, the Board adopted a 2010 Final Budget, which proposed service changes as well as the discontinuance of the Cross Bay Bridge toll rebate as cost reduction measures to achieve budget balance, and further authorized the MTA staff, under the direction of the Chairman, to proceed with steps necessary for MTA to notice and conduct public hearings to elicit public comment with respect to major service changes and other Budget actions requiring public hearing, prior to final Board action thereon;

WHEREAS, notices of public hearing on proposed changes in service qualifying as major service changes and the proposed discontinuance of the Cross Bay Bridge toll rebate program, which invited public comment at the hearings and submission of written comments for inclusion in the record, were prepared and posted by the Metropolitan Transportation Authority ("MTA"), New York City Transit Authority ("NYCTA"); the Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"); Staten Island Rapid Transit Operating Authority ("SIRTOA"); MTA Bus Company ("MTA Bus"), Metropolitan Suburban Bus Authority ("MSBA"), Metro-North Commuter Railroad Company ("Metro-North"), and The Long Island Rail Road Company ("LIRR") (collectively, the "MTA Agencies") at agency transportation facilities; and advertisements of said public hearings were published by the MTA Agencies, on February 4, 2010 appearing in El Diario, Newsday, the Daily News, the Daily Challenge, the Journal News and the Poughkeepsie Journal;

WHEREAS, public hearings were conducted by MTA, NYCTA, MaBSTOA, SIRTOA, MTA Bus, MSBA, Metro-North and LIRR, at the times set forth in the aforesaid notices of public hearings, at which members of the public appeared and commented on the noticed proposed changes at the White Plains Performing Arts Center, 3rd Floor, City Center, Westchester, 11 City Place, White Plains, on March 1, 2010; Chateau Briand, 440 Old Country Road, Carle Place, Long Island; College of Staten Island, Springer Concert Hall, 1 P Building, 2800 Victory Boulevard, Staten Island, on March 1, 2010; Sheraton LaGuardia East Hotel, Phoenix Ballroom, 135-20 39th Avenue, Flushing, Queens, on March 2, 2010; Paradise Theatre, 2403 Grand Concourse at 187th Street, Bronx, on March 2, 2010; Brooklyn Museum, Cantor Auditorium, 200 Eastern Parkway, Brooklyn, on March 3, 2010; Holiday Inn-Suffern, Empire Ballroom, 3 Executive Boulevard, Suffern, on March 3, 2010; Fashion Institute of Technology, Haft Auditorium, Seventh Avenue at 27th Street, Manhattan, on March 4, 2010; and County Center-Riverhead, Suffolk County Legislative Auditorium, Evans K. Griffing Bldg., 300 Center Drive, Riverhead, Long Island, on March 8, 2010;

WHEREAS, the Boards of MTA, NYCTA, MaBSTOA, SIRTOA, MTA Bus, MSBA and LIRR have considered the testimony and written comments that were submitted, and have considered various alternatives to the proposed service changes that

were noticed for public hearing, and proposed toll rebate program elimination, and, in connection therewith, have, among other things, considered the financial circumstances of the MTA Agencies and the impacts of such proposed changes upon riders of mass transportation, including minority and low-income users of such services;

WHEREAS, the Board has adopted a resolution finding and determining that the service changes will not result in any significant environmental impacts and are exempt from review under the State Environmental Quality Review Act ("SEQRA") and adopted and approved a Negative Declaration with respect to the service changes pursuant to SEQRA;

NOW, THEREFORE, upon motion duly made and seconded, the following resolutions were adopted, as applicable, by the Boards of MTA, NYCTA, MaBSTOA, SIRTOA, MTA Bus, MSBA, LIRR and TBTA:

RESOLVED, that the Chair and Chief Executive Officer and the Presidents of NYCTA, MaBSTOA, SIRTOA LIRR, MSBA and MTA Bus and their designees are authorized and directed to take such steps as necessary or desirable to implement the major service changes shown on Attachment 3 of the accompanying staff summary, as soon as reasonably practicable;

RESOLVED, that the Chair and Chief Executive Officer of the MTA, the Chief Financial Officer of the MTA and their designees are hereby authorized and directed to take such steps as may be necessary or appropriate to modify the Cross-Bay Bridge toll rebate program as set forth on Attachment 4 of the accompanying staff summary, as soon as reasonably practicable.

March 24, 2010
New York, New York