

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES
Of the
COMMITTEE ON TRANSPORTATION

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AUGUST 8, 2017
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HELD AT: Council Chambers - City Hall

B E F O R E: YDANIS A. RODRIGUEZ
Chairperson

COUNCIL MEMBERS: Daniel R. Garodnick
James Vacca
Margaret S. Chin
Stephen T. Levin
Deborah L. Rose
James G. Van Bramer
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Carlos Menchaca
I. Daneek Miller
Antonio Reynoso
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A P P E A R A N C E S (CONTINUED)

Veronique 'Ronnie' Hakim, Managing Director
Metropolitan Transportation Authority, MTA

Doug Johnson, Director, Management and Budget
Metropolitan Transportation Authority, MTA

Tim Mulligan, Executive Vice President
New York City Transit

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Michael Gianaris, New York State Senator
New York State 12th Senate District

Daniel J. O'Donnell, New York State Assemblyman
69th District, Manhattan

Scott Stringer, Comptroller
Office of the NYC Comptroller

Preston Niblack
Deputy Comptroller for Budgets
Office of the NYC Comptroller

David Jones, President
Community Service Society
City Representative, MTA Board

Carl Konig

Matthew Smith, Chief Engineer
Con Edison

Kyle Kimble, Vice President
Government Relations
Con Edison

Bill Henderson, Executive Director
Citizens Advisory Committee to the MTA

Liz Prentiss, Vice President
Public Legislation for Disabled Action

Michael Schu, Resident
Bensonhurst, Brooklyn

Jason Anthony Pinot
Transit Advocate

2 [sound check, pause] [gavel]

3 CHAIRPERSON RODRIGUEZ: Good morning
4 everyone especially to our representative from the
5 MTA, running the whole team. Thank you for being
6 here. My name is Ydanis Rodriguez, the Chair of the
7 Committee. I want to recognize my colleagues who are
8 here: Council Members Vacca, Lancman, Grodenchik, the
9 Public Advocate and Lander and, of course, like our
10 Speaker Melissa Mark-Viverito. Before we begin, I
11 would like to invite our Speaker, the leader of the
12 Council Melissa Mark Viverito to deliver her opening
13 remarks.

14 SPEAKER MARK-VIVERITO: Good morning and
15 thank you Chair Rodriguez and thank you for your
16 leadership on this issue. As indicated, I'm Council
17 Speaker Melissa Mark-Viverito, and I want to thank
18 everyone that is here today as we take a hard look at
19 the issues plaguing our subway system and discuss
20 options for moving forward. New York City subways
21 serve six million riders on a daily basis. In the
22 past few months the system has experienced numerous
23 power failures, equipment malfunctions and
24 derailments. These incidents are becoming far too
25 common to be accepted as the new status quo. Riders

2 should not have to worry about being late for a job
3 or a doctor's appointment or picking their child up
4 from daycare because of the subway. They should not
5 have to worry about whether they're going to make it
6 to their destination safely every time they swipe
7 their Metro Card. New York City is one of the
8 greatest cities in the world because of our subway
9 system, and we must take bold steps to protect this
10 vital asset. The city, state region and indeed the
11 country depend on it. Well, I'm very disappointed
12 that Chairman Lhota is not here himself despite two
13 personal requests especially considering the
14 significant amount of money he has asked the city to
15 contributed to the MTA's plan. I look forward to
16 Managing Director Hakim's testimony about how the MTA
17 plans to stabilize, modernize, and improve the system
18 in both the short and long term. So, thank you for
19 being here.

20 The MTA's Action Plan calls on the city
21 and state to invest an additional \$456 million in
22 operating dollars and \$380 million in capital dollars
23 toward immediate fixes to stabilize the system, and
24 an additional \$8 billion for long-term capital
25 projects to modernize the system. While it is

2 important that...that the state...you know that the state
3 says it's going to step up its investment in our
4 transit system, which is vital to the entire region,
5 let's no discount the billions of dollars the city is
6 providing to the MTA as well. Specifically, \$1
7 billion in operating costs in 2017 including reduced
8 fares, Access-A-Ride, MTA Bus Company lines and
9 Commuter Rail Station maintenance. \$2.5 billion
10 towards the most recently capital plan. That's an
11 increase of \$400 million a year under this
12 Administration and obviously in consultation with
13 this Council. \$613 million on subway related
14 expenses including debt service and Transit Police
15 expenses. \$3.6 billion in taxes from city residents
16 and businesses. Approximately two-thirds of the
17 states' \$5.4 billion annual operating contribution to
18 the MTA. Again, two-thirds of the state's operating
19 contribution to the MTA comes from New York City
20 residents and the taxes that they pay, and let's not
21 forget the \$5.2 billion paid each year in fares and
22 tolls by New York City residents. So, clearly
23 because New York-New York City is contributing
24 towards the MTA.

2 Now, I know the Mayor has taken a
3 position on the MTA's request for funding, but let's
4 be clear to everyone in this room that the Council
5 also must approve any additional city spending.
6 Therefore, the importance of this hearing since a
7 request is being made for additional contribution by
8 the City of New York and before we can consider
9 investing any additional money, we need to know what
10 we're going to be paying for. We want a complete
11 breakdown of how the MTA plans to spend and invest
12 this money. We also want to know how the MTA
13 prioritizes its capital projects. For example the
14 signal system constitutes the largest most immediate
15 need of the system, but the MTA has failed to fund
16 signal upgrades at levels recommended in its own 20-
17 year Needs Assessment. We need to understand why
18 priorities seems to have shifted especially in the
19 most recent Capital Plan Amendment away from
20 priorities directly tied to service reliability like
21 signals and train cars in favor of other things like
22 station renovations, and to what extent those
23 priorities can be recalibrated. We also need to know
24 why transit projects in New York City such as the
25 Second Avenue Subway, which constituents in my

2 district have been waiting decades for costs twice as
3 much and take twice as long as they do in other
4 global cities, and we want to hear more about how all
5 of these actions—how all of the actions in the MTA's
6 plan will impact New Yorkers. Will there be more
7 expensive line shutdowns? Will the effort to combat
8 littering focus first on the public awareness
9 campaign, the floor enforcement in order to minimize
10 people needlessly getting caught up in the justice
11 system. Today, we expect the MTA to answer these and
12 other questions. We expect honest and transparency
13 and the MTA'S full cooperation at this hearing, and
14 then follow-up conversations. I am supportive of
15 proposals to find long-term revenue stream to fund
16 the MTA such as congestion pricing, a surcharge on
17 for-hire vehicle trips, a commute tax, a
18 millionaire's tax and value capture, but we need
19 solutions now and not next year. So, I'm open to
20 discussing all options on the table with our partners
21 in government. I hope today's hearing will help us
22 better understand the challenges facing our subway
23 system, and get us on the track to finding solutions
24 to them. The riders cannot wait any longer to see
25 real change.

2 Again, I want to thank Transportation
3 Chair Ydanis Rodriguez who has been incredible—has
4 demonstrated incredible leadership on this issue, and
5 I definitely look forward to hearing the testimony
6 today. Thank you, Mr. Chair.

7 CHAIRPERSON RODRIGUEZ: Thank you
8 Speaker. Last week I was joined by my counterpart in
9 the Assemblyman Jeff Dinowitz who also chairs the
10 Committee or Corporation that oversight the MTA from
11 the two approaches in New York City so we are
12 assisting to hear directly from riders. I've been
13 taking the train since the '80s and the '90s when the
14 one didn't have air condition or heat. However,
15 being able to expand 24 hours and stop at 149th and
16 Third Avenue where the 205 make the stop, and that
17 station that has one of the third (sic) volume in the
18 city. It's not clean enough. It's not safe enough.
19 It's one of those trains that we have, but also being
20 able to go to Coney Island when N train to get there
21 we have to wait half an hour like five minutes before
22 because they have to do better planning. So, those
23 were the experience—some of the experience that we—
24 Assembly Member Jeff Dinowitz and other electeds.
25 So, our City Comptroller Scott Stringer, Public

2 Advocate Tish James, Manhattan Borough President and
3 many of my colleagues including the Speaker we are
4 able to have when we interact with riders. We made a
5 stop in each borough and were joined by many elected
6 officials along the way. At one point in the street
7 we were stuck for half an hour waiting to get to
8 Coney Island on the N Line. This disrupted our
9 schedule and caused us to cut short stops later in
10 the tour. While less a concern for us, this is part
11 of the reality what riders face every day in our city
12 except for them the consequences are real: Missed
13 appointments, miss-misses appointments, punishment at
14 school or work, getting there late to pick up the
15 kids and more. Riders rely on the subways to get
16 where they need to go on time, and over the past few
17 months, the subways have been failing to them to six
18 million people who take the train every day in New
19 York City. Even putting aside the most alarming
20 moments over the past few months, the train
21 derailments, track fires, power outages, and subway
22 tunnels and gates services is deteriorating. Delays
23 have jumped from 28,000 per month in 2012 to over
24 70,000 per month this year. On-time performance
25 measuring how often trains arrive within five minutes

2 of their scheduled time has fallen from 85.4% in 2011
3 to 56.8 in 2016. That's unacceptable. In June the
4 Governor himself declared a state of emergency for
5 the subway system, and the MTA has responded with a
6 detailed action plan to stabilize—stabilize the
7 system, improve service and to modernize, and
8 modernize many aspects of the subway separation
9 involves the short and long-term. Our subway system
10 is absolutely crucial to the economy and vitality of
11 our city not only for our working class and our
12 middle-class, but also for the wealthy New Yorkers.
13 Without reliable subways, it is simply impossible for
14 New York to remain the leading global city it has
15 long been in an increasingly competitive world. The
16 stakes are not only our city's economy, but for the
17 state, region and the entire country are enormous.
18 We know we did not get here overnight. Many of the
19 subway's problems have roots in underinvestment and
20 neglect going back decades, but we also know that we
21 came back before. We have come back before. The
22 resurgence of the subway system following the dark
23 days of the 1970s and the 1980s is one of the great
24 New York stories. It didn't happen by accident. It
25 took hard work, smart planning and a real commitment

2 to investing in the system as well as leadership not
3 only from the MTA and elected leaders, but from the
4 business community, and everyday New Yorkers as well.
5 That's why we need again collaboration and leadership
6 to make the hard choices the subway system needs to
7 thrive. Of course, a large part of the of the story
8 is money. Not just for short-term fixes, but for the
9 long-term need for the future. It is essential that
10 we find new sustainable sources of revenue to allow
11 us to invest in the system to standard we need—to the
12 standard we need—we need to especially as we quickly
13 approach the time for developing the next five years
14 capital. We have several options already on the
15 table, and I believe that all of them—that all should
16 be considered. I share many of them—I share some of
17 them with you, with some of you outside, but here we
18 have many choices of raising revenue that we've been
19 discussing in the last couple of days and couple of
20 weeks. This is only about one choice. This is about
21 raising \$27 billion in the next ten year for the MTA.
22 But, of course, it is not just about raising more
23 revenue. It is also about making sure that the MTA
24 spends the enormous amounts of money it does have
25 intelligently, quickly and efficiently. They need to

2 control the costs. We've seen capital projects go
3 over budget and past delivery time, projects vital to
4 modernizing. The system failed to have widespread
5 competition for procurement. Subway expansion costs
6 billions more than in other cities' comparable
7 systems. We are here today to get to the bottom of
8 this issues because if we can find a way to get this
9 project done faster and cheaper, we can free up
10 resources to modernize the system—system and make the
11 expansion necessary to keep up with our growing city.
12 At the same time we must prioritize the projects most
13 essential to the core functions of the system. This
14 means new train cars and new signal—signals.
15 Signals, which by the way we simply cannot wait by
16 2045 as fitting in the schedule. I will be 80 years
17 old if we follow that schedule. I would love to be
18 50 years old when we can say that we agree with all
19 the signal system. There are other things we need to
20 hear more about is how we are going to start seeing
21 things done differently at the MTA. The status quo
22 is simply no longer acceptable. Changes such as
23 relying less on generic automatic announcements are a
24 good first step toward rebuilding trust, and
25 confidence among riders, but we, of course expect a

2 lot more. The MTA needs to rethink established ways
3 of doing things in every area from track, signals and
4 car maintenance to incident response and customer
5 communication. Through it all, we must not lose
6 focus on the riders who the system is there to
7 support. The conversation I had with these hard
8 working New Yorkers from all backgrounds was an
9 important reminder of who this system served or who
10 we as public officials, they're—they are demanding
11 leadership. They are demanding accountability and
12 they are demanding improvements now. It is up to all
13 for—it is all—it is up to all of us to cut through
14 the arguing and focus only on what must be done not
15 only to revitalize our system, but to take it to the
16 21st Century. Our riders deserve nothing less. I
17 would like to thank Speaker Melissa Mark-Viverito for
18 her leadership, support and partnership in holding
19 this hearing, and I would especially like to thank
20 all the advocates especially Riders Alliance,
21 volunteers and riders who have raised their voices
22 and put forward their ideas for how to make our
23 subway system better. We look forward to hearing
24 from many of you today, and I would like to welcome
25 you Executive Director Hakim and the other

2 representatives of the MTA who are here with us
3 today. Thank you for being here. I now ask the
4 committee counsel to administer the affirmation, and
5 then you are invited to deliver your testimony, and
6 before that, I would like to recognize Council
7 Members Chin, Rose, Gibson, Rosenthal, Garodnick and
8 Menchaca and a special welcome to Senator Kaminsky
9 from Nassau County. Thank you for being here.

10 LEGAL COUNSEL: Please raise your right
11 hand. Do you affirm to tell the truth, the whole
12 truth and nothing but the truth in your testimony
13 before this committee, and to respond honestly to
14 Council Member questions?

15 RONNIE HAKIM: [off mic] I do.

16 LEGAL COUNSEL: Thank you. You may
17 proceed.

18 RONNIE HAKIM: Thank you. Good morning
19 Speaker Mark-Viverito, Chairman Rodriguez and members
20 of the City Council. I am Ronnie Hakim Managing
21 Director of the Metropolitan Transportation
22 Authority. Joining me today on my left are Doug
23 Johnson, the MTA's Director of Management and Budget,
24 and on my right Mr. Tim Mulligan, New York City
25 Transit's Executive Vice President. You have asked

2 us to testify at this morning's City Council
3 oversight hearing on improving the New York City
4 subway system. Let me take a moment to provide you
5 with context in which to consider this critical
6 topic. The New York City Subway runs more than 8,000
7 trains on an average day to serve its nearly six
8 million daily customers. Ours is the only big city
9 subway on the globe that operates its entire system
10 around the clock. The system runs across 24 lines
11 and 665 miles of track, more track than any other
12 subway system in the United States. The subway
13 network include 472 stations, more stations than any
14 other system in the world. A less positive
15 distinction, this complex sprawling workhouse of a
16 subway is 113 years old making it among the oldest in
17 the world. The average track in this system was laid
18 more than 40 years ago. Nearly 40% of our signal
19 equipment is more than half a century old. Much of
20 it does consist of World War II Era signaling and
21 communications equipment, and as Joe Lhota, our new
22 Chairman and CEO has said, we agree with you and with
23 our customers that that system is not meeting the
24 daily needs of our customers, and we must do better,
25 much better and as quickly as possible. Most

2 observes agree that the problems have been growing
3 and approaching for years because of these factors:
4 Record numbers of customers, old and aging
5 infrastructure, and too many years of chronic under-
6 investment in maintaining this system including the
7 parts of it that are most critical to reliable
8 service. Recognizing the critical state of the
9 system, Governor Andrew Cuomo declared a state of
10 emergency that allows us to cut through red tape and
11 speed processes to improve the subway. He also gave
12 us 30 days to review the primary maintenance
13 challenges of the system, and provide a plan to
14 stabilize and then modernize it so that our customers
15 can once again ride with confidence.

16 On July 25, Chairman Lhota issued a
17 Subway Action Plan. The Action Plan marks the
18 beginning of a new chapter for the MTA. It outlines
19 the specific actions that we are going to be taking,
20 some immediately to stabilize and improve subway
21 service for our customers in the short term and it
22 also lays the foundation for the modernization of the
23 system in the long term. The initial phase of the
24 plan has already begin-begun. It includes an array
25 of fixes that will be delivered within the coming

2 year. It attacks the causes of the nearly 80% of the
3 major incidents that delay our trains: Signal, track
4 and power issues, which alone cause 50—cause 54% of
5 the major incidents as well as water related damage
6 and corrosion, track fires, subway car breakdown,
7 police activity, and our station environment. There
8 are five components of the first phase of this plan:
9 signal and track maintenance; improving subway car
10 reliability; system safety and cleanliness; improving
11 customer communications; and critical operations
12 management. I'm not going to list them all but they
13 are all available as well as details on our website
14 www.mta.info. This plan is comprehensive. It
15 includes over 30 different tactics for improving our
16 service and reliability. This plan is detailed and
17 genuine. All these tactics include specific efforts
18 that will be necessary to restore the reliability of
19 service, real work done by real employees, employees
20 who will in many cases still need to be hired, and
21 work processes that will be reinvented, accelerated
22 or both. And this plan will come at a cost, but let
23 me described selected elements of the plan.

24 Signal and Track Maintenance in Phase 1:
25 Signal issues cause nearly 30% of major incidents in

2 the subway system. Under the plan, dedicated teams
3 will conduct an expedited repair program to fix
4 1,300 signals throughout the system that are most
5 problematic. Water on the track erodes the
6 infrastructure over time, and is a significant cause
7 of track incidents that create delays. So, we are
8 launching an Emergency Water Management Initiative to
9 seal leaks with chemical grouting, clean 40,000
10 grates to ensure proper water diversion, and
11 eliminate debris that are clogging drains. We are
12 cleaning the entire underground subway system to
13 remove debris that can potentially contribute to
14 track fires. We will be accelerating the repair of
15 track sections with potential problems across the
16 entire underground system by dispatching teams to
17 target locations with the highest rate of incidents.
18 We are tripling the installation rate of continuous
19 welded rail and increasing track welding capacity by
20 30%. We are also installing 50,000 new friction pads
21 between track rails and plates, which will increase
22 rail resiliency and reduce track breaks that
23 contribute to service delays. We are also tripling
24 our combined action team, which are able to respond
25 to a range of track, power or signal issues without

2 requiring additional support, and with the aim of
3 cutting average response times from 45 minutes to 15
4 minutes. Electric power runs our trains, and the
5 power support is a problem. Power issues have caused
6 thousands of trains to be delayed in the past year.
7 We have obtained a commitment from the State Public
8 Service Commission to work on improving power signals
9 with Con Edison throughout the system. Pursuant to
10 an order from the PSC, Con Ed has agreed to take
11 immediate action to help prevent power related delays
12 on the subway system. Con Ed will dedicate personnel
13 to perform inspections of all equipment, and help
14 install redundant electric supplies for the MTA. We
15 will be creating a stockpile of generators or other
16 technologies such as batteries to provide back-up power
17 at subway stations. By year's end, Con Ed has a plan
18 to replace all aluminum cabling serving the MTA
19 signal system at 50 critical stations we've
20 identified and replacing them with copper.

21 Moving to Subway Car Reliability: Subway
22 capacity is a challenge, and sometimes capacity
23 depends on reliability. Mechanical issues and defects
24 on subway cars often prohibit us from using our
25 entire fleet, which cuts into capacity and can

2 contributed to overcrowding, the largest single cause
3 of delays. So, we are expanding our capacity to
4 overhaul subway cars from 950 cars a year to over
5 1,100 per year. This 15% increase using in-house
6 forces and productivity will increase reliability by
7 keeping more overhauled and repaired cars in service.
8 For quicker on-location repairs, we are pre-
9 positioning 20 emergency subway car response teams at
10 12 locations along with the support of needed mobile
11 trucks. We are also maximizing our in-house shop
12 capacity with the addition of a third work shift to
13 operate subway car repair and maintenance shops
14 around the clock seven days a week. As 40% of car
15 breakdowns are caused by door malfunctions, the
16 enhanced maintenance effort will prioritize the
17 inspection and repair of doors with the goal of
18 addressing every car door system within the year. To
19 increase customer capacity, we will add cars to
20 trains online such as the C where the platforms are
21 long enough to accommodate longer trains. We will
22 also introduce a pilot program on the Times Square
23 Shuttle and the L-Line to test the removal of certain
24 seats in some cars to increase passenger capacity by
25 25 riders per car. We are including interior

2 upgrades as part of our maintenance cycle in ways
3 that will improve the customer experience on board.
4 In terms of system safety and station cleanliness, we
5 are increasing the frequency of station cleaning by
6 30% from every six weeks to every four weeks to
7 improve the customer experience in our stations. We
8 will target priority stations for deep cleaning,
9 repainting and tile repair as well as facilitate
10 timelier elevator and escalator repairs to increase
11 subway accessibility. We are calling on the NYPD to
12 work with us, and increase its police presence in
13 stations as well as to enforce laws that deter
14 illegal activity such as harassment, sexually
15 inappropriate behavior, aggressive panhandling and
16 littering. We are also launching a littering
17 awareness campaign to educate customers on the
18 consequences of littering, which contributes to 700
19 fire related delays every year. To address the issue
20 of sick customers, which caused more than 34,000
21 train delays last year, we are more than doubling the
22 number of stations with dedicated EMTs from five to
23 12 in an effort to reduce emergency response time and
24 delays, and we will also be working with and
25 coordinating with the FDNY and EMS groups for best-

2 for the best possible coverage within the system.

3 Customer communications and improvements in
4 communications are vital. We are working to provide
5 more timely and reliable information to our riders
6 during incidents that may impact their trips or when
7 we schedule track work that could affect their travel
8 and when they are headed in or heading for the
9 station. We are overhauling our digital and online
10 tools to provide clear and more detailed information
11 including what will be new integrated MTA app that
12 will roll out by the end of the year, and we will
13 provide our data on an open protocol basis so that
14 app developers can integrate our data into their own
15 innovative solutions for the benefit of our
16 customers. We will be deploying MTA customer
17 representatives at high traffic stations to provide
18 real time guidance and assistance to riders as they
19 travel. We are introducing *Clear Our Station* signage
20 and retraining employees to improve the way we
21 communicate service changes and alternative travel
22 options to customers, and we are accelerating the
23 system wide completion of countdown clocks in the
24 entire subway system. In terms of operational
25 management, we are rebuilding the management and

2 operations organizational structures to ensure faster
3 and more effective problem solving and decision
4 making. We are also bringing key decision makers
5 together as a group to monitor incidents in real time
6 and to more rapidly dispatch resources needed to
7 resolve issues. We will outline Phase of the New
8 York City Subway Action Plan dealing with the
9 modernization of the system in the coming weeks. It
10 will incorporate innovative ideas from the Genius
11 Challenge, and address long-term and system wide
12 improvements including in the areas of signaling, new
13 subway cars, and communications technology. These
14 actions are all real work, added work, more work than
15 we do or are capable of doing within our current
16 budget, equipment or manpower. To deliver this full
17 plan will require the deployment of over 2,700
18 additional personnel in our Subways Division as well
19 as specialized equipment needed to repair critical
20 components, improve stations, increase public safety
21 and deliver timely and effective communications. To
22 deliver this plan, we will need to invest in employee
23 training, and we will need to streamline our
24 procurement processes so that dozens of major capital
25 improvements can be on time and on budget. So, that

2 our customers can monitor the MTA's progress, and we
3 can be held fully accountable, we will launch a
4 public dashboard to measure categories important to
5 customers including reliability, safety and the
6 customers' experience. A real plan, real work by
7 real workers sometime using new and state of the art
8 equipment, and it does come with costs. To execute
9 this plan, to do this work as well and as quickly as
10 we can, to get our subway system back on track, will
11 require money. We estimate that this effort, this
12 Phase 1 to stabilize the system and deliver early
13 improvement and reliability in service will require
14 an immediate investment of \$456 million added to the
15 current Operating Budget of the MTA, and an
16 additional \$380 million in capital expenses.

17 Phase 2 of the plan for the long-term
18 modernization of the system will require an
19 additional investment, perhaps of \$8 billion. I will
20 be happy to answer your questions, but allow me to
21 close with this: This is a critical moment for our
22 city's subway system, and the MTA is confronting this
23 challenge aggressively and realistically. We are
24 doing our due diligence to review all of the needs,
25 assess opportunities for short-term improvements in

2 putting this plan together. Governor Cuomo has
3 pledges to cover half of the Phase 1 cost. Last
4 week, your members and other elected officials
5 demonstrated leadership in transportation, riding the
6 subways and doing your own due diligence, examining
7 conditions and speaking to riders about your
8 concerns—about their concerns. You have seen and
9 experienced the conditions. You've heard from your
10 constituents, our customers, and now you've heard the
11 plan. Now, we need your help. You recognize the
12 critical role that subway system plays for our six
13 million of your constituents everyday, and the very
14 real challenge that we face. This reality based
15 recovery program of essential repair work is truly an
16 investment in the city's future, and we're asking for
17 your help to ensure that it is jointed funded between
18 the city and the state as Chairman Lhota has
19 proposed. Speaker Mark-Viverito and Chairman
20 Rodriguez and members, thank you for providing the
21 MTA with this opportunity to share with you our
22 Subway Action Plan today. We will be happy to answer
23 any questions that you may have. Thank you.

24 SPEAKER MARK-VIVERITO: Thank you so
25 much, Ms. Hakim for your testimony, but I have your

2 closing it's really hard to sit here as a leader of
3 this legislative body, which deliberates and is very
4 responsible in the work that we do. I understand the
5 MTA is a create of the state, and therefore you
6 respond to the Governor, but to make it seem that the
7 Governor is being so magnanimous and that the City is
8 rejecting its responsibility, I'm not going to sit
9 here and accept that. I would like you to take a
10 look at that slide again. Do you refute the amount
11 of money that City of New York gives to the MTA? Do
12 you refute any of those figures?

13 DOUG JOHNSON: Yes, certainly, the—the
14 \$300--\$3.6 billion in taxes from New York City
15 residents, which is stated as two-thirds of the
16 state's \$5.4 billion. That's—that's just not the way
17 the money was legislated. Those are monies that come
18 from New York State appropriated taxes directly to
19 the MTA period.

20 SPEAKER MARK-VIVERITO: Okay.

21 DOUG JOHNSON: But there's some of those
22 of taxes that are generated.

23 SPEAKER MARK-VIVERITO: I'm sorry, repeat
24 that. I can't hear you very well.

2 DOUG JOHNSON: Okay, so the-the taxes
3 that come from New York State in the 2017 Budget are
4 \$4.9 billion versus New York City of \$1.9 billion.
5 When I...when we say New York State, those are New York
6 State appropriated taxes that are collected--

7 SPEAKER MARK-VIVERITO: [interposing] But
8 that-but those state--

9 DOUG JOHNSON: --we receive those monies.

10 SPEAKER MARK-VIVERITO: --those taxes
11 come from New York City residents.

12 DOUG JOHNSON: Well, there's the taxes--

13 SPEAKER MARK-VIVERITO: [interposing] Yes
14 or no?

15 DOUG JOHNSON: --come from New York City
16 and other residents within the 12 county region and
17 the New York State.

18 SPEAKER MARK-VIVERITO: But the majority
19 of that comes from New York City residents.

20 DOUG JOHNSON: Well, there are monies
21 that--

22 SPEAKER MARK-VIVERITO: [interposing] It
23 may be appropriated by the state, but it's coming
24 from the City.

2 DOUG JOHNSON: That--that would be based
3 on your analysis.

4 SPEAKER MARK-VIVERITO: [interposing] Oh,
5 so we--

6 DOUG JOHNSON: That's not the money that
7 we got.

8 SPEAKER MARK-VIVERITO: Okay.

9 DOUG JOHNSON: We got the money directly
10 from the state.

11 SPEAKER MARK-VIVERITO: Alright, I-I-I
12 stand by that slide, and those contributions. Now,
13 do you refute the Mayor's statement that since 2011
14 the state has diverted \$456 million in dedicated MTA
15 revenue to the State's General Fund? Do you refute
16 that?

17 DOUG JOHNSON: Well, they, in fact--

18 SPEAKER MARK-VIVERITO: [interposing]
19 That's a--that's a very simple yes or no.

20 DOUG JOHNSON: Well, then the answer is
21 no if you don't want a more specific answer.

22 SPEAKER MARK-VIVERITO: Okay, go ahead.

23 DOUG JOHNSON: Okay.

24 RONNIE HAKIM: I got that.

2 SPEAKER MARK-VIVERITO: So, you don't
3 refute it?

4 DOUG JOHNSON: We refute it.

5 SPEAKER MARK-VIVERITO: Okay, you said
6 no, but go ahead so then explain it in your way.
7 (sic)

8 DOUG JOHNSON: Okay. So of that \$415--
9 \$46- \$56 million a lot of those monies were instead
10 given to the MTA for capital purposes, which allowed
11 us--the us being the MTA--to then not make certain
12 PAYGO contributions that we had intended. So, in
13 terms of the net effect to the MTA, the total net
14 effect over that time period was a \$162 million loss
15 to the operating budget.

16 SPEAKER MARK-VIVERITO: You know, I find
17 it fascinating that he's saying that and now your
18 request in your emergency investment from the City an
19 additional contribution of \$456 million. So, I
20 probably, you know, would--I would love to get your
21 when you're refuting--

22 DOUG JOHNSON: Yes.

23 SPEAKER MARK-VIVERITO: --understand your
24 logic and see if--

2 DOUG JOHNSON: [interposing] We would be
3 happy--

4 SPEAKER MARK-VIVERITO: --we-if our staff
5 in analyzing it agree. I have a feeling we won't
6 agree on that issue. So, again the idea that somehow
7 the city of New York is not contributing or doing its
8 share I think is not only an insult to us who is
9 having this hearing, but to taxpayers who are paying
10 the taxes in New York City and that--that money is
11 going towards the MTA to maintain the system, which
12 is so important and vital. So, I-I just want to make
13 that very clear. We are not advocating our
14 responsibility, and we have not. So, let's--let's
15 stand by that. The other--just additional questions
16 on the staffing because my understanding is that
17 currently MTA has not hired all the employees that
18 are planned for in the budget in several key areas
19 including signal retainers, subway infrastructure,
20 repair workers. Is that true or not?

21 DOUG JOHNSON: Well, um, of course, we
22 always have vacancies. There's a vacancy assumption
23 in every budget. As you add--as you add staffing to
24 address certain situations, and especially if you

2 increase, it's going to put additional pressure on
3 human resources to get those positions.

4 RONNIE HAKIM: So one of our—one of our
5 key initiatives here that is not necessarily visible
6 from the Subway Action Plan itself is to streamline
7 our onboarding process, our HR process because we
8 recognize that that has been a bottleneck in the
9 past, and there are vacancies, and they're in
10 critical places. You mentioned signal maintainers.
11 That's absolutely correct, and we need to bring on
12 more resources working closely with the TWU as our
13 partner in how we recruit into these important
14 positions.

15 SPEAKER MARK-VIVERITO: Right because I
16 mean your 2,700 is an incredible jump. So, the
17 capacity to bring people on board, to do the
18 training, what is the total number of staff and the
19 MTA and the subway system?

20 RONNIE HAKIM: It's about 40, 48,000
21 people.

22 DOUG JOHNSON: Yeah.

23 SPEAKER MARK-VIVERITO: Okay, so then in
24 terms of expanding quite considerably the—the
25 capacity to do the train, how do you plan to do this?

2 What's the timing on bringing on the 2,700 workers
3 and the training process?

4 RONNIE HAKIM: So, one of the key issues
5 is this funding question because in order to bring on
6 additional staff beyond just filling vacancies--

7 SPEAKER MARK-VIVERITO: [interposing]
8 Right.

9 RONNIE HAKIM: --we would need to know
10 that we could sustain this going forward because
11 unlike a capital expense, which is a commitment that
12 you make once, and then you--you have the benefit of
13 the ongoing project and the benefits. Here we're
14 talking about adding to the operating budget in order
15 to sustain the level of fund--of--of maintenance. What
16 we saw occur was in the financial collapse in the
17 2007-2008 time period and our customers and your
18 constituents know that we made difficult choices in
19 those years. We--we cut service. We also extended
20 maintenance periods. We didn't include--fill all of
21 those vacancies in the maintenance realm, and so what
22 happened as the economy improved and things got
23 better, we started putting services back, but what we
24 didn't do was increase the level of maintenance, and
25 so right now we're playing catchup. This is

2 absolutely about stabilizing the system through good
3 solid maintenance practices. There is nothing fancy
4 in this Subway Action Recovery Plan. This is about
5 getting back to basics and stabilizing the system,
6 and we need to hire people to help us do that in
7 addition to redeploying our existing resources as
8 wisely as possible.

9 SPEAKER MARK-VIVERITO: So, then what
10 would be the timing for bringing the 2,700 on board
11 not only hiring them, but having them fully trained
12 and able to get to work. What's that timeline you're
13 seeing with that?

14 RONNIE HAKIM: So, if we know that we're
15 going to have the funding available to us, we can
16 start right away.

17 SPEAKER MARK-VIVERITO: Right, but what--
18 by when would you expect to have the 2,700 on the
19 ground working?

20 RONNIE HAKIM: Within--

21 SPEAKER MARK-VIVERITO: [interposing]
22 Would you—I mean are you phasing it? You could have
23 phase?

24 RONNIE HAKIM: It would be overtime. So,
25 you know, a realistic assessment would have over 600

2 and maybe 700 people hired and on-boarded this year,
3 put them into training. We would be expediting our
4 training process as well. Um, but again, we would
5 need to know that we would have the operating budget
6 for it going forward.

7 SPEAKER MARK-VIVERITO: Okay, so then
8 you're saying—in the—in the \$456 million that is
9 being requested, um, you're asking us to split the
10 cost with the state for the first year, but then how
11 do you plan to cover those costs in the years moving
12 forward?

13 RONNIE HAKIM: So, the idea would be to
14 phase the plan in over time, get as much work done in
15 the first year, year and a half to be able to
16 stabilize the system and create hopefully new funding
17 sources and new revenue sources for the MTA to
18 support those operating expenses.

19 SPEAKER MARK-VIVERITO: What funding
20 sources does the MTA support long term?

21 RONNIE HAKIM: A lot of things are being
22 considered. My role as the Managing Director is
23 really not a political one. It's more about the
24 operations, and developing these programs and being
25 able to deliver with—with efficiencies in the near

2 term. There will be overtime implications in the
3 near term as well. We recognize that. We're going to
4 be working with our labor partners to be able to
5 manage this program as we kick off. You know,
6 everybody is interested in getting this done. I
7 think that what you have appreciated by listening to
8 our customers and your constituents there's another
9 part of our constituents, which are our employees,
10 and this had been a very challenging time period for
11 them. They've worked through storms. They've worked
12 through bad press. They just consistently have been
13 able to work with us, and they're going to be a big
14 part of the solution going forward.

15 SPEAKER MARK-VIVERITO: But, I mean as-as
16 part of the long-term plan of the MTA in terms of
17 viability and sustainability moving forward and-and
18 is supporting possibly long-term additional revenue
19 streams. I'm sure there has been thought in terms of
20 whether supporting a conditioned pricing plan. There
21 has been discussions for years about a millionaire's
22 tax, um or other options. What-what conversations
23 have been happening internally about supporting
24 additional long-term additional revenue streams?

2 RONNIE HAKIM: Some of these revenues
3 streams are just staring to be discussed because the
4 Action Plan was recently announced. Clearly anybody
5 in transportation would support reliable dedicated
6 funding sources. How those funding sources are
7 developed and decided upon occurs here. It occurs in
8 Albany. My job is really about the Action Plan.

9 SPEAKER MARK-VIVERITO: I'm—I'm going to
10 ask one or two more questions, and I know there's a
11 lot of questions here, and I want to give deference
12 to my colleagues as well. Just one thing that's
13 obviously a concern for us, those of us that have
14 been talking a lot, and we've dedicated a lot of work
15 here in criminal justice reform in general, this
16 issue of—of more aggressive enforcement in the subway
17 system particularly around like littering. There is
18 discussions, and I—I agree that effective PSA
19 campaigns can—can change people's behavior, and there
20 is discussion in your plan about doing a PSA campaign
21 around littering. So, you know, can there be
22 consideration. I would ask consideration that the
23 implementation of the PSA be allowed for a period of
24 time before more aggressive enforcement is—is asked
25 for of the NYPD that can, you know, can ensnare

2 people in the Criminal Justice System unnecessarily
3 or for minor infractions. So, that's something that
4 I know is of concern to advocates. I mean it is a
5 concern of mine as well. So, that's something that
6 would be considered?

7 RONNIE HAKIM: Certainly.

8 SPEAKER MARK-VIVERITO: And how much do
9 you estimate that that PSA campaign would cost?

10 RONNIE HAKIM: I don't know if we have an
11 actual cost yet. We are just working on terms of
12 what—what are the messages and what are the
13 communication styles that would be effective there.

14 SPEAKER MARK-VIVERITO: Now, also you are
15 asking, and I'm not sure if that's being considered
16 as part of an additional contribution by the city.
17 You are asking for more EMT presence in certain
18 stations. You are asking for more police presence,
19 et cetera, which the city is willing to consider.
20 I'm not sure if there's a cost that has been attached
21 to what that would be or if that information has been
22 requested of the city based on what you're planning
23 to do. Have—do you have a cost attached to that, and
24 are you considering that part of the city
25 contribution.

2 RONNIE HAKIM: So, we've retained the
3 EMTs privately, the ones that we've already--

4 SPEAKER MARK-VIVERITO: [interposing]
5 Okay.

6 RONNIE HAKIM: --started and would
7 continue to roll that out. In terms of the cost
8 associated with additional EMT staff, I don't know if
9 we have that number handy.

10 SPEAKER MARK-VIVERITO: So, that's the
11 privately. So, that would be directly paid by the
12 MTA?

13 RONNIE HAKIM: Correct. That can be--

14 SPEAKER MARK-VIVERITO: [interposing]
15 With additional support from the NYPD?

16 RONNIE HAKIM: Yes.

17 SPEAKER MARK-VIVERITO: From the other
18 city services. What are--is the cost that you're
19 attaching to that? Do you have that?

20 RONNIE HAKIM: I don't think we have the
21 exact--

22 SPEAKER MARK-VIVERITO: [interposing] You
23 don't have that broken down?

24 RONNIE HAKIM: --by the--by the retention
25 of additional EMTs, but you're right that--that would

2 be the plan would be to have as part of the Subway
3 Action Recovery Plan a set of investments that would
4 include retaining additional EMTs in addition to NYPD
5 or FDNY response.

6 SPEAKER MARK-VIVERITO: Okay, and then I
7 do have questions considering the Second Avenue
8 Subway does impact part of my district, but we know
9 that there—the cost of subway tunnels in other cities
10 is between \$200 million and \$1 billion per mile.
11 When we look at the Phase I of the Second Avenue
12 Subway that cost was approximately \$2.3 billion per
13 mile, and this issue of—of the cost, right, of—of the
14 work here versus in other global cities that are also
15 expanding their transportation infrastructure. What
16 do you attribute that to, and why do you think it's
17 so expensive in comparison?

18 RONNIE HAKIM: Permit me to answer
19 generally because I'm not 100% familiar with the
20 numbers that you were just citing, but in other parts
21 of the globe when subway systems are being build
22 and/or expanded, they do not remotely come close to
23 the challenges that we face here in New York City.
24 You see it when you go by an open utility
25 construction pit and you look in, and the maze or the

2 spaghetti of utilities that we have to deal with when
3 are digging underground--

4 SPEAKER MARK-VIVERITO: [interposing] Uh-
5 hm.

6 RONNIE HAKIM: --radically increases the
7 cost. We have fairly sophisticated regulations that
8 we have to comply with. There is a very protracted
9 environmental review period, appropriate, but also
10 adds to the cost of doing work, and we're in New York
11 and this is an expensive part of the world in which
12 to construct.

13 SPEAKER MARK-VIVERITO: And what
14 percentage of MTA capital projects would you say go
15 over budget?

16 RONNIE HAKIM: I don't have a figure for
17 that.

18 SPEAKER MARK-VIVERITO: That something
19 you need to provide to us.

20 RONNIE HAKIM: Certainly.

21 SPEAKER MARK-VIVERITO: Okay, and what
22 conversations have happened internally to try to, you
23 know, disincentivize contractors to try to get the
24 contractors to be more in line with what they
25

2 originally projected or proposed. What—what is done
3 around that?

4 RONNIE HAKIM: So, a couple of things in
5 terms of how we do procurements differently and we
6 recognize the need to streamline that process. Using
7 more alternative project delivery, Design-Build and
8 being able to take advantage of that. It makes
9 construction faster. Anything that we can do to
10 incentivize a contractor for meeting completion
11 dates. So, on some of our projects now we are
12 including both incentives for early completion as
13 well as disincentives if you're late and we intend to
14 enforce those provisions, but the good, the carrot
15 and the stick.

16 SPEAKER MARK-VIVERITO: That's something
17 that was already happening. That's not necessarily
18 tied into the Executive Order from the Governor or
19 procurement stuff. That has nothing to do with that.
20 It's already something that the MTA was looking into?

21 RONNIE HAKIM: Correct.

22 SPEAKER MARK-VIVERITO: Implementing?

23 RONNIE HAKIM: The Executive Order gives
24 us the ability to fast track procurement. We don't
25 have a long period of State Comptroller review. We

2 don't have to have a protection—an extended
3 advertising period. We can shortlist firms quickly.
4 So, we've already been awarding contracts under the
5 Executive Order.

6 SPEAKER MARK-VIVERITO: Okay. I'm going
7 to leave it there. There's a million questions, but
8 I know colleagues have questions as well but thank
9 you for your testimony, and thank you for the answers
10 to my questions.

11 RONNIE HAKIM: Thank you, Speaker.

12 CHAIRPERSON RODRIGUEZ: Thank you,
13 Speaker and I also want to acknowledge (coughs)
14 Council Member Richards, Deutsch and Crowley and
15 Kallos and (coughs) first of all, I'm—I'm happy to
16 see you as a part in the new leadership at the MTA
17 and especially as a woman, but I way welcome to you
18 having a predominant leadership there. It's
19 insufficient that I get—for me as a father of two
20 daughters I think it is important to see also one
21 treating that as a valuable corporation to also
22 provide leaderships for individuals with so much
23 capacity as you have, and we expect that, you know,
24 you together with your colleagues really work
25 together to bring the changes that everyone needs.

2 What should we expect from the new leadership at the
3 MTA compared to the previous one? Because I don't
4 mean you have to be blamed but we have arrived to a
5 point of crisis not only because we have an old
6 train, not only we need more researchers, but also
7 because of vision of the leaders—previous leadership.
8 In the last 20 or 30 years, everyone knew it was an
9 open secret that that the signal was not working, and
10 that it was impossible to continue to run our trains,
11 and for decades it was that were putting like a Band-
12 Aid instead of addressing that spot. So, what should
13 we expect with the new leadership with the new
14 approach to take us to the 21st Century.

15 RONNIE HAKIM: Thank you for that
16 question, Chairman. Last week Chair Joe Lhota
17 announced a newly created Office of the Chairman with
18 a new management team in place. I very much
19 appreciate your support for my role as Managing
20 Director. I will be responsible and held accountable
21 for the operations of all of the MTA's operating
22 agencies. That—that is a—a new structure for us.
23 There will also be an Office of the Chief Development
24 Officer Janno Lieber. Mr. Lieber will be responsible
25 for innovative procurement and building and

2 increasing the capacity of the system on all-all
3 fronts including the important Second Avenue Subway,
4 including projects in Long Island or in the Metro
5 North District as well as the New York City Transit.
6 In addition, recently announced Pat Foye, will be
7 joining as President of MTA and in headquarters that
8 provides an opportunity for Pat working with the COO
9 to deal with technology, and innovation, and
10 hopefully really be able to bring new technology
11 into, as you have acknowledged, a very old system.
12 What that does is it provides a leadership team
13 focused on different things and gives us the strength
14 of the entirety of the MTA organization. You know,
15 we're 71,000 people to be able to deliver on some of
16 these new innovations and new technologies and new
17 commitments. The Subway Action Plan is driven
18 through New York City Transit, and Tim Mulligan is
19 her with me. The Transit Team has been singularly
20 focused in rapidly developing this real plan,
21 recognizing that it is about maintenance and
22 improving and stabilizing the system. We will be
23 working every day, every hour to try to deliver on
24 this program. So, everybody in this team is-is fully
25 committed to this success.

2 CHAIRPERSON RODRIGUEZ: Well, one-one
3 thing that I—that I encourage the new leadership for
4 me again, I'm not going to be as many individuals,
5 but I believe that previous leadership also even
6 though many of them made important contributions,
7 they have some level of responsibility for the level
8 of crisis that the MTA is right now. And, one of the
9 problems that I have is about the cost to—to build,
10 to do renovation of the MTA. What is the plan? What
11 should we expect with the new leadership and the
12 conversation going on with you guys as a team to
13 bring some aspect of Design-Build so that we can save
14 more money, and that also projects can be done
15 quickly?

16 RONNIE HAKIM: One key component to what
17 drives construction costs up is efficiency in
18 managing projects. And so, decisions need to be
19 made. People need to be held accountable for those
20 decisions. If there's a dispute in the field of a
21 contractor, it needs to be resolved rather than
22 languish. This is a new approach for us at Transit.

23 CHAIRPERSON RODRIGUEZ: But we can save
24 money, right?

25 RONNIE HAKIM: Yes.

2 CHAIRPERSON RODRIGUEZ: That expectation-

3 -

4 RONNIE HAKIM: [interposing] That is
5 exactly right.

6 CHAIRPERSON RODRIGUEZ: --as-as you asking
7 for it, and we should be there in the conversation
8 about raising more revenue that internally the \$1
9 trillion corporate-value corporation, you also had a
10 plan to save money there, too.

11 RONNIE HAKIM: Yes, sir.

12 CHAIRPERSON RODRIGUEZ: Great, and in
13 terms of the \$14.5 billion allocated to the subway
14 system in this current 2015-2019 Capital Plan, how
15 much has already been spent, and how much is left
16 over?

17 RONNIE HAKIM: So, in the '15 to '19
18 program about 27% is already committed or already in
19 construction, and recall that the program was a year
20 and a half late, and so, we started this program in
21 the middle of 2016. So, basically in a year's time
22 we have already committed nearly 30% and gone into
23 construction of the program, too.

24 CHAIRPERSON RODRIGUEZ: So, how much are
25 there available as you will—I know that some of them

2 are being already allocated for projects, but what
3 flexibility does—do you have right now when it comes
4 to capital that you know that you have some level of
5 control that you can use for the challenges that we
6 have in front of us?

7 RONNIE HAKIM: So that represents
8 approximately \$7 billion of the program already
9 committed, and the rest of it is going forward. I
10 think that's—that's your question.

11 CHAIRPERSON RODRIGUEZ: Okay. I'm going
12 to be asking two more questions because I also know
13 that my colleagues also has other questions. One is
14 about the Communication Based Train Control, the
15 CBTC. How many contractors are the MTA using?

16 RONNIE HAKIM: There are two qualified
17 CBTC suppliers, but that also does not include other
18 firms that participate in the installation of that
19 equipment as well. So, there are more companies
20 involved in the installation of CBTC whether it's on
21 cars, or on the track at the wayside.

22 CHAIRPERSON RODRIGUEZ: As someone 52
23 years old who would like to be 50 by the time when I
24 see most of the upgrades that we have in the schedule
25 by 2045 and I will be 80 years old, are you looking

2 also to open more RFPs to bring other contractors
3 also to do more work so that we can expedite the
4 time?

5 RONNIE HAKIM: We have another firm that
6 is in the process of prequalification for it to be
7 another CBTC supplier. So that would be a good thing.

8 CHAIRPERSON RODRIGUEZ: Okay, and my last
9 question is how are you looking to address the
10 problem of inequality that we have related to the
11 conditions of train stations in our city. Because if
12 there was one thing that I experienced, as someone
13 that usually takes the 1 and 2 Train or the A Train
14 coming from Inwood to here, is that when you look at
15 the condition of the station from 6 Trains from 96
16 up, it's different than 290 or 96. That when I stop
17 at the 149 2 and 5 Train with Council Member
18 Salamanca, and we were stopping there in the train
19 station that had one of the three or four more high
20 volume of riders--

21 RONNIE HAKIM: [interposing] Uh-hm.

22 CHAIRPERSON RODRIGUEZ: --the air in that
23 station, the condition of cleaning in that station
24 the need of safety in that station, is behind
25 compared to the volume that we are there. When we

2 walked with Council Member Margaret in the J Train
3 here, and we see all the paintings falling down, and
4 so this is one thing that I experienced together. We
5 have somebody on the day noise, is that when those 24
6 hours as we leave the main area o Manhattan and we
7 went to the Outer Borough, Brooklyn, Bronx and even
8 to Staten Island, but also they have to—they're
9 leaving a portion they need to have more maintenance
10 and more safety and more safety.

11 RONNIE HAKIM: Uh-hm.

12 CHAIRPERSON RODRIGUEZ: So, what is it
13 that we should expect to see in this plan so that
14 most stations also have the same level of, you know,
15 maintenance and safe throughout the whole five
16 boroughs?

17 RONNIE HAKIM: Uh-hm. So, there are a
18 couple of—of points. Let me start with the—the
19 larger picture. In the Capital Program in the '15 to
20 '19 Capital Program there is \$2.5 billion investments
21 in—for investing in stations themselves. Those
22 stations are geographically diverse. Around the
23 entirety of the system we have 472 stations, the most
24 in the world. So there is a need for continuous
25 investment in those stations. But there's another

2 part of the Subway Action Recovery Plan that provides
3 an opportunity for near-term benefits, and that's
4 where we look at priority stations, we look at
5 conditions, and we send in a team, an
6 interdisciplinary team whether it's carpenters,
7 painters, electricians, lighting, stair treads, the
8 platform edges in order to make a difference to our
9 communities while they are waiting for the larger
10 Component and Renewal Programs. So, it's twofold.

11 CHAIRPERSON RODRIGUEZ: Thank you. Now,
12 let's get into the questions from my colleagues.
13 First we will have the Public Advocate who have a few
14 words to say, and then following her own questions,
15 we will put the timing ten minutes and the rest of my
16 colleagues in five minutes.

17 FEMALE SPEAKER: [off mic]

18 CHAIRPERSON RODRIGUEZ: Thank you for
19 bringing to us on the 127 Train Station that has been
20 available (sic) for more than 400. This is something
21 that also we've been bringing to the MTA, and
22 definitely we also will be engaging in that--in that--

23 FEMALE SPEAKER: [off mic]

24

25

2 CHAIRPERSON RODRIGUEZ: Correct, we will
3 follow with that concern. Public Advocate Tish
4 James.

5 PUBLIC ADVOCATE JAMES: Thank you. I
6 have an opening statement, and then I have two or
7 three questions. First, let me thank the Speaker.
8 Let me thank Chair Rodriguez as well as the members
9 of the City Council and this Committee for holding
10 this hearing, and I want to thank MTA Managing
11 Director Ronnie Hakim for her presence here today.
12 Clearly, the MTA has reached a long brewing crisis
13 point, and it is critically important that we come
14 together to both fix the immediate problems and
15 finally come up with long-term sustainable solutions.
16 I want to make one thing abundantly clear. I'm not
17 here to engage in the blame game. Finger pointing as
18 far as I'm concerned is a waste of time as well as
19 the people's time. We are being asked today to
20 ensure that the greatest public asset of the greatest
21 city in the world grows and thrives for the next 100
22 years, and we should recognize the importance of this
23 task and not shy away from the challenge at hand. Let
24 me just say that there are several points that I want
25 to emphasize. First, I am distressed actually, I'm

2 outraged by the recent State Budget that provided
3 more capital funds for roads and bridges than it did
4 for the MTA, and I'm hopeful that we can learn from
5 that misjudgment and that misalignment and that we
6 will create a culture of parity or even priority for
7 public transit in the city, and there are several
8 other points I'd like to emphasize. I share Governor
9 Cuomo and Chairman Lhota's urgency in declaring an
10 MTA State of Emergency and think there is a lot to
11 learn about the specific components of the short-term
12 plan to stem the bleeding, and while I share the
13 Mayor's observation at diverted MTA funds, I'm open
14 to the city paying half of the immediate cost for
15 emergency measures under the right circumstances.
16 But let's be real, whether the money is from the City
17 or the State, it's the taxpayers that pay, and—but I
18 wanted to make a point and that is practically all of
19 the money that goes to the MTA and the Transit System
20 comes from downstate taxpayers and not the general
21 fund. Let me say that again. All of the money that
22 goes to the MTA and the Transit Authority comes from
23 downstate and—downstate taxpayers in the MTA region.
24 The vast majority of MTA funds comes from a
25 combination of rider fares and dedicated taxes

2 imposed on the city and surrounding counties that
3 comprise the MTA region. And although I agree that
4 all options on the table there should be—that we—I
5 agree that an—that in all options on the table
6 approach may mean—may mean the city may pay more to
7 the MTA, neither the City or it's taxpayers should be
8 willing to write a blank check to bail out the MTA
9 after decades of mismanagement and diverted funds
10 without real reforms, and with regards to diversion,
11 and perhaps you can correct me, it's my understanding
12 after analyzing the State Budget that in 2010, \$143
13 million was diverted. 2011, \$100 million diverted.
14 2013, \$20 million diverted. 2014, \$30 million
15 diverted. In 2015, the numbers are kind of fudgy at
16 this time, but we know that it's over \$100 million.
17 It's my understanding that it might be \$141 million.
18 So, although the Mayor says that 100-40--\$456 million
19 has been diverted from 2011, it's probably less, but
20 the nonethe--but the point is that diversions have,
21 in fact, occurred. We need an MTA lockbox that stays
22 locked on both the city and state level, and new
23 dedicated revenue streams. On the lockbox side that
24 means no more raids, no more sweeps, no more
25 diversions, no more excuses for funds that were

2 supposed to go to the MTA. And just to be clear,
3 these raids didn't start in 2011. They've been going
4 on for a very long time, and I'm not interested in
5 playing the blame game, but the diversions need to
6 stop and they need to stop now. The State also needs
7 to stop cutting the MTA's Capital Plan to the bone,
8 and deferring state of good repair until a crisis
9 point is reached like we are experiencing now. And
10 on the revenue side, everything should be on the
11 table: A commuter tax, a gas tax, a stronger MTA
12 payroll tax, a millionaire's tax, a mansion tax, a
13 tax on foreign real estate, which is displacing so
14 many New Yorkers. [applause]

15 SERGEANT-AT-ARMS: No applause please.

16 PUBLIC ADVOCATE JAMES: Every progressive
17 revenue proposal that has floated around needs to be
18 considered-considered. If the state is going to pay
19 more towards the MTA, then we need a greater voice
20 and more stake in how we spend these monies and how
21 we spend theses, and these are just some of the
22 things, and there are some things that the state can
23 do without city approval-without state approval and
24 that is including transit needs in any rezoning and
25 redevelopment. We also can cut costs as was

2 mentioned with better planning and coordination by
3 reviving the Transportation Unit within the
4 Department of City Planning. We also need, as was
5 discussed, more Design-Build, and I know my colleague
6 who is Chair of the Contracts Committee is planning
7 on having an oversight hearing with regards to that,
8 and I want to thank Council Member Rosenthal. If the
9 state wants the city as a partner on saving the MTA,
10 then make us a partner. Second, the MTA needs to
11 spend its money better and more transparently. It's
12 unacceptable that it costs the MTA seven times as
13 much to build a kilometer of New York City subway as
14 it does in other cities. We've got a problem of sky
15 high costs, and we need to figure out why our
16 construction costs are so much higher, and what we
17 can do to fix it, and that doesn't mean fewer jobs or
18 cutting benefits. It means more jobs because we can
19 do more projects. We need to stop wasting money on
20 expensive private consultants when MTA workers can do
21 the job better and cheaper, and as was mentioned, we
22 need to reform procurement, cut waste—cut waste and
23 crack down on fraud and abuse, and we need to take
24 emergencies-- Third, while we need to take emergency
25 measures, we can't just rely on quick fixes. We need

2 to build new subway cars and fix our ancient tracks
3 and signal lines. Subway lines need to be shut down--

4 SPEAKER MARK-VIVERITO: [interposing]

5 Madam Public Advocate, if you could close up your
6 statement and ask questions, and I--before you ask you
7 ask your questions, I would like intervene in that
8 moment, and with that--

9 PUBLIC ADVOCATE JAMES: Thank you.

10 SPEAKER MARK-VIVERITO: Finish your
11 statement, please.

12 PUBLIC ADVOCATE JAMES: Thank you. We
13 need guarantees that the State has some skin in the
14 game, and that the days of diversion and waste are
15 over, and if the city is going to pay more, the city
16 needs a great vote in the process. Again, I want to
17 thank everyone and my question is the following: The
18 diversions that I men--

19 SPEAKER MARK-VIVERITO: [interposing]

20 Before you do that, please, I'd like to acknowledge--

21 PUBLIC ADVOCATE JAMES: Sure.

22 SPEAKER MARK-VIVERITO: One moment.

23 Because I don't want to--we usually do not acknowledge
24 and do not accept disruptions in this Chamber, but
25 Ms. Kessinger, I want to thank you for being here,

2 and I think your concern as—as a writer are
3 legitimate concerns as well, and although in the
4 subway conversation and visits the issue of disabled
5 riders came up a lot, and elevator equipment and the
6 escalators. Elevators not being in service was a
7 constant concern. If you, Ms. Hakim, could talk
8 about within this plan, what attention is being paid
9 to making sure that there are upgrades consistently
10 for disabled riders who need to access the subway
11 system like everybody else?

12 RONNIE HAKIM: In the immediate Sandy
13 Recovery Plan, we are investing \$35 million in
14 improving the maintenance of our elevators and the
15 accessibility in our stations. That is separate and
16 distinct from the investment in the Capital Program
17 that we are being—that we are making to further
18 increase the number. We have 117 accessible stations
19 today. We're adding another 25 stations as well as
20 further investments in elevators and escalators and
21 improving maintenance of those facilities.

22 SPEAKER MARK-VIVERITO: And that's
23 prioritized--

24 RONNIE HAKIM: [interposing] Yes.

2 SPEAKER MARK-VIVERITO: --in part of the
3 plan as it is here. So, could you just repeat that
4 again?

5 RONNIE HAKIM: Yes. There are currently
6 117 accessible stations. We are increasing the, um,
7 under the Subway Recovery Plan, our maintenance of
8 those elevators by \$35 million in order to keep them
9 functioning because we know some of them are old and
10 have been problematic. We are also investing under
11 our Capital Program an addition \$966 million in
12 accessibility. Of that number another \$225 million
13 goes to adding another 25 accessible stations as part
14 of the '15 to '19 program. So, a priority
15 absolutely.

16 SPEAKER MARK-VIVERITO: Thank you for the
17 detail. We'll hopefully get more and Ms. Kessinger,
18 thank you for being here, and for expressing concerns
19 of--for yourself but many other riders as well. Can
20 we lave it?

21 MS. KESSINGER: I'm so sorry.

22 SPEAKER MARK-VIVERITO: We have to leave
23 it up for now, but you will have an opportunity to
24 come up and we can get more questions from you. I
25 appreciate it.

2 CHAIRPERSON RODRIGUEZ: Definitely, and-
3 and before the Public Advocate asks her questions, I
4 would like to highlight that the tour, the tour we
5 were—that we did it together with Assemblyman Jeff
6 Dinowitz, the reason why we started at 242nd (sic)
7 and Van Cortlandt is because that particular station
8 is one of those in the high point of the—of Manhattan
9 where a lot of residents from Yonkers they come by
10 bus and take the train there. A lot senior citizen
11 population they live there, and they don't have
12 elevators in that station. So, I don't want to put
13 you on the spot right now are you looking to put an
14 elevator in that station, but at least to bring it to
15 your attention as you plan for the future.

16 RONNIE HAKIM: Yeah.

17 CHAIRPERSON RODRIGUEZ: And—and I'm happy
18 to hear, you know, how you are working to expedite
19 those, the investment in that—in—in those elevators
20 and, of course, thank you for being in Inwood and
21 Washington Heights as we also look at the 168.

22 RONNIE HAKIM: Absolutely.

23 CHAIRPERSON RODRIGUEZ: The money is
24 there. My question again, public aside, as you there

2 is can we expect that you're working with your team
3 to expedite--

4 RONNIE HAKIM: [interposing] Yes.

5 CHAIRPERSON RODRIGUEZ: --you know, that
6 project to bring new elevators in those stations.

7 RONNIE HAKIM: Yes, yes, sir.

8 CHAIRPERSON RODRIGUEZ: Thank you.

9 PUBLIC ADVOCATE JAMES: So, my question
10 was with regards to the overall question of the
11 American Disability Act as opposed to station by
12 station. That should not be the question. The
13 question is when is MTA going to comply with the
14 Americans with Disabilities Act on a whole across the
15 system to, um, with the numbers that cited earlier,
16 the diversions that have occurred since 2010 and even
17 before that? Were those numbers correct? Do you
18 disagree? And if those diversions did happen, what
19 is the position of the MTA, and it's also my
20 understanding that the 20-Year Capital Needs
21 Assessment notes a \$68 billion reduction in stated
22 needs for the MTA Capital Plan. The reason it was
23 cited--the reason why we have a \$68 billion reduction,
24 the reason cited by the state was fiscal realities.
25 Well, fiscal realities unfortunately are now

2 collapse—colliding with transit needs. And so, if
3 you can ask—answer those three questions that would
4 be greatly appreciated.

5 RONNIE HAKIM: Sure. Why don't we start
6 with a clarification on the diversions first.

7 PUBLIC ADVOCATE JAMES: Thank you.

8 DOUG JOHNSON: Oh, yeah. So my research
9 doesn't go back to 2010. I'd be happy to do that for
10 you.

11 PUBLIC ADVOCATE JAMES: Thank you.

12 DOUG JOHNSON: So, the research that we
13 did was from the 2011-12, and that you had heard—we
14 had heard the number about the \$456-

15 PUBLIC ADVOCATE JAMES: [interposing]
16 Yes.

17 DOUG JOHNSON: --million dollars, which
18 was a good starting point because those are, in fact,
19 dollars that were intended for the MTA Operating
20 Budget. It did not go to the MTA Operating Budget.
21 However, many of those funds went towards the MTA
22 Capital Program, which I'd be happy to share with
23 you, um, that analysis. Um, so that when—when that
24 went to the Capital Program those are monies that we
25 had intended to use as PAYGO to the Capital Program.

2 So, the fact that the state instead provided those
3 monies to the Capital Program, allowed the Operating
4 Budget of the MTA to not use those PAYGOs as money.
5 So, it was really a relief to the Operating Budget.

6 PUBLIC ADVOCATE JAMES: Can I just
7 rephrase that and put it in English?

8 DOUG JOHNSON: Sure.

9 PUBLIC ADVOCATE JAMES: So, basically what
10 you're saying expenses that should have gone to
11 Expense—the Expense Budget runs the Capital Budget.

12 DOUG JOHNSON: That's correct.

13 PUBLIC ADVOCATE JAMES: Is that it?

14 DOUG JOHNSON: Yeah.

15 PUBLIC ADVOCATE JAMES: Okay, and--

16 DOUG JOHNSON: [interposing] And we'd be
17 happy to share those dollars with you.

18 PUBLIC ADVOCATE JAMES: Okay, but it's
19 also my understanding that your Capital Needs
20 Assessment that your Capital Budget was underfunded.
21 Is that true?

22 DOUG JOHNSON: Well, that's a relative
23 statement.

24 PUBLIC ADVOCATE JAMES: What do you mean
25 by relative? Is it true or isn't it?

2 DOUG JOHNSON: When you say our Capital
3 Budget is underfunded.

4 PUBLIC ADVOCATE JAMES: It was not.
5 Apparently you have a set of needs, and your Capital
6 Plan did not meet that needs, and therefore you're
7 your capital plan was underfunded, yes?

8 RONNIE HAKIM: No, I-I-I would-I would
9 not agree with that.

10 PUBLIC ADVOCATE JAMES: You would not
11 agree with that. Okay.

12 RONNIE HAKIM: The Capital Program right
13 now is at \$32.5 billion. It's the largest in MTA
14 history. The state has committed funding of over \$8
15 billion. The city has committed funding over \$2.5
16 billion. The program itself I think gets-gets to the
17 core and the heart of all of the capital needs in the
18 '15 to '19 plan.

19 PUBLIC ADVOCATE JAMES: So, according to
20 my understanding there is a \$7.6 billion gap in your
21 Capital Plan, and that is the reason why we are
22 experiencing the summer of hell. So, if funds were
23 diverted from your capital to you operating expense,
24 why-why was there a need to divert funds from capital

2 to expense, and what are doing to address the \$7.6
3 billion gap?

4 DOUG JOHNSON: Yeah, those—so, those
5 would be monies in pre-those are plants that already
6 existed. So monies that were not originally in those
7 capital programs it went—cam from the state, allowed
8 us, us being the MTA Operating Budget to—to not make
9 those contributions meaning—and meaning the Capital
10 Program was made whole, and our Operating Budget was
11 made whole.

12 PUBLIC ADVOCATE JAMES: Let me just say
13 this. That in—in February '17, there was a quote in
14 the Daily News by Ms. Hakim, and your quote was the
15 following: Our Financial Plan is certainly able to
16 maintain itself based on this budget without any
17 further service cuts or fare or toll increase. This
18 was in February of 2017 before the summer of hell.

19 RONNIE HAKIM: Uh-hm.

20 PUBLIC ADVOCATE JAMES: If, in fact, you
21 had adequate funding, why should the city of New York
22 step up and provide additional funds?

23 RONNIE HAKIM: Because we've established
24 a new need, and that new need is to respond to what
25 we consider this emergency situation that we find

2 ourselves in. We've heard loud and clear from our
3 customers that the pace at which we were at in
4 maintaining the subway system and working to improve
5 reliability was inadequate. They want more, they
6 want it faster, they want it better and we want to
7 respond to that, and that's how we're here today.

8 PUBLIC ADVOCATE JAMES: But if your
9 Capital Budget is \$7.6 billion, which is why we
10 cannot replace tracks and cars and et cetera, then
11 what are we doing to get additional capital funds in
12 that budget in the Capital Budget?

13 RONNIE HAKIM: So, the Capital Program,
14 and—and I'll stay focused on the \$16 billion that is
15 the New York City Transit portion of that larger
16 Capital Program. You know, it includes buying new
17 buses, \$1.2 billion. It includes buying new subway
18 cars, another \$1.7 billion. It includes improvements
19 to the Staten Island Railway, signals,
20 communications, new fare payment, accessibility that
21 we've discussed, station improvements as well as
22 track. So, there is a base program. What we're
23 proposing today is to add to that.

24 PUBLIC ADVOCATE JAMES: And are you
25 willing to give New York City a greater stake in how

2 the funds are spent? Are you—are you—would you be
3 supportive of New York City getting additional
4 appointees to the board?

5 RONNIE HAKIM: Well, fortunately that'
6 not in purview, but clearly something in everything
7 should be discussed.

8 CHAIRPERSON RODRIGUEZ: Thank you Public
9 Advocate. Now we call on Council Member Vacca
10 followed by Council Member Lancman. Five minutes.
11 No more than that, please. [pause]

12 COUNCIL MEMBER VACCA: Okay, thank you.
13 Since I've been told I only have five minutes, I'm
14 going to ask that your answers be quick.

15 RONNIE HAKIM: Okay.

16 COUNCIL MEMBER VACCA: Okay, thank you.
17 You mentioned about people throwing garbage on the
18 tracks, and you're going to do an education program.
19 I'm a straphanger. I'm on the train every time I
20 come down here. I see so much garbage on the track
21 it's ridiculous. Let me tell you something. I
22 wouldn't even bother with the Community Education
23 Program. People know that they're not supposed to
24 put garbage on I the tracks. I think they know that.
25 I think they know they're wrong, and I would start

2 summoning individuals who put garbage on the tracks
3 throwing out everything in the world, blocking trains
4 and causing rats to run amuck. So, I do disagree
5 with you having a community education program. When
6 tickets are given, the word will spread and the
7 garbage dumping on the tracks will stop. Number 2, I
8 want to ask you about the Second Avenue Subway. I
9 want to ask what has been the practical impact of the
10 Second Avenue Subway now in operation on service and
11 reduction of overcrowding?

12 RONNIE HAKIM: So, quickly let me agree
13 that people shouldn't throw trash in the subway
14 system and certainly not on the tracks. So, yes,
15 thank you for that. In terms of the Second Avenue
16 Subway, it's been a huge success since opening day at
17 the end of the year. We see 1.6 million riders on
18 the Lexington Avenue Line, the Lex Line. That's a—
19 that's a very busy corridor, Chicago and Ramada
20 combined. We've seen relief on that line. Why?
21 With the opening of Second Avenue, we've seen a
22 reduction in crowding on the Lexington Avenue Line
23 on—by 19% on the 4 and 5, by other 30% in peak hours
24 on the 6. Clearly an appreciable difference, and our
25 customers tell us that. They recognize the relief.

2 COUNCIL MEMBER VACCA: There was a very
3 interesting article in today's Times. I'm not sure
4 if you read it about the 4, 5, 6 but mostly the 4, 5
5 and riders. The trains are not just coming because
6 of signal malfunctions and things of that type.
7 This morning, for example, I squeezed on a 4 and it
8 was packed. So, in response to that article, what
9 can New Yorkers expect? Was that something you knew,
10 and are you addressing that situation that the Times
11 outlined today?

12 RONNIE HAKIM: Certainly. Part of it is
13 everything that is about the subway—Subway Recovery
14 Plan. There isn't one silver-silver bullet today.
15 We have to improve tracks, signals, cars, reliability
16 and we have to move people more efficiently on and
17 off platforms and into cars. It will make a
18 difference, but it's not just one thing. We have to
19 do everything.

20 COUNCIL MEMBER VACCA: I wanted to go
21 into your Capital Budget quickly. You have capital
22 funding for station renovations that I'm sure that
23 the station renovations are needed, but I did want to
24 state that there is an option the MTA has, which
25 would involve using some of that money for signal and

2 other maintenance. Have you thought of a realignment
3 of your Capital Budget internally so that crisis
4 measures that you've identified can be addressed
5 internally within your Capital Budget allocation that
6 you now how?

7 RONNIE HAKIM: I think—I think everything
8 is important to our customer. When they are on their
9 travel journey, the station in which they're waiting,
10 the station they enter and they wait in needs to be
11 safe. It needs to be secure. It needs to be well
12 lit. It needs to be well maintained. That's
13 important. The train that comes into that station
14 needs to run reliably. So, this is a multi-faceted
15 plan in order to address everything, and the Capital
16 Program reflects those priorities.

17 COUNCIL MEMBER VACCA: Let me, you know,
18 be clear. I think in the past we've postponed
19 Capital Budget improvements in almost every area, and
20 it's been to our detriment. I know, though, that we
21 have a current crisis on our hands when it comes to
22 service. You say that you need additional money, and
23 I understand that, but let's say you got the
24 additional money that you wanted at this point. How
25 long would it take you to hire up the people you

2 need? How many people do you think you have to hire
3 up, and how long would that process take?

4 RONNIE HAKIM: I think there would be a
5 phased approach. We would hire 6 or 700 people this
6 year and the balance next year. So, the entire
7 complement over the next two years.

8 COUNCIL MEMBER VACCA: Okay, alright
9 thank you.

10 SPEAKER MARK-VIVERITO: Council Member
11 Lancman.

12 COUNCIL MEMBER LANCMAN: Thank you. Good
13 morning. So, I have the perspective of having served
14 in the State Legislature, and seeing this back and
15 forth between the city and the state from both
16 perspectives, and as a city legislator now, and as a
17 state legislator then from the city, I am always an
18 advocate for the state doing more. In my opinion,
19 the state can never do enough for New York City. But
20 as a city legislator now, I am particularly focused
21 on what the city can do to serve the residents of the
22 city, and I come to this hearing and—and these
23 questions with a deep concern that the city is not
24 doing enough, and that the Mayor's plan to go to
25 Albany to seek a millionaire's tax, which when I was

2 in Albany had the pleasure to vote for a couple of
3 times, is—is less of a plan than it is a punt. Let's
4 talk about the city's contribution to the MTA. I
5 want to talk about the financial contribution, and I
6 want to talk about the city's use of its four voting
7 members on a board that in total amounts to 14 votes,
8 and whether it's being used effectively. Let's
9 understand, let's start with the operating expenses.
10 We've heard the Mayor say, and others echo about the
11 \$460 million that the state has swept in the last X
12 number of years from the MTA's budget. An I correct
13 that during that same period of time the MTA's new
14 Mobility Payroll Tax, which I voted for, which was
15 not an easy vote to take, let me tell you, has
16 brought in billions and billions of dollars into the
17 MTA. And if you could quantify the billions of
18 dollars that that new dedicated revenue stream which
19 the—the state imposed I think in '09 or in '10, has
20 brought into the MTA while the MTA was supposedly
21 losing, you know, several hundred millions of
22 dollars?

23 RONNIE HAKIM: Well, before I turn it
24 over to Mr. Johnson, the total number since the 2009,
25 you're correct, is \$11.5 billion.

2 COUNCIL MEMBER LANCMAN: So the dedicated
3 tax during the time period that the Mayor is talking
4 about \$400 and something million being swept out of
5 the MTA's budget going into the MTA's budget was \$11
6 plus billion dollars?

7 DOUG JOHNSON: Yes, but those monies were
8 collected throughout the MTA 12-county region.

9 COUNCIL MEMBER LANCMAN: The 12-county
10 region.

11 DOUG JOHNSON: And if you recall, a
12 primary reason for the implementation of that tax
13 was, um, the tremendous reduction in real estate
14 related transaction taxes during the time period
15 where we went from \$1.7 billion in I'm going to say
16 2006 and two years later we were down--

17 COUNCIL MEMBER LANCMAN: [interposing] I
18 understand.

19 DOUG JOHNSON: \$350 million a year.

20 COUNCIL MEMBER LANCMAN: And you--and you
21 testified earlier that the \$465 million the actual
22 net loss to the MTA is substantially less than that.

23 DOUG JOHNSON: That's correct.

24 COUNCIL MEMBER LANCMAN: What is the
25 city's direct contribution to the MTA's operating

2 expenses, and I don't mean that the--the fares that I
3 as a taxpayer pay or the tolls that I pay as a--as a
4 driver I mean the--the--the city of New York
5 appropriates from the city budget to the MTA.

6 DOUG JOHNSON: Well, um, the way we look
7 at it, we--we have something what we call direct aid,
8 and that included actually an urban tax of--in 2017.
9 I'm going to talk with numbers on the 2017 Budget.
10 So, approximately \$1.8 billion of direct city aid to
11 the MTA. That includes \$836 million in urban tax
12 money, which is technically a state tax, but it's
13 collected only in New York City. So, that comes to
14 the \$1.8 billion, and on the screen earlier there was
15 a--there was a shot of New York City contributing \$1
16 billion--

17 COUNCIL MEMBER LANCMAN: Uh-hm.

18 DOUG JOHNSON: --which is consistent with
19 what I'm saying. So, it would be the \$1.8 billion
20 less the urban tax of \$836. So, approximately a
21 billion.

22 COUNCIL MEMBER LANCMAN: And--and I've
23 written elsewhere but I...for simplicity and time sake,
24 is it fair to say that the state's contribution to
25 the MTA Capital Plan, but not just is Capital Plan,

2 but the last two Capital Plans as well, fairly dwarfs
3 the contribution that the city has made to the MTA's
4 Capital Plan. I think this year it's \$8.3 billion
5 verse \$2.5 billion.

6 RONNIE HAKIM: Yes.

7 DOUG JOHNSON: Yes.

8 COUNCIL MEMBER LANCMAN: And it wasn't
9 any better in previous two Capital Plans either, was
10 it?

11 DOUG JOHNSON: Well, the state has a
12 higher contribution. I don't have those exact
13 numbers, but it's certainly available and it's--
14 that's--

15 COUNCIL MEMBER LANCMAN: [interposing]
16 Let me conclude with a question on-on government.
17 The Mayor has four appointees to this board, and I
18 know that his might be an uncomfortable question,
19 but-but this is a hearing to ask uncomfortable
20 questions sometimes. Those four appointees weren't
21 finally all appointed and confirmed until this past
22 June. Are you aware of the Mayor's appointees either
23 individually or as a group? At any point in the last
24 3-1/2 years presenting to the board in the form of a
25 motion or a resolution or however you do business

2 over there, hey, here's a comprehensive plan for
3 improving the subways in New York City. Here' what
4 it will cost and here's what New York City can
5 contribute to that.

6 RONNIE HAKIM: Not to--not in the MTA
7 Board Room no, but in fairness, I think that
8 Commissioner Trottenberg as part of her DOT plan has
9 commented in the past on opportunities for
10 improvement of this system.

11 COUNCIL MEMBER LANCMAN: Okay, well
12 that's my time allotment. Thank you very much.

13 CHAIRPERSON RODRIGUEZ: Thank you.
14 Council Member Menchaca followed by Council Member
15 Grodenchik.

16 COUNCIL MEMBER MENCHACA: Thank you so
17 much Chair and Speaker, Public Advocate and all the
18 members of this Council that have continued to kind
19 of push on this investment. I want to--I want to
20 double down on the kind of quick work around the
21 translation of information. There's a lot in this
22 plan and I want to make sure that when we think about
23 communities like Sunset Park and other immigrant
24 communities what causes the MTA to fail its
25 translations when we think about all the things that

2 need to be translated and communicated. The riders
3 and the straphangers that we were talking to this
4 last few days and week spoke many languages, and they
5 wanted to express their—their frustration and their
6 need for better service. What can we see in this
7 plan? That's one. Two, I want to talk about the
8 workers. You mention them briefly in your—in your
9 remarks about how you're going to bring training to
10 the workers. What we also heard were straphangers
11 that were workers as well, TWU Union workers.
12 They're doing everything they can to hold the system
13 together as it's crumbling before their eyes, and so
14 much aggression is being fought against these workers
15 because they are the face of the MTA. How are we
16 protecting them and giving them what they need
17 including, and I'll be very specific about one issue,
18 about the scheduled that seem sometimes unrealistic
19 and reviewing that so that we can reset expectations
20 and make sure that the drivers of our system can
21 actually maintain their own ability to get people
22 where they need to get. So, these are the kind of
23 big things that—that I want to hear from you today as
24 we support not just our workers, but our immigrant
25 New Yorkers.

2 RONNIE HAKIM: Thank you. So, on your
3 first topic of translations, as you know, there is an
4 element of the plan that is around communications,
5 and how can we effectively communicate with our
6 customers. One of the things that we're doing as we
7 now are working in our stations or as part of the
8 recovery plan where we're telling people what the
9 work is that's going on. We will make an effort to
10 reflect in the station signage the languages spoken
11 in those communities, and if we need to augment our
12 translation capacity, we'll take a hard look at being
13 able to do that because communication of what's
14 happening in your community is—is critical, and
15 critical to people's perceptions. Obviously, we
16 survey customers in multiple languages to reflect the
17 communities. But very good point and one that we'll
18 take back. In terms of the overarching view of our
19 employees, thank you for acknowledging that they
20 have, that they are the front line, and they are the
21 ones interacting with our customers, and we need to
22 support them and they need to recognize. And one of
23 the benefits of the Subway Recovery Plan and calling
24 it a response to an emergency is to say to our
25 workers, we—we appreciate and support the fact that

2 you are out there everyday delivering service under
3 what can be difficult circumstances, and we are going
4 to work hard to make it better, to make sure you have
5 the materials, to make sure you have the resources,
6 to make sure that we are organized ourselves well,
7 and everything needs to be looked at. This is really
8 a—I keep saying back to basics. I mean back to good
9 management basics as well, and that's—that's on us to
10 do. The TWU and our other union members are an
11 incredibly important part to what will be the success
12 of this plan, and it is—it's appreciated that you
13 acknowledge that. Thank you.

14 COUNCIL MEMBER MENCHACA: Well, again, I—I
15 think that listening to the workers is going to be an
16 important piece, and I want to hear more from you
17 outside of this hearing about how that's happening
18 and really designing mechanisms in which we as our
19 legislative body can listen to, and our straphangers
20 can continue to kind of keep you accountable to make
21 sure that you have lines open, and one of those
22 things is schedules. Thinking about how—how our—our
23 lines, and the subways and our bus schedules as well.
24 One comment on the—on the translation. The Design-
25 Build first came to us in Sunset Park when you shut

2 down 53rd Street. We had to struggle to get
3 translation, and that was a confluence of issues that
4 MTA and the designers and the contractors. So, while
5 we're getting good things like building fast, we're
6 doing it so quickly that we're forgetting about the
7 community that we're serving and that is a—that is a—
8 that is an indicator of how the MTA continues to not
9 care about its riders. So it's let's fix that. The
10 final thing I want to say is that buses are another
11 option for us to get people out of the subway and
12 into a different—a different mode of transportation.
13 What are we doing in places like Sunset Park and Red
14 Hook? We can put more rapid transit and other bus
15 options to make that a viable option to reduce the
16 overcrowding in our MTA system. Where is that in the
17 plan and how can I—how can we hear from districts
18 that would benefit from bus—bus lines?

19 RONNIE HAKIM: We are investing \$1.2
20 billion buying new buses. Under the Emergency Order
21 one of the first big contracts that we awarded--

22 COUNCIL MEMBER MENCHACA: [interposing]
23 What was that number again?

24 RONNIE HAKIM: \$1.2 billion for buses,
25 and under the Emergency Order we were able to award

2 quickly contracts for I don't remember the exact
3 number, but it's over 600 buses to both New Flyer and
4 Nova buses.

5 COUNCIL MEMBER MENCHACA: Thank you.
6 Thank you for your time.

7 CHAIRPERSON RODRIGUEZ: Thank you and
8 thank you Carlos and thank you Council Member
9 Grodenchik for allowing Carlos to-be with you.(sic)

10 COUNCIL MEMBER LANCMAN: What else do I
11 have to do, really. Good morning. Thank you, Mr.
12 Chair, Madam Speaker, Madam Public Advocate, Ms.
13 Hakim and your colleagues on the MTA. From your
14 testimony and from my own personal life experience,
15 these are not new issues. The problems with the MTA
16 go back for many, many decades, and we've had better
17 times and we've had worse times. When I was a boy,
18 they announced plans to expand the E-Line out to
19 Queens College and as far as Springfield Boulevard.
20 I'm still waiting for that train. I'll be waiting
21 for it for some time. The question I really have to
22 you this morning what confidence do I have in asking
23 my constituents to reach deeper into already thin
24 wallets for more money for the MTA. Your-they shut
25 it off, but I went over and I calculated. The city

2 is giving the MTA through fares, through taxes,
3 through tolls, \$10.5 billion a year. That is almost
4 \$5,000 for a family of four, and now you're asking
5 for an extra—I wrote it down--\$228 million, which is
6 almost a rounding error in the MTA budget. You asked
7 for \$456 million more, right? Half of that is
8 supposed to come from the taxpayers of this city, the
9 riders. It would seem to me that in a budget as
10 large as the MTA's that you would be able to squeeze
11 efficiencies from that budget. This is only 2.2%.
12 It's almost a nothing. It's almost a nothing and I
13 don't think that anybody here would deny you that
14 2.2% from the taxpayers of this city if we knew that
15 the money was going to be spent wisely, and we don't
16 have much confidence, with all due respect to you. I
17 know that you're a professional and the two men on
18 either side of you are professionals, and that the
19 MTA does deliver millions and millions of people
20 safely every day. But it seems to me that an extra
21 2.2% really is not enough to get the job done, and
22 what I am worried about today is that it's 2.2%
23 today. Tomorrow it will be another 2.2% and so on
24 and so forth. That is one of the reasons I'm opposed
25 to congestion pricing because I don't trust that the

2 money will be locked away and it will fall
3 disproportionately on the people who live in the
4 farthest reaches of the city of New York including my
5 constituents. My district is a transportation
6 desert. It's such a desert that when you look at the
7 subway map, the legend for the map is in part of my
8 district and part of Paul Vallone's district because
9 there are no subways. There are no Long Island
10 Railroad stops. So, that is why I'm worried today.
11 If we're going to have to vote on this at some point
12 in the future, I need your assurance. I need your
13 Chairman Lhota's assurance that that this will be
14 the--t here will be a--a period on this sentence. I'd
15 like to hear from you on that.

16 RONNIE HAKIM: So let me start off by--by
17 noting that the MTA has been balancing and managing
18 and maintaining the stability of the fare and the
19 service levels because it has been on a path of
20 increasing efficiencies, recurring operating budget
21 efficiencies annually. We're at a level now of \$1.6
22 billion of recurring Operating Budget efficiencies
23 and that continues to grown, and--

24 COUNCIL MEMBER LANCMAN: [interposing]
25 Are you saying then--I don't mean to cut you, but I

2 don't have much time. Are you saying this is enough
3 money to get the job done? That's what I really need
4 to hear today. So, when my constituents ask me that
5 question I can tell them I heard from Veronique Hakim
6 that this is enough money, and they're not going to
7 be coming back next year for more money?

8 RONNIE HAKIM: This--this gets the
9 emergency funding need met, and we will be
10 transparent in what we're doing with that money and
11 your constituents will be able to manage and watch
12 our progress as we go.

13 COUNCIL MEMBER LANCMAN: And the last
14 question, Mr. Chair, is there an expectation that you
15 will be coming back for more money next year?
16 Because I understand how the world works, but I need
17 to know that at some point that there's going to be
18 enough money to get this job done. We all want a
19 safe efficient MTA that's accessible for all people,
20 but we want to know what the price tag truly is.
21 That's what my problem here is today.

22 RONNIE HAKIM: And I think we'll have to
23 keep coming and--and reporting on the progress that
24 we're making, and to the extent that that has been
25 said here earlier, there may be opportunities for new

2 dedicated funding sources. Clearly I think those
3 discussions have merit.

4 COUNCIL MEMBER LANCMAN: Thank you.
5 Thank you, Mr. Chair.

6 CHAIRPERSON RODRIGUEZ: Thank you and I
7 would like to recognize that we have Senator Michael
8 Gianaris. He's a great leader also in the Senate.
9 So thank you for being here. Council Member--

10 COUNCIL MEMBER LANDER: [off mic]

11 CHAIRPERSON RODRIGUEZ: It's from the
12 rest. (sic)

13 COUNCIL MEMBER LANDER: Thank you, Mr.
14 Chair, Madam Speaker. Dr. Hakim, it's good to have
15 you here. Thank you, and it's good that the voice of
16 riders is--is really finally being heard after decades
17 of underinvestment, years of increasing delays,
18 months of dangerous incidents. We are engaged in a
19 conversation, and it's not going to be a short one.
20 It took years, decades of underinvestment to get
21 here, and it's going to take sustained work by all of
22 us to get out of it. So, my goal is to kind of look
23 at the long term and not at sort of the short term
24 tit for tat. Now, according to the MTA's most
25 recently 20-year needs assessment, signal failure is

2 the leading cause or at least the number one cause of
3 subway delays, and the subway's largest singular
4 investment need. It's a good step in the short-term
5 plan to fix some of those signals, but I think we all
6 know the real solution is to have modern
7 communication based signals on all 22 lines. Today
8 we have them on one with one underway. The rest are
9 function on 1930's technology. London has replaced
10 40% and the other 40% underway. At the current pace
11 it's not going to get done in our lifetimes, and New
12 Yorkers agree this should be the top big investment
13 priority. We did a survey of about 1,400 people last
14 week. 80%--nearly 80% said signals ought to be our
15 top goal. So, I guess my first question is just at
16 the biggest level, what's it going to cost to replace
17 the signal system so that we have 22 lines full of
18 modern communications based signals?

19 RONNIE HAKIM: So, I don't like answering
20 a question with a question, but I-I'm-I'm forced to
21 say this, which is necessarily replacing the entirety
22 of the New York City Transit Subway system with what
23 we know today of communications based train control,
24 that may not be the right thing to do. What we need
25 to do is try to see what is the emergent technology

2 that could perhaps be wireless. One of the big costs
3 in drivers and time is the amount of work and time it
4 takes on the right-of-way that disrupts service to
5 install this technology. There was a way and new
6 technology. So, we are out in the industry probing
7 the industry to bring us new ideas to be able to do
8 things differently. Yes, we have—we have money in
9 the Capital Program to include BBT.

10 COUNCIL MEMBER LANDER: So, I'd be glad
11 to see new and better technologies used, but you have
12 costed what it would cost to replace the entire
13 system with 22 lines full of communications based
14 technology. It's about \$19.2 billion, right?

15 RONNIE HAKIM: I—I heard different
16 numbers, but--

17 COUNCIL MEMBER LANDER: I think that's
18 yours so that's the one--

19 RONNIE HAKIM: [interposing] Yes, that's
20 the number.

21 COUNCIL MEMBER LANDER: So, that's the
22 one I'm using--

23 RONNIE HAKIM: [interposing] Okay.

24 COUNCIL MEMBER LANDER: --and that's the
25 signal that interlocks the power--

2 RONNIE HAKIM: [interposing] Yes.

3 COUNCIL MEMBER LANDER: -upgrades. Now
4 not all those lines are capable of achieving that
5 technology today, but it's my understanding that
6 about 250 miles of them are, and that the cost of
7 just replacing those lines, which are already half
8 the system is about half of that, \$10.3 billion for
9 the lines that are essentially ready for new signal
10 technology.

11 RONNIE HAKIM: So, in the program right
12 now we're going to be working on the Queens Boulevard
13 Line, the Eight Avenue Line and the Culver Line.
14 That—that increases the CBTC readiness of the MTA
15 network.

16 COUNCIL MEMBER LANDER: Which is good.
17 It's just a snail's pace when we need to move so much
18 faster. We've got half the system is ready now. With
19 \$10 billion we could start moving on all those lines
20 while also upgrading the other half of the system.
21 So, we get the whole thing done in 20 years instead
22 of 50 or 60 years. That's not going to solve the
23 problem for this fall, but it is what's needed, and
24 let's remember it's not, you know, that's breakdowns.
25 That's more trains on the line so that we can

2 increase capacity. It's actually cheaper operating
3 costs as I understand it, too. So, what's in the
4 budget now for signal replacement?

5 RONNIE HAKIM: Three--almost \$3 billion.

6 COUNCIL MEMBER LANDER: And have \$2.1 so
7 if there--I would love to know where the other nearly
8 a billion is coming. Maybe that's--

9 RONNIE HAKIM: [interposing] Right.

10 COUNCIL MEMBER LANDER: --some of the
11 money they Governor committed, and if that's so,
12 great, but that's still a big gap from the \$10
13 billion--

14 RONNIE HAKIM: [interposing] Uh-hm.

15 COUNCIL MEMBER LANDER: --that we could
16 be spending on signals right now to get the--half the
17 system upgraded within decade.

18 RONNIE HAKIM: And your point about
19 needing to do it faster and more efficiently is one
20 that we're challenging ourselves with right now.

21 COUNCIL MEMBER LANDER: Which is good and
22 again new technology would be good, too, but I do
23 think it speaks to the need to bring new investment
24 dollars into the system because that \$8 billion gap or
25 if you think about I that whole, you know, \$18

2 billion gap to get the entire system done. We don't
3 have those resources in the budget. That in my
4 opinion is why dedicated new revenue is needed. I
5 costed it out. You know, it would be about the \$750
6 million that a millionaire's tax would bring into
7 investment. I'm open to other models. I'm a long-
8 time supporter of congestion pricing, but whether
9 it's a millionaire's tax, whether it's congestion
10 pricing, what we need is a--a progressive stream of
11 revenue, a dedicated stream of revenue, a committed
12 stream of revenue, and one that is tied directly to
13 the investments that we need to upgraded the system.
14 So, I just--I don't want to get caught in a--

15 RONNIE HAKIM: [interposing] I appreciate
16 that.

17 COUNCIL MEMBER LANDER: --you know, in a
18 fight about the short-term plan when what we need and
19 look, it may or may not be realistic to get that
20 millionaire's tax passed in Albany or to move
21 congestion pricing in Albany, but what I hope we can
22 do together is figure out how we're going to get
23 there because that's what the riders are counting on
24 and that's what the system needs.

25 RONNIE HAKIM: Thank you.

2 COUNCIL MEMBER LANDER: Thank you.

3 CHAIRPERSON RODRIGUEZ: Thank you,
4 Council Member. Council Member Rose.

5 COUNCIL MEMBER ROSE: Thank you, Chair.

6 Ms. Hakim, I know when people talk about Staten
7 Island and subways that they can't even correlate the
8 two, and that's my concern. Staten Island does not
9 have a subway, and this has been deemed a subway
10 plan, and so my concern is that there have been
11 dollars allocated like \$2.9 billion toward the
12 enhancement of station initiatives for 32 stations
13 new signage, LED lighting, countdown clocks, cellular
14 and WiFi services, and so I'm concerned about how you
15 will determine where these locations are and the
16 upgrade to 32 targeted stations, and is my
17 SIROTA(sp?) Rail Line included in that and are you
18 talking about just one station? Are you talking
19 about my entire system? Could you give me some
20 information on that?

21 RONNIE HAKIM: Sure so there is--

22 COUNCIL MEMBER ROSE: [interposing] Oh,
23 and--and--and does that include--will that be more than
24 the \$1 million that the Borough President allocated
25 for services to the Stapleton Station?

2 RONNIE HAKIM: The—the Recovery Plan, the
3 short-term plan also addresses some track work needs
4 for SIROTA (sp?) and so we're going to improve
5 reliability out there as well, and investing money is
6 part of this plan. The Capital Program also includes
7 investments in Staten Island both in terms of the—the
8 additional work for the SIROTA system, new cars, the
9 Enhanced Station Initiative that at Richmond Valley
10 that you were just referring to as well as other
11 investments working for Staten Island. We recently
12 were with the Borough President and others talking
13 about the new bus plan for Staten Island and we'll
14 continue to be advancing what we think will be a
15 significant improvement in the Express Bus network
16 there.

17 COUNCIL MEMBER ROSE: And—and so I'm glad
18 that you said that since, you know, in the absence of
19 a subway system, we are basically wholly dependent on
20 our bus service, and there is—I was reading the
21 statistic here that bus ridership has declined
22 because it averages less than four miles an hour,
23 which is not much faster than travel on foot, and my
24 district is wholly dependent on bus travel. And so,
25 with that happening, we've been promised the BRT and

2 --I don't see any mention of BRT or anything, and I
3 know you did the Bus Study, which talks about Express
4 Bus. I know there's a study afoot, but there has
5 never been any dollars allocated for the BRT, which
6 has been in a plan that's been suggested about four
7 years ago.

8 RONNIE HAKIM: So, think there is a Bus
9 Rapid Transit component in the plan, yes. [background
10 comments, pause] Yes, there is a Staten Island
11 Northshore Study that is in the plan, and there is
12 further work going on in terms of both the local bus
13 plan as well as the Express Bus Plan that I just
14 referred to.

15 COUNCIL MEMBER ROSE: I-I know that, and
16 I'm just wondering like when are we going to see some
17 movement on the BRT which was a plan and--and a
18 previous plan.

19 RONNIE HAKIM: Okay.

20 COUNCIL MEMBER ROSE: It--so--

21 RONNIE HAKIM: [interposing] Let me get
22 back to you.

23 COUNCIL MEMBER ROSE: [interposing] So,
24 we're looking for some movement.

2 RONNIE HAKIM: Yes. Let me get back to
3 you with specifics and what the current thinking is
4 here.

5 COUNCIL MEMBER ROSE: Okay, and my last
6 question is what are we doing to improve the
7 coordination of—of timing in terms of the bus, ferry
8 and the train. My constituents complain daily that,
9 you know, there's no connection and that they are
10 continuously late for work and appointments because
11 the train gets there after the ferry leaves or the
12 bus gets there after the ferry leaves. What are we
13 doing to improve coordination of—of time?

14 RONNIE HAKIM: We—we try to optimize
15 that, but I'll take this conversation back as to do
16 list to see if we can further improve our schedule to
17 create that better and more reliable connectivity.

18 COUNCIL MEMBER ROSE: Thank you. [pause]

19 CHAIRPERSON RODRIGUEZ: Council Member
20 Rose, thank you.

21 COUNCIL MEMBER GIBSON: Thank you very
22 much. Good afternoon. Thank you, Chair. Thank you
23 to our Speaker and thank you Ms. Hakim and your
24 Executive Team for being here. Our Chairman, Mr.
25 Lhota who was recently appointed, it would have been

2 great to see him here. I've only had an opportunity
3 to meet him a few times and he's been talking so
4 feverishly on TV about the needs of what the city has
5 to do, and so it would have been great to have him
6 here. It's certainly no disrespect to any of you,
7 but we really appreciate the opportunity to obviously
8 meet with the Chairman since the work they were all
9 doing is obviously in the spirit of partnership. I
10 want to thank the Chair and Assembly Member Jeff
11 Dinowitz of the Bronx for the two-day rider's
12 response. I had an opportunity to participate in
13 that because I represent the Borough of the Bronx.
14 So, I cover the Number 4 Line that goes from 161st
15 Street, Yankee Stadium all the way to the Cross-Bronx
16 Expressway, and we were due to meet at 2:00 on
17 Thursday afternoon, and when Chair Ydanis and his
18 team got to 149th Street at Grand Concourse, there
19 was an announcement that the 4 Train was going
20 express to Burnside Avenue. So, I was due to meet
21 him at 161st Street, and I wasn't able to because the
22 train went express. So, when you talk about
23 communication and PSA, it's extremely important
24 because we're talking about the stretch of Jerome
25 Avenue from 161st, 167, 170, Mount Eden, 176 and then

2 going to Burnside at 2:00 in the afternoon due to
3 some sort of work that was going on. So, these are
4 the types of things that our average commutes and
5 constituents deal with everyday. So, today's hearing
6 about this is very important, and I want to share the
7 sentiments of the Speaker in saying the city has done
8 an incredible amount of work in investing in the
9 system and supporting the workforce everyday that
10 it's out there keeping the city moving, and we know
11 that we're in crisis. We've been dealing with many
12 of these issues for quite some time, and we know that
13 we have to do more, but what I appreciate is when
14 every stakeholder does their fair share. So, I
15 served in the State Assembly when we began shifting
16 money from the MTA to the General Fund in 2011. So,
17 what I'd like to ask as my first question the
18 Governor has graciously committed to half of the cost
19 of Phase I and you're asking for the city to cover
20 the other half, but are you going to recoup the \$456
21 million that has been shifted to the state's General
22 Fund to the MTA? You're owed \$456 million from the
23 State of New York. Are you guys going to get that
24 money to help with Phase I and Phase 2 of your plan?

2 DOUG JOHNSON: Again, the \$456 nets out
3 to \$162 after you take out capital contributions and
4 some other adjustments.

5 COUNCIL MEMBER GIBSON: Got it.

6 DOUG JOHNSON: So, it's not \$456. It's
7 \$162. There's no plan at this point to recoup that
8 money.

9 COUNCIL MEMBER GIBSON: Okay.

10 RONNIE HAKIM: But one of the points that
11 you raised, if you don't mind just a moment--

12 COUNCIL MEMBER GIBSON: [interposing]
13 Sure.

14 RONNIE HAKIM: --is the--the service
15 impact that you experienced the other day. One of
16 our challenges is to communicate more effectively to
17 our customers when there are service impacts. We
18 have an alert system that people can get information
19 on their phones. We have the Subway Time Asset. It
20 can people information before they get to the
21 station. So, we have to do a better job of
22 communicating that available information because
23 that's available today.

24 COUNCIL MEMBER GIBSON: Right, and I
25 understand things happen, but I also appreciate the

2 notification because it was the middle of the
3 afternoon, and so to plan and now divert I ended up
4 going to Marshall Hill Parkway to meet him and riding
5 back down, but just in general I struggle. I'm going
6 through a rezoning called Jerome, and we have been
7 fighting for years to get an elevator at Burnside
8 Avenue on the 4 Train. The only reason we have one
9 now at 161st Street is because of Yankee Stadium. If
10 Yankee wasn't there, we wouldn't have an elevator.
11 So, you're talking about six to seven subway stations
12 for many of us that are in Bronx living in an area
13 where there is a transit desert. We have to take
14 buses out of High Bridge to come to Jerome Avenue.
15 So, looking at the Capital Plan and elevators and
16 escalators for commutes that may have a disability
17 that are mothers and traveling with small children,
18 how are we going to give them greater access to
19 subways when they have climb up multiple flights of
20 steps to wait for a subway train? That's the
21 question. We need elevators and escalators at many
22 of our stations.

23 RONNIE HAKIM: Excuse me and as part of
24 our Capital Program, we are continuing a steady

2 investment in adding elevators and increasing
3 accessibility in our stations.

4 COUNCIL MEMBER GIBSON: Okay, and my last
5 question is the cleanliness and quality of life. I
6 appreciate the PSA and focusing on education, but I
7 think it runs counter to what the MTA has been doing
8 when you remove garbage receptacles from the subway,
9 from the platforms, from the stations, you're
10 encouraging commuters to litter when we should be
11 encouraging them to recycle and use the bins. You
12 cannot take away trash bins from the platform in the
13 subway stations, and then also for disabled riders we
14 cannot take away the subway seats that commuters are
15 paying for. So, I look forward to working with you
16 and really ask you to listen to the concerns of
17 riders as you move forward with your plan. Thank
18 you.

19 CHAIRPERSON RODRIGUEZ: Thank you,
20 Council Member. I want to acknowledge that we were
21 joined by Council Members Constantinides, Levin and
22 Eugene. Now we have questions from Council Member
23 Rosenthal followed by Council Member Deutsch--

24 COUNCIL MEMBER ROSENTHAL: [interposing]
25 Thank you.

2 CHAIRPERSON RODRIGUEZ: --followed by
3 Council Member Deutsch.

4 COUNCIL MEMBER ROSENTHAL: Thank you so
5 much, Chair and speaker for this incredibly
6 elucidating hearing. Thank you for coming here
7 today. I really want to hit on two points. One is a
8 follow up to Council Member Gibson. You just talked
9 about the lack of elevators in our subways and what
10 people with disabilities can possibly do. So,
11 roughly our numbers that--that I saw--can--first of all,
12 how do you get to the 117 number of elevators? Does
13 that include the ones where it's subway to mezzanine
14 and stairs down to the floor?

15 RONNIE HAKIM: [interposing] No, I was
16 referring to 117 stations that are fully accessible.
17 We have more elevators in the system, but they are
18 not in fully accessible stations. I'm only counting
19 the stations that are fully accessible.

20 COUNCIL MEMBER ROSENTHAL: Can you send a
21 list over because--

22 RONNIE HAKIM: [interposing] Certainly.

23 COUNCIL MEMBER ROSENTHAL: --my count got
24 to 104.

25 RONNIE HAKIM: Yes, absolutely.

2 COUNCIL MEMBER ROSENTHAL: So, it's a big
3 difference.

4 RONNIE HAKIM: Yes.

5 COUNCIL MEMBER ROSENTHAL: And in the
6 current Capital Plan, 25 more were done with the
7 current Capital Plan next year. How many of those 25
8 are included in your 117?

9 RONNIE HAKIM: None. That's on top of.

10 COUNCIL MEMBER ROSENTHAL: So, in the
11 next fiscal year—we're in Fiscal 18, right?

12 RONNIE HAKIM: Yeah, we're—we're on a
13 calendar year. Yes.

14 COUNCIL MEMBER ROSENTHAL: Okay, so you
15 expect to be done with 25 more?

16 RONNIE HAKIM: We expect to have the
17 contracts awarded and then in construction. It takes
18 a period of time to install an elevator.

19 COUNCIL MEMBER ROSENTHAL: Fine, and
20 you're redoing the L-Line now, right? Why not put a
21 subway stop—why not put an elevator in every
22 renovated stop?

23 RONNIE HAKIM: We are making two more
24 stations accessible as part of the Canarsie two
25

2 bridge (sic) construction both at first the First
3 Avenue, Avenue A--

4 COUNCIL MEMBER ROSENTHAL: [interposing]

5 Right, what I'm asking is why aren't you doing all of
6 them as you're renovating the stations?

7 RONNIE HAKIM: The cost would be
8 prohibitive. It's about \$30 million or more to put
9 an accessible station in an underground subway.

10 COUNCIL MEMBER ROSENTHAL: \$30 million.

11 Okay, now you mentioned that you're not so aware that
12 New York City has higher costs per kilometer than
13 other cities. Would you consider doing an analysis
14 of why your costs are what they are? I mean and, you
15 know, it's very clear. I mean I just did a quick
16 search. Ours was between \$1 and \$2 billion per
17 kilometer. London, which has to be comparable is
18 \$450 million be kilometer. Boston, which beat us to
19 the punch back in the 1800s in building the new
20 subway system in the 1900s. It, you know, doesn't
21 come close to our costs. So, you list it as possible
22 reasons, sophisticated regulations. We don't
23 incentivize contractors. We have an incredibly old
24 system. None of those things stack up in my mind if
25 we're going to compare it to Boston and London where

2 they have, you know, their costs are four times less
3 than ours.

4 RONNIE HAKIM: I think there have been
5 different studies. What I referred earlier was just
6 a lack of the precision of those particular numbers
7 that were being discussed, but--

8 COUNCIL MEMBER ROSENTHAL: [interposing]
9 Would you consider doing a study to understand why
10 New York City costs are four times higher than
11 Boston?

12 RONNIE HAKIM: I'll bring that back to
13 the Chair.

14 COUNCIL MEMBER ROSENTHAL: Okay, and do
15 you have anything near to that when you say that
16 you're trying a new approach where you're going to
17 have efficiency in the management process, which I
18 guess didn't exist before today? Does that mean so
19 when you schedule for a contractor to come to do
20 work, that the MTA workers will be there at the same
21 time? For example, I've been told about flag workers
22 who were told to be there at 7:00 a.m. when the
23 contractor was there at 1:00 a.m. and so contractors
24 now build into their cost the fact that there is no

2 efficiency. Thus, making their costs four times
3 higher.

4 RONNIE HAKIM: So, that's exactly what
5 we've been doing. We've been meeting with
6 contractors either through the GCA or other
7 associations and groups, [bell] finding out what are
8 their drivers and how do we—their cost drivers and
9 how do we address them going forward?

10 COUNCIL MEMBER ROSENTHAL: Can you name
11 the top two?

12 RONNIE HAKIM: I would say lack of access
13 and protection. The ones that you just mentioned is
14 a cost driver as well as the inefficiency around
15 processing changes. We have a need to be more
16 efficient in our—our own decision making process
17 within the MTA. So, when a contractor says I have an
18 issue, we need to be able to resolve that issue in
19 real time, and if it's an additional cost, deal with
20 it, pay it and be done.

21 COUNCIL MEMBER ROSENTHAL: Thank you.

22 CHAIRPERSON RODRIGUEZ: Thank--

23 COUNCIL MEMBER ROSENTHAL: [interposing]
24 I look forward to seeing the list.

25 RONNIE HAKIM: Uh-hm.

2 CHAIRPERSON RODRIGUEZ: [off mic]
3 colleague. I've been called to the attention by
4 Council Member Danny Dromm and many of my colleagues
5 in Queens on how many residents of Jackson Heights
6 have been dealing with the issues lead paint
7 especially in the 7-Line, and one, and, of course,
8 like I would like to ask the MTA to paint the 7-Line,
9 which has not been painted in the last 35 years. Is
10 that something that we can expect that we can get
11 from your as one the leader of MTA to work with us,
12 and the elected officials and the residents of—in
13 Queens especially in the 7-Line to paint that station
14 that has not been painted in the last 35 years?

15 RONNIE HAKIM: Chair, I'll take a look at
16 what the painting schedule is, and I'll be glad to
17 talk with you about it further.

18 CHAIRPERSON RODRIGUEZ: Thank you. [off
19 mic] Sorry.

20 COUNCIL MEMBER FERRERAS-COPELAND: Thank
21 you.

22 RONNIE HAKIM: Thank you.

23 COUNCIL MEMBER FERRERAS-COPELAND: Thank
24 you, Chair. Hi. I just wanted to follow up and this
25 is something that we brought up during the budget

2 hearings. It just seems that the conditions of the 7
3 Train directly outside of City Field is much more
4 improved than the entire structure where actual
5 constituents is. So, I have a very hard time
6 understanding why it is that you continuously say
7 that you're going to produce a schedule of paint or-
8 or improving the—the thresh—the elevator train and it
9 doesn't happen. It just seems that it's—I don't
10 understand. Do you paint with a different kind of
11 paint or why is the condition outside of City Field
12 better than the condition where constituents actually
13 live and have to take the train?

14 RONNIE HAKIM: I'll be happy to commit to
15 sending you or meeting with you on what the painting
16 scheduled for the 7. I just don't have that
17 information today.

18 CHAIRPERSON RODRIGUEZ: But is—does—is
19 that possible that—do you have information on how
20 accurate is it that that 7 Line has not been painted
21 in the last 35 years?

22 RONNIE HAKIM: I do not.

23 CHAIRPERSON RODRIGUEZ: Okay, thank you.

24 COUNCIL MEMBER DEUTSCH: Hi. Thank you,
25 Chair. First, I want to thank the Speaker and Chair

2 Rodriguez and the Public Advocate for bringing up a
3 lot of questions, the questions that affect our city.
4 I have some concerns in my district, but I could
5 refrain from asking them if you could—all three of
6 you could commit to coming into my district for a
7 town hall meeting over the next few weeks?

8 RONNIE HAKIM: We've been coming—we, not—
9 I've been into a number of areas, but we have been
10 participating in many community boards and town
11 meetings. So, I'll have to defer to my government
12 folks.

13 COUNCIL MEMBER DEUTSCH: I didn't think
14 so. That's the response I usually get from the MTA,
15 but I just want to bring up a few issues. Number one
16 is the Select Bus Service. The MTA is planning on
17 bringing the B-82 SBS into my district running
18 through Kings Highway, and they're taking away a lot
19 of much needed parking spaces. So, when it comes to
20 SBS, I have a concern over the last two years in
21 particular no Nostrand Avenue the B-44 we have a
22 local running and we have a Select Bus Service. I
23 have a lot of seniors that reside in particular
24 Avenue or on Nostrand Avenue where there are medical
25 centers, and district has—more than 30% of the

2 population in my district are senior citizens, and
3 our people have to wait at the local bus services.
4 Those buses come very late, extremely late because I
5 know the issued 44 citations for not running on time
6 and this is going back and forth with the MTA. I
7 don't have to babysit and stand out at the bus stop,
8 and let you know how many times the bus has run late.
9 Now, while people are waiting for the local senior
10 citizens, people with disabilities in wheelchairs in
11 the rain, sleet, snow, warm, heat and everything,
12 all types of weather, you could have five Select Bus
13 Service drivers going down Nostrand Avenue empty-
14 empty. The one in the bus is the driver, and if that
15 bus ran on its own you wouldn't have the driver in
16 the car-in the bus. So, people are waiting at the
17 bus stop while waiting for the local stop, and five
18 or sometimes six Select Bus Services drive by. So,
19 my request for the last two years was to have another
20 stop of Select Bus Service at the corner of Avenue R
21 and Nostrand Avenue, and their answer-the answer
22 keeps on coming back no, no. We all teach our
23 children that if you're on a bus and there's no seats
24 available you sand up for a senior or someone with-or
25 a person with a disability. Here you have drivers

2 passing people waiting outside in all kinds of
3 weather, and just leaving them outside waiting for
4 that late local bus to arrive. That is unacceptable.
5 That is one issue, which I would like to address not
6 for you to tell me we'll look into it. For the last
7 2-1/2 years I've been hearing the same garbage.
8 Number 2 is that Southern Brooklyn and represent
9 Sheepshead Bay, Brighton Beach, Manhattan Beach and
10 even partnering district our Council Member Mark
11 Treyger in Coney Island, our MTA trains and the buses
12 are unreliable. We just had a train derailment just
13 three weeks ago on a Sunday—on a Friday in my
14 district, and when you talk about accessibility,
15 right, then you force people to keep their vehicles
16 or to buy vehicles and that makes it a problem with
17 finding parking. That causes congestion. I have
18 been requesting from the MTA for the last 3-1/2 years
19 to give us parking underneath the train trestle at
20 West Brighton where you could put thousand of parking
21 spaces underneath, but instead you have overgrown
22 weeds, which is the fire hazards. Your same
23 boilerplate response to me is that we have a Harlem
24 fire under the tracks and we will not allow any
25 parking under the tracks. But guess what, in Upper

2 Manhattan under the No. 1 Train at 126th Street you
3 have parking under the tracks. In Queens you have
4 parking; on Brighton Beach Avenue you have parking;
5 on 86th Street you have parking; on McDonnell Avenue
6 you have parking. So, why can't you allow that if
7 you're service is unreliable, why can't you allow
8 those that do have vehicles, the seniors and the
9 people with disabilities that need to carpool others
10 to give us that parking? Why is it the same
11 boilerplate response that we cannot do it?
12 Unacceptable, unacceptable. You guys do not care
13 about the people. You guys care about sugar coating
14 every complaint that you get, and that is
15 unacceptable.

16 RONNIE HAKIM: Well, I think the-the
17 purpose of the hearing was for us to talk about the
18 need for an emergency action plan around subway
19 recovery, which I hope demonstrates an
20 acknowledgement that we do care about our customers,
21 and we do care about people. With respect to--

22 COUNCIL MEMBER DEUTSCH: [interposing]
23 You guys do not know how to spend a dime. How are
24 you going to spend billions of dollars? I have one
25 train that has handicap accessibility. You should go

2 to West 8th Street. Right off of Neptune Avenue you
3 have 70 at least 70 stairs to walk up. I have to
4 help seniors schlep up the stairs and come back down.
5 Unacceptable. Sheepsheads Bay Road. Unacceptable.
6 You guys only care about yourselves, not about
7 others. If you would, you would come to a town hall
8 meeting within the next two weeks in my district.
9 The same response I get from the MTA each time. MTA
10 is not a city agency. We can't do anything. You
11 guys are unreliable, unresponsive and you don't care
12 about anyone except for your own jobs. Thank you. I
13 don't need a response any more.

14 CHAIRPERSON RODRIGUEZ: [off mic] First
15 of all, thank you. I will work with my colleagues
16 here. We experienced that. If you read the article
17 in the New York Times the one that covered the 24-
18 hour tour, you will see that photo in the station
19 where we were where that individual, a survivor of
20 9/11, he is still in wheelchair and it's a big issue
21 for him to go down the stairs. So, I know that, you
22 know, I hope that working together we can address it,
23 but this is an immediate situation, and I will be
24 standing with my colleagues here to be sure that we

2 continue conversations addressing that situation in
3 his district.

4 RONNIE HAKIM: Uh-hm.

5 CHAIRPERSON RODRIGUEZ: Council Member—
6 I'd like to recognize Council Member—we were joined
7 by Council Member Ferreras—Julissa Ferreras, Williams
8 and now I'm calling Council Member Kallos followed by
9 Council Member Constantindides.

10 COUNCIL MEMBER KALLOS: Thank you,
11 Managing Director Hakim. I appreciate the regular
12 meetings we've had with MTA in an effort to avoid
13 this very crisis. I'm asking you the same questions
14 I've been asking for the past 3-1/2 years and I
15 expect answers to all four of my questions in the
16 next five minutes. First, the MTA uses—currently
17 uses measures of service for quality called wait
18 assessment, which if believed says performance has
19 remained flat between 75 and 80% since 2012, which
20 on-time performance has dropped from over 85% to just
21 66%. Will the MTA abandon the broken wait assessment
22 and use new measures of excess wait time, multiplying
23 the delay by the number of riders impacted and excess
24 journey time to account for the delay waiting o a
25 platform, and delays once on the train.

2 RONNIE HAKIM: We are actually looking
3 right now a how to-to report better to our customers,
4 what their experiences are, whether it's as you're
5 suggesting platform wait time that is in excess or
6 travel time or segments of-of travel trips and
7 whether that is adhering to schedule. Right, well
8 everything needs to be reviewed right now because I
9 think there is this recognition that the way we've
10 been reporting stats don't really help our customers.

11 COUNCIL MEMBER KALLOS: Wow, thank you.
12 On accessibility the new Second Avenue Subway only
13 has one elevator at 86th Street and has already
14 broken down leaving my district without accessibility
15 to the new line. Additionally a new plan to add
16 accessibility to 86th Street and Lexington again only
17 provides one elevator that will only serve the local
18 six uptown while ignoring the four and five express
19 lanes. Will you pledge to provide more than one
20 elevator for redundancy and 100% performance to serve
21 all lines when building new stations or renovating
22 existing stations?

23 RONNIE HAKIM: While I can't make a
24 pledge of providing more than one elevator because
25 everything needs to be looked in the-the totality not

2 just isolated. I can, though, say that we are
3 committed to better improving the maintenance
4 particularly at those—those stations that you
5 referred to so that we don't suffer through periods
6 of elevators not being available.

7 COUNCIL MEMBER KALLOS: But even when
8 they are because nothing is—is perfect eve yours
9 truly like as long as we have some redundancy there's
10 that extra buffer. So, if the MTA would adopt a
11 policy or a best practice moving forward of having
12 more than one elevator is that something you could
13 evaluate?

14 RONNIE HAKIM: We—we—where it is feasible
15 and we showed that we did that at 63rd Street and
16 other stations as part of Second Avenue. It's just
17 I—I can't say with a blanket statement that we would
18 be able to do that everywhere.

19 COUNCIL MEMBER KALLOS: It's—its
20 disappointing, but I again think that any time we're
21 doing new construction or new renovation that is an
22 opportunity. We're moving right along with number 3.
23 I have high hopes for modern train control, but was
24 disappointed to learn that the brand new Second
25 Avenue Subway was built without it, and upon inquiry,

2 that even when it is upgraded, we would only get a
3 headway of three minutes or 20 trains per hour on the
4 CBTC. Yesterday the New York Times reported that of
5 the 90 trains scheduled for Grand Central from 8:00
6 a.m. to 9:00 a.m. only 77 showed up. First, please
7 give me that data. Second, if the MTA actually ran
8 the trains you're supposed to, is it possible you
9 could actually address overcrowding. Moscow has a
10 similarly aging infrastructure, but has accomplished
11 90-second headways. What does Russia know that we
12 don't? Can we reduce our headway from 90 seconds to
13 add an additional 10 trains per hour increasing
14 capacity of our system by 25% using our existing
15 technology.

16 RONNIE HAKIM: Try to get a subway in
17 Moscow at 2:00 in the morning. They're close. They
18 close every night.

19 COUNCIL MEMBER KALLOS: [interposing] So,
20 would you suggest that they have a maintenance period
21 over the evenings and--

22 RONNIE HAKIM: [interposing] It's a big
23 contributor.

24

25

2 COUNCIL MEMBER KALLOS: Is there any
3 limitation to our existing technology to having
4 shorter head rate-headways?

5 RONNIE HAKIM: There--there are a variety
6 of issues. It's power, it's the--the configuration of
7 the line. It's the ability to be put the CBTC
8 equipment on the cars. It's getting the right the
9 fleet in the right place. There are a variety of
10 factors, but everybody--

11 COUNCIL MEMBER KALLOS: [interposing]
12 But--but even the CBTC that we're evaluating is only
13 20 trains per hour where Moscow is at 40 and
14 Singapore is at 40. How do we get to 40 trains per
15 hour?

16 RONNIE HAKIM: I want to get back to you
17 on the specifics of what those headway opportunities
18 are on our CBTC equipped lines, because my numbers
19 are a little bit bigger than this.

20 COUNCIL MEMBER KALLOS: Okay, my--my data
21 source was Wikipedia on this.

22 RONNIE HAKIM: Yeah.

23 COUNCIL MEMBER KALLOS: And so, my fourth
24 and final and we'll continue to follow up is the MTA
25 has proposed cuts in bus service in Manhattan by as

2 much as 33% claiming low ridership. Will the MTA
3 stop cutting buses until the stat of emergency is
4 over, and share Fare Box and Bust Track planned
5 deviations from schedules so that we can turn around
6 our buses and relieve pressure on the subways?[bell]

7 RONNIE HAKIM: Just quickly, I will go
8 back with our Operations Planning Group to review
9 what the bus service plans are for Manhattan. I'm
10 glad to have further conversation about that/

11 COUNCIL MEMBER KALLOS: And just to
12 conclude, and I thank the Chair for the extra time,
13 and my-my wife is from the Soviet Union. One of
14 their phrases that Reagan made famous is trust but
15 verify. MTA continues to say ridership is low, but
16 you're not sharing the fare box data, and I need to
17 see that and my constituents need to see that to see
18 how it compares to real-real world scenarios. You
19 share the fare box for the subway, we need it for the
20 buses. There's a bus track system that your
21 dispatchers use to deviated buses from schedules, and
22 if you could share both of those data sets, we'd be
23 able to not only trust, but we'd be able to verify
24 and work with you to improve the bus service.

2 RONNIE HAKIM: We actually do report bus
3 fare box revenue, but would be glad to get more
4 information to you.

5 COUNCIL MEMBER KALLOS: Thank you.

6 CHAIRPERSON RODRIGUEZ: Thank you.

7 Council Member Constantinides followed by Levin and
8 Williams.

9 COUNCIL MEMBER CONSTANTINIDES: Thank
10 you, Chair Rodriguez and thank you to our Speaker
11 Melissa Mark-Viverito for being this hearing and
12 thank you for being here today. So, I know that the
13 stations, the NW stations are slated for upgrades
14 later on this year. That includes things like
15 charging stations and station art, and since the
16 implementation of the Second Avenue Subway, this one
17 has gotten numerous old-old train cars that I used to
18 ride on the 90, and I've complained about this
19 before. It seems that after the Second Avenue Subway
20 came on line, we got in Queens, we got all the old
21 broken down subway cars, and all the new lines got
22 the beautiful ones. So, but it doesn't seem to be a
23 problem, right? \$1.2 billion we're taking away from
24 signals and like buying new train cars for
25 beautification. So, why can't we use some of that

2 money for things like charging stations art to get
3 what we need her?

4 RONNIE HAKIM: So, as we said, it's not
5 one-one particular piece of solution. The stations
6 in Astoria are getting improvements in terms of both
7 vertical circulation, the lighting, the platforms,
8 the--

9 COUNCIL MEMBER CONSTANTINIDES:
10 [interposing] But what substance are we going to get?
11 So we're going to get beautification but are we going
12 get substance? Are the trains going to run better?

13 RONNIE HAKIM: So, the-I think having a
14 good station environment actually is beneficial---

15 COUNCIL MEMBER CONSTANTINIDES:
16 [interposing] If the train doesn't come, that's not a
17 good experience.

18 RONNIE HAKIM: And I'll continue and say
19 that the entirety of this emergency program is to
20 improve the reliability of the system, and one of the
21 elements of the Capital Program is to buy new subway
22 cars because we desperately do need them.

23 COUNCIL MEMBER CONSTANTINIDES: But why
24 couldn't we take that money, some of that money that
25 we're using for this beautification for things like I

2 said station art and like charging stations to buy
3 these new subway cars and to--and to improve our
4 signals?

5 RONNIE HAKIM: Because--

6 COUNCIL MEMBER CONSTANTINIDES:

7 [interposing] Why was that money diverted out of the
8 Capital Program to do things like this?

9 RONNIE HAKIM: We're managing to do
10 everything. We're buying new--

11 COUNCIL MEMBER CONSTANTINIDES:

12 [interposing] But you're not managing to do
13 everything. Don't tell me you're managing to do
14 everything when you're not.

15 RONNIE HAKIM: I--

16 COUNCIL MEMBER CONSTANTINIDES:

17 [interposing] We would be here sitting here today if
18 you were doing everything right? Please don't make
19 that assertion. You're not doing everything.

20 RONNIE HAKIM: I rephrase and say we are
21 attempting to stabilize the system in order to
22 improve service.

23 COUNCIL MEMBER CONSTANTINIDES: I-I have
24 two minutes left. So, on elevators we're scheduled
25 to get an elevator. We have an elevated line. So,

2 for years I'm hearing this. This is the--the--the
3 phantom of the elevator. We're supposed to get one
4 by sometime in 2020 for one elevator, one elevator on
5 the NW Line. Can you commit to any more than that to
6 make our line more accessible because we're getting
7 all these beautifications again for like station art
8 and charging stations, but we're not getting
9 substantive elevators.

10 RONNIE HAKIM: I'll have to look into
11 what the program has on--up in Astoria for the
12 additional elevator work.

13 COUNCIL MEMBER CONSTANTINIDES: And
14 lastly, I mean looking at, you know, what Senator
15 Michael Gianaris and our Mayor have proposed as a
16 dedicated funding source, right, a way to make sure
17 that New York City taxpayers are not being burdened
18 but only the most wealthy are contributing. We
19 contribute so much everyday. \$2.75 every ride. What
20 is wrong with that plan setting the politics aside?

21 RONNIE HAKIM: Not being a politician, I
22 don't really have an opinion except to say that from
23 a transportation perspective anything that provides
24 some dedicated funding source to the transit system
25 would be--would be a good thing. But I, again, I

2 think there are many being—many different options
3 being discussed.

4 COUNCIL MEMBER CONSTANTINIDES: Yeah, I
5 don't—I don't—you know, I firmly support the Mayor's
6 plan—and—and—and our Senator's plan to get this done
7 because honestly we pay enough. You know, our—our
8 city is, you know, why should we take money out of
9 our continued budget to run programs that we have
10 here in the city to give it to the state when you're
11 not running it effectively, and there's no oversight
12 and there's no transparency and there's no guarantee
13 you're not going to show up on doorstep next year
14 asking us for more money, and saying the money we're
15 giving you is not enough. So, I—I just can't see.
16 We need to find a different way of doing this, and I
17 think that's for—that plan works the best. Thank
18 you.

19 CHAIRPERSON RODRIGUEZ: Thank you.
20 Council Member Levin. [background comments]

21 COUNCIL MEMBER LEVIN: Thank you very
22 much Chair. Thank you Speaker, thank you Director.
23 So, sorry. Following up on—on Council Member
24 Constantinides' question, so it's—it's the position
25 of the MTA that a dedicated funding stream that the

2 Mayor and Senator Gianaris have proposed is—would be
3 helpful or would be a good thing in terms of that—
4 that amount of funding on an ongoing basis?

5 RONNIE HAKIM: It's the position of the
6 MTA that any dedicated funding source is helpful and
7 a good thing. The manner in which that funding
8 source is established is not one that I would ever
9 opine on .

10 COUNCIL MEMBER LEVIN: First off, on
11 accessibility issues I mean I concur with my
12 colleagues that, you know, the—what's frustrating is
13 the—is the small boar modest nature of the
14 accessibility measures that the MTA is putting into
15 place. So, it's one elevator here, two elevators
16 there. You know, there are so many inaccessible
17 subway stations throughout the system, and so many
18 New Yorkers who rely on the subway who have
19 accessibility issues. I think what's frustrating is
20 that, you know, it's really—the—the efforts that are
21 being put into place by the MTA are—are truly drops
22 in the bucket, and at this rate, you know, we'll have
23 every—we'll have every station accessible by, you
24 know, 2450, you know. It's—it's—that's the rate at
25 which we're going. So, it will be 400 years before

2 we have every-every station accessible, and that's
3 just obviously it's not acceptable to any of us. And
4 so, you know, we really need the MTA to-to use that
5 power of, you know, a state of emergency to-to-to
6 truly make an impact here.

7 RONNIE HAKIM: So, I must say that, you
8 know, we are fully committed to working with and for
9 our disabled customers and the community. You know,
10 we have both the investments that we're making in the
11 subway service and they're not insignificant. We also
12 have a fully accessible bus system, and we've
13 recently announced a series of steps to improve our
14 para-transit, our-our Access-A-Ride program, all of
15 which are important commitments to the-the disabled
16 community and one that we heartily and-and if you
17 head comments from our board members, they were fully
18 supportive of those investments. The Capital
19 Program, the '15 to '19 Capital Program includes
20 nearly a billion dollars in accessibility needs--

21 COUNCIL MEMBER LEVIN: [interposing]
22 There needs to be a lot--there needs to be a lot more.
23 A billion dollars sound like a lot, but it-it when
24 you-when that turns into the actual number of
25 elevators, it's-it's-it's again it's truly a drop in

2 the bucket. I mean we're talking, you know, a
3 handful of stations when there--there are hundreds
4 that need accessibility measures. And just about
5 Access-A-Ride, I mean you can ask any Access-A-Ride--I
6 don't know what your--your user reviews are on Access-
7 A-Ride, but I think it's--its's the consensus that
8 Access-A-Ride sucks. I mean, maybe it's just--

9 RONNIE HAKIM: [interposing] And we're
10 going to make it better.

11 COUNCIL MEMBER LEVIN: I--this--I've--I've
12 heard from a constituent who uses a wheelchair that
13 when she goes to the subway station and the elevator
14 is down, she doesn't know it until she's already in
15 the station, and there's no--there's no communication
16 on the outside of the station saying FYI, please
17 recognize that the--that the elevator is down.

18 RONNIE HAKIM: So, before leaving home we
19 do have that information on mta.info website in terms
20 of available elevators, and we recently have been
21 trying to get real time information posted within
22 minutes, as far as possible on the elevator status.

23 COUNCIL MEMBER LEVIN: Do you have it by
24 text message? You should do it by text message so
25 people will get that.

2 RONNIE HAKIM: Alright, I'll look into
3 that. I'll look into what service alerts we could
4 provide. Absolutely.

5 COUNCIL MEMBER LEVIN: Okay, because, you
6 know, not every senior that uses a wheelchair is like
7 checking there—pushing on the iPhone every 10 minutes
8 like the rest of us.

9 RONNIE HAKIM: No, good—good point.

10 COUNCIL MEMBER LEVIN: So, so, I mean a
11 text message, some kind of—but also something that's
12 like on the outside of the station might be helpful
13 as well. Again, not every senior is like always on
14 their iPhone.

15 RONNIE HAKIM: Both good points.

16 COUNCIL MEMBER LEVIN: And then I wanted
17 to ask why this summer? Why is—why is this the
18 summer where everything—I mean is it--? I mean I
19 guess my first question is, and I guess the governor
20 himself is the one that coined term Summer from Hell
21 or Summer of Hell. So, is—is this—I mean is—is it
22 true that things are much worse from your perspective
23 that things are much worse this summer than they've
24 been every year, and if so, why this summer? Why is—
25 why is everything coming to a head now? Why does

2 everything--? I mean is it—is it just this is when
3 all of the infrastructure starts to give way, or are
4 you not even seeing it that way? [bell] I mean
5 candidly like what's—what's—what's the story here?
6 Why—why now?

7 RONNIE HAKIM: I don't think there's one
8 factor that I can point to say that's why everything
9 has merged into one. I will say I think we have a
10 really great opportunity to take this crisis, take
11 this emergency and do something very important for
12 the city and for New York City Transit riders, and
13 that is to fix the system and maintain it in a—in a
14 more reliable way.

15 COUNCIL MEMBER LEVIN: I'm not asking
16 your why there was just—if there's one reason, but
17 like if you were look and take 30,000 foot view of
18 this and assess the—I mean there's always a reason.
19 If—if things are-- First off, I mean is—are things
20 worse this summer than they were like in previous
21 summers from your perspective? I mean is--is that
22 true or is this just a public perception issue? Are
23 things really worse?

24 RONNIE HAKIM: I—I think there are
25 investments that, you know, have been under-invested

2 in. I'm sorry, improvements to infrastructure that
3 have ben under-invested in. I think that we are
4 playing catchup in terms of maintenance and putting
5 our maintenance forces back up to the state and
6 levels that they need to be, and with respect to
7 trying to make things better, I think there is a
8 convergence of acknowledgement, and maybe part of it
9 is the—the perception. But it's because people are
10 saying we want better service and we have agreed we
11 want to provide better service.

12 COUNCIL MEMBER LEVIN: Okay, I mean
13 obviously there's—there needs to be a significant
14 amount of better coordination between the city and
15 the state, and there needs to be-- I mean this is
16 one instance there I think everybody wants to achieve
17 the same goal, but then I think ultimately there
18 needs to be an acknowledgement that this is all going
19 to be more expensive than—than any of us want it to
20 be, and the resources need to be there. And—and I
21 think that for something like the Mayor proposed,
22 well, you know, this is something where long-term,
23 yes, we need funding now. But, you know, to avoid
24 there being a summer of hell 2019 and a summer of
25 hell 2020 and summer of hell 2021 and basically every

2 summer being a summer of hell, there needs to be a
3 long-term dedicated funding stream to make these
4 infrastructure improvements.

5 RONNIE HAKIM: And we can't afford to
6 delay.

7 COUNCIL MEMBER LEVIN: Okay.

8 CHAIRPERSON RODRIGUEZ: Council Member
9 Williams.

10 COUNCIL MEMBER WILLIAMS: Thank you, Mr.
11 Chair. Thank you for your testimony. Is it on? Is
12 it on? I can't hear myself. Thank you. So one, I
13 know we call it the summer of hell. It's probably
14 summers. If you ask a lot of people this is not the
15 first summer that they've had issues, and I know some
16 of the things I may ask you was brought up already.
17 I don't want to get into particulars. I think these—
18 these were covered. I was with the Chairman and
19 Assemblyman Dinowitz with the fantastic idea to do a
20 tour. So, I heard first hand, plus I've been riding
21 the subway since I was a—a little—little kid in New
22 York City. Where's the Chairman?

23 RONNIE HAKIM: I—I think the Chairman had
24 a conflict this morning, but I'm glad to be here on
25 his behalf.

2 COUNCIL MEMBER WILLIAMS: I'm glad you're
3 here, but it's disrespectful. Now, he's all over TV
4 carrying the Governor's water who I also think is
5 full of it on these issues, and I think if he wants
6 to ask us for funding, he should be here and ask
7 himself. And so, if he has a conflict, he needs to
8 decide which is more important. So, if he's going to
9 be all over TV, carrying the Governor's water, and
10 screaming and yelling about what we're not doing, I
11 think he should be here. Wouldn't you?

12 RONNIE HAKIM: I pass that along.

13 COUNCIL MEMBER WILLIAMS: What do you
14 think?

15 RONNIE HAKIM: I'm glad to be here. I
16 think this discussion has been very comprehensive and
17 provide as much information as I can.

18 COUNCIL MEMBER WILLIAMS: This year I had
19 it because see all the cameras are there because of
20 the political machinations going on. Both the Mayor
21 and the Governor have played it. However, in this
22 particular item, well in a lot of them. I think a
23 lot of items, the Governor needs to high five the
24 diet, and I said that before. It is unfair for him
25 to take pictures in the Second Avenue Subway. It is

2 unfair for him not to even invite the Mayor until a
3 couple of hours before, take charge of that and then
4 say he doesn't control the MTA. And so, I think the
5 people generally don't care who controls it, and I
6 understand that. They just want it to be fixed, but
7 we have to have that discussion because I also think
8 it's unfair to ask us for additional money, and if
9 you see—there's an article by former Senator Jim
10 Brennan. I don't know if you saw it. It was in the
11 documents that he was fantastic. He broke down how
12 much money we're actually given, and in his research
13 it's about 1% that comes outside of the MTA. And so,
14 we pay for almost everything including the offices
15 that are there. So, I'm not opposed to additional
16 money, but I am opposed to having a false equivalency
17 that 50/50 is where it's at and we don't control it.
18 So, I need to understand from your point of view who
19 has the most control over the MTA? Is it the state
20 or is it the city?

21 RONNIE HAKIM: The—there—there is a
22 governance structure of the MTA. As you know, I
23 report to the Chairman and CEO of the MTA as well as
24 to the Board, and obviously to the nearly eight
25 million customers. Six million of them are our

2 subway riders, and-and held accountable by the
3 chairman and the CEO and that Board. The Board has
4 members appointed by the Governor. The Board-Board
5 is also-has members appointed by the Mayor, but from
6 my perspective--

7 COUNCIL MEMBER WILLIAMS: [interposing]
8 So, how many are appointed by the Mayor?

9 RONNIE HAKIM: Four.

10 COUNCIL MEMBER WILLIAMS: Out of how
11 many?

12 RONNIE HAKIM: Out of 14 votes.

13 COUNCIL MEMBER WILLIAMS: Out of 14
14 votes. I just want-I'm hoping this is covered here
15 because they're playing this game. I will say that
16 the Governor is playing it brilliantly because he
17 knows people are confused. But out of 14 votes, the
18 Mayor gives four. How many does the City Council
19 get?

20 RONNIE HAKIM: I don't think there's--
21 there's--

22 COUNCIL MEMBER WILLIAMS: [interposing] A
23 donut, we get zero. So, the city has four out of 14.
24 So, where in that structure is there an equivalency
25 of 50/50?

2 RONNIE HAKIM: No, I think the issue is
3 where in the provision of services is there a benefit
4 to the city of New York for their--

5 COUNCIL MEMBER WILLIAMS: [interposing]
6 No, no, no, no, no.

7 RONNIE HAKIM: --robustness of the New
8 York City Council.

9 COUNCIL MEMBER WILLIAMS: I-I understand
10 that, but you're asking us for additional money. We
11 don't have additional oversight. We don't have
12 additional control. So, obviously there is more
13 service in New York City, but we're saying that is
14 the state. So, we have a creature of the state, it's
15 all beneficial to the state, and if we are providing
16 the vast, vast majority of the funding now, we do not
17 have nearly as much say-so in the governance of it,
18 and Joe Lhota who I actually think is good for the
19 job, but right now he's being disrespectful to this
20 city, disrespectful to this City Council while
21 carrying the false equivalency water of the Governor.
22 He's not even here to ask for the money, but he can
23 be on TV as many times as he wants. He can a lot of
24 foolishness about what he thinks a false equivalency
25 is and not, and not even be here to ask it, and

2 you're telling me that we should be 50/50 in the
3 partnership with no additional governance, no
4 additional oversight. There is no other agency that
5 we can't compel the person if we wanted the agency to
6 be here. Please explain to me where the 50/50 comes
7 in?

8 RONNIE HAKIM: Before we go into the
9 money, please permit me to say that Chairman Lhota
10 means no disrespect to you or the other members.

11 COUNCIL MEMBER WILLIAMS: Whether he does
12 or not, that's what I-I feel.

13 RONNIE HAKIM: Alright, I just wanted to
14 be clear on that.

15 COUNCIL MEMBER WILLIAMS: If he didn't
16 mean disrespect, he should have been here. Out of
17 all the times and all the hysteria that's going on,
18 this is the time for him to be here, and he didn't
19 and I think it shows a lot, and I hope the media
20 covers that because if he wants money from us-anybody
21 who is asking us for money comes before us and asks
22 with respect and he didn't. But I still would like
23 to hear where and how much governance we have in the
24 structure that you laid out 14 members with the
25 fourth in the city.

2 RONNIE HAKIM: So, there are various
3 elements to that question because the city also has a
4 role in approving or vetoing the elements of the
5 Capital Program that relate to the New York City
6 Transit system. That goes beyond the four corners of
7 who's in that MTA Boardroom. So, there's the
8 oversight of the Capital Program. The city has a
9 critical role in that. There is day-to-day
10 coordination in terms of the work that goes on
11 between the MTA and New York City Transit, the City
12 OEM for example. There is just day-to-day
13 coordination. We carry the New York City school
14 children back and forth to school everyday.

15 COUNCIL MEMBER WILLIAMS: So you believe
16 that there is an equal governance in the MTA?

17 RONNIE HAKIM: I-I-I agreed with the
18 Chairman when he suggested that there should be a
19 50/50 split.

20 COUNCIL MEMBER WILLIAMS: No, I said do
21 you believe there's equal governance with the MTA
22 when it comes to city and state?

23 RONNIE HAKIM: I'm not prepared today to
24 tick through all of the different elements. I just
25 want to--

2 COUNCIL MEMBER WILLIAMS: [interposing]

3 So, you're prepared to say we should get 50/50
4 funding, but you're not prepared to say that we have
5 50/50 governance of the MTA?

6 RONNIE HAKIM: Right because I don't
7 think it's necessarily a-a direct correlation.

8 COUNCIL MEMBER WILLIAMS: Alright, I just
9 wanted to make sure we got that on-on the record.

10 RONNIE HAKIM: Fine.

11 COUNCIL MEMBER WILLIAMS: That we don't
12 have 50/50 governance. You're not willing to say
13 that, but you do want 50/50 money. How much funding
14 in your estimation comes from the city versus comes
15 from the state right?

16 DOUG JOHNSON: Yeah, as I said earlier,
17 there's a billion dollars in direct city aid and then
18 another \$800 million in the urban tax as opposed to
19 state funding sources of \$4.9 billion.

20 COUNCIL MEMBER WILLIAMS: Have you read
21 Assembly Member, former Assembly Member Brennan's
22 post in the Gotham Gazette?

23 RONNIE HAKIM: [off mic] Yes.

24 COUNCIL MEMBER WILLIAMS: Yes.

25 RONNIE HAKIM: [off mic]

2 COUNCIL MEMBER WILLIAMS: So, according
3 to what he says about it's much, much higher than
4 that. Is what he's saying accurate or not accurate?
5 He said about 1% of New York City transit operating
6 funds come from outside the MTA region. He goes into
7 a whole host of things that we pay for either
8 directly or indirectly including Transit Police. So,
9 it seemed to be a much broader.

10 DOUG JOHNSON: I got--yeah, that's the
11 interpretation there is--is he's done an analysis of
12 the sources within--the sources of the monies that
13 flow through the various entities--

14 COUNCIL MEMBER WILLIAMS: [interposing]
15 Isn't that important?

16 DOUG JOHNSON: --that provide us with
17 funding.

18 COUNCIL MEMBER WILLIAMS: Isn't that
19 important?

20 DOUG JOHNSON: Pardon me?

21 COUNCIL MEMBER WILLIAMS: Isn't that
22 important? I think my--oh, my time is up. So, I
23 think that's important to go to those sources. My
24 thing is I'm not opposed--and I thank the Chair for
25 the extra time--I'm not necessarily opposed to

2 additional money. I think we all have to play our
3 part. What I'm opposed to is this false equivalency
4 that the Mayor and now Joe Lhota is putting there
5 confusing straphangers because if we really want to
6 get to the bottom of this, we should be honest on who
7 has the governance, who has the control and where the
8 funding is coming from currently, and then have a
9 joint discussing about that. That's the responsible
10 thing to do. The irresponsible to do is if you have
11 the majority of the governance and don't put the
12 majority of the money, and I ask you for additional
13 one, and pretending that it's us that's holding it
14 up. That is irresponsible not just disrespectful to
15 us, but to the people who are riding the subway, and
16 they want answers and they want it now

17 CHAIRPERSON RODRIGUEZ: [interposing]

18 Thank you.

19 COUNCIL MEMBER WILLIAMS: --and we have
20 to give it to them honestly. Thank you.

21 CHAIRPERSON RODRIGUEZ: Thank you
22 Councilman. Council Lancman, just one question.

23 COUNCIL MEMBER LANCMAN: Yes.

24 CHAIRPERSON RODRIGUEZ: I'm sorry.

25 [background comments]

2 COUNCIL MEMBER LANCMAN: Sorry, just a
3 quick question. Can you just tell us what is being
4 done to give riders more information about what's
5 going on with delays, et cetera in-in real time
6 because it's deeply frustrating and probably would
7 improve efficiency so people can make whatever
8 choices they can make?

9 DOUG JOHNSON: Yes. One of the things
10 that we realized is that our customers aren't aware
11 of what's already available be it the subway time
12 app, the service alerts that they can sign up for by
13 time of day, by line, as well as the information that
14 put up daily on our website or over the weekends when
15 we're doing construction on the Weekender.

16 CHAIRPERSON RODRIGUEZ: Thank you.

17 COUNCIL MEMBER LANCMAN: Thank you.

18 CHAIRPERSON RODRIGUEZ: You got some
19 questions?

20 SPEAKER MARK-VIVERITO: Just to clarify
21 some quick questions and in terms of the 2015-2019
22 Capital Plan Amendment that was approved by the Board
23 in May, has that been submitted to the Capital
24 Program Review Board and if not, why not?

2 RONNIE HAKIM: It has and it was recently
3 approved.

4 SPEAKER MARK-VIVERITO: Just recently as
5 in when?

6 RONNIE HAKIM: I think it was the—the end
7 of June or July.

8 SPEAKER MARK-VIVERITO: Okay, so that's
9 taken care of, and in talking about May Capital Plan
10 Amendment in terms of developing it, what entities
11 outside of the MTA helped influence the priorities,
12 and why does it appear that funding was shifted away
13 from rolling stock, which directly affects service
14 and towards station renovations?

15 RONNIE HAKIM: The—the challenge with
16 subway car contracts is the delivery schedule takes
17 so long that we realize that the deliver schedule of
18 the next subway car contract would actually require
19 money being allocated in the next capital program.
20 So, there was a shift of some money. So, those
21 contracts get awarded under this Capital Program, the
22 cars begin delivery—delivering, we hope under this
23 Capital Program but the complete delivery schedule
24 for over 1,000 subway cars by necessity goes into the
25 next Capital Program.

2 SPEAKER MARK-VIVERITO: But then
3 understanding, I think it was raised before, that in
4 your own Emergency Assessment the issues that the
5 greatest percentage of delays has to deal with power,
6 but also obviously with the signal upgrades. Has
7 there been any thought given to maybe delaying some
8 of the goes. I think it goes a little bit to what
9 Costa was saying, delaying some of these subway
10 station renovations or improved beautification or
11 whatever you want to call them and maybe applying and
12 pushing up some of the capital—I means some of the
13 changes to the signals and the infrastructure that
14 needs to go around that?

15 RONNIE HAKIM: We—we have in the program
16 a robust investment in signals and in interlocking
17 and in communication technology. To the extent that
18 the Governor recently offered another billion dollars
19 I'll take it, but that doesn't necessarily mean that
20 it should be to the detriment of improving the
21 lighting and the—the circulation and the passageways
22 and the platforms of our stations.

23 SPEAKER MARK-VIVERITO: And those subway
24 station improvements how many are we talking about
25 that are in the Capital Plan?

2 RONNIE HAKIM: There are about 140
3 stations, and I'll provide you with a follow-up with
4 the specific numbers, Speaker. There are about 140
5 stations that are a series of component renewals.
6 There is another 33 stations that include an upgrade
7 of facilities, lighting including some art, platforms
8 and customer amenities as well.

9 SPEAKER MARK-VIVERITO: Does that include
10 the ADA compliance issues or improving--

11 RONNIE HAKIM: [interposing] That's a
12 separate part of the program and there are an
13 additional 25 stations that become ADA compliant in
14 this program.

15 SPEAKER MARK-VIVERITO: Okay, so then,
16 and we would like a listing of those--

17 RONNIE HAKIM: Certainly.

18 SPEAKER MARK-VIVERITO: --two. Yeah, are
19 there certain factors that you consider in terms of
20 which stations you identify for improving elevators
21 or putting in elevators or making the more
22 accessible?

23 RONNIE HAKIM: Yes, what we really try to
24 do is--is look at how to get as much connectivity
25 within our ADA accessible network. So, where

2 stations cross lines are good candidates for ADA
3 accessibility as well as other statins with a
4 particular. Maybe there's a hospital nearby or a
5 particular community that—that would benefit from an
6 ADA accessible station.

7 SPEAKER MARK-VIVERITO: So, we would love
8 to see that—that listing as well, and then when—when—
9 the last question I have when Steve Levin was
10 talking, Council Member Levin was talking about some
11 of the accessibility concerns, and mentioned
12 obviously the real problems that we have with Access-
13 A-Ride. He said it sucked. You said you're going to
14 improve it. So, what's the plan for improving
15 Access-A-Ride?

16 RONNIE HAKIM: There are multiple
17 elements to the plan. Perhaps the—the most direct is
18 including a larger component of fleets that have
19 accessible vehicles in them. Not all of the vehicles
20 that are in the Paratransit Service Network are
21 accessible. So, we've been working with the broker
22 services to have more accessible vehicles. What we
23 really want to get to is a more customer friendly
24 approach to being able to schedule your ride, even
25 get to a place where you can schedule your ride on

2 the same day, not the day before. We want to hold-
3 hold the providers, the contracted providers to
4 better service. Yeah, we have heard about chronic
5 lateness on those rides whether it's on the pickup
6 end or when they go finish an appointment and they're
7 kept waiting. So, really holding the contractors
8 much more accountable to our customers.

9 SPEAKER MARK-VIVERITO: And you know what
10 would be helpful if there's a way of trying to do
11 more accountability and more-being able to more-dig
12 deeper into the concerns, is if there was a way for
13 the MTA to separate within all of this emergency
14 planning, within all the capital work. What are the
15 improvements that will make it more accessible for
16 riders, you know, who have needs, and that are
17 disabled.

18 RONNIE HAKIM: Certainly.

19 SPEAKER MARK-VIVERITO: If there's a
20 separate plan that could speak directly to what the
21 work of the MTA so that we can speak to that more-
22 more effectively, and I think that that's something
23 that I would highly, you know, ask for your
24 consideration--

25 RONNIE HAKIM: [interposing] Absolutely.

2 SPEAKER MARK-VIVERITO: --is that there
3 be a separate report of sort about how this work that
4 you are focusing on is going to make rider share
5 better for those who are disabled.

6 RONNIE HAKIM: And we'll put something on
7 our website accordingly.

8 SPEAKER MARK-VIVERITO: Okay. I would
9 appreciate that, and that's it. Thank you.

10 CHAIRPERSON RODRIGUEZ: How important is
11 it to deal with this, to come out from the crisis
12 (coughs) where were with the MTA for the private
13 sector in New York City?

14 RONNIE HAKIM: I-I think we view the
15 subway system the economic engine, the life blood of
16 the city of New York. I think everybody recognizes
17 that if the subway system is not functioning well,
18 business suffers, retail suffers, people suffer
19 because they can't get to their appointments or their
20 schools or their jobs.

21 CHAIRPERSON RODRIGUEZ: And-and, of
22 course like I know that you guys as a team, you know,
23 you hear feedback from riders as also with the-from
24 academic to the business community. So, I was having
25 a conversation like a few weeks ago with some members

2 of the real estate, that also the understand that
3 everyone should be on the table to do more because
4 our train systems the moves six million people
5 everyday, it's not just important for the working
6 class or the middle-class, but also it's for the
7 economy of our city, and they get it especially those
8 renting luxury apartments. But those new tenants
9 some of them who are living in London because after
10 9/11 New York City thinks that has not been having
11 any terrorist attack. So, have become one of the
12 safest cities in the world, and we are attracting not
13 only working class, but that percentage of
14 individuals that is coming from different places from
15 Asia, from Europe, and they expect that they will get
16 a similar train system as they have in London or they
17 have Tokyo or they have in Hong Kong. So, are we in
18 a place where we can take advantage of this crisis?
19 And all sectors should be, you know, be able to think
20 out of-out of the box, and think about not only on
21 the governmental contribution from the city and the
22 state, but from the private sector to say we can do
23 our share in this particular moment?

24 RONNIE HAKIM: So, here to—I think that's
25 a great point, and Chair, there has been very limited

2 experiences where the private sector through
3 development has invested in transit. One Vanderbilt
4 there are some examples. The extension of the No. 7
5 out to Hudson Yards.

6 CHAIRPERSON RODRIGUEZ: [interposing]

7 But-but I get it. This, and I believe in your
8 leadership, and I hope that you can keep having a
9 higher level of leadership with the MTA. But for
10 this moment I want to move from the business
11 association. For me this is about it—I get it, but
12 there's only a thousand more reasons on how we
13 explain how we've been running the largest
14 transportation system in the whole world. And yes,
15 it's not that—we cannot say that it's worst when it
16 comes to moving New Yorkers and tourists 24 hours to
17 many communities even though—even though we also have
18 to address the transportation deserts. But for me
19 it's about thinking out of the box.

20 RONNIE HAKIM: Uh-hm.

21 CHAIRPERSON RODRIGUEZ: When you meet
22 with those individuals who also many contributions,
23 they have made the contributions, but what is the
24 commitment that they have? To do more, to say that
25 we make as New Yorkers, you know, the transportation

2 system, should be better than London, should be
3 better than Canada, should be better than Tokyo. Are
4 we getting that energy, you know, that fire from
5 those sectors to say here we are, yes we have
6 contributed, but we are ready to contribute more.

7 RONNIE HAKIM: In—in terms of
8 development, I think that's a great opportunity.
9 Recently as part of this recovery plan, we've also
10 introduced the idea of a subway partnership program
11 in order to elicit support from private—the prate
12 sector, and look forward to hopefully interested
13 corporate sponsors.

14 CHAIRPERSON RODRIGUEZ: Yeah, because my
15 thing is especially as I have liked it from the
16 beginning. I believe that all the proposals that we
17 have on the table right now will allow us raise \$27
18 million in the next ten years, but if you take
19 control of the proposal it's \$2 billion, and we will
20 hear from it then on. If you take Dino's (sic)
21 proposal that's like \$2 billion. If you work
22 together with the plan of New York, that's \$10
23 million in the next ten years. If we ask 32,000 New
24 Yorkers to contribute \$27,000 more every year, it's
25 not a penalty. It's not going after those who are

2 doing well. We congratulate them. It's about are
3 they ready, are they open to have this conversation
4 on if we continue more business that we're helping
5 the working class, it's that we're helping ourselves.
6 Because they also work in the real estate. They work
7 in the private sector. They work on Wall Street.
8 They have good jobs, but do they get it about
9 commitment, that investment also be used, will be
10 used to make our train system and a 21st Century one?

11 RONNIE HAKIM: No, as-as was discussed
12 earlier, I think there are a lot of ideas on the
13 table, and we'll hope-hope that something good comes
14 out of the discussion.

15 CHAIRPERSON RODRIGUEZ: And I hope so.
16 Just two questions. One is-the last one that I have.
17 Your 20-Year Capital Needs Assessment, which means to
18 go over capital plans I t stated that funding for
19 continued maintenance should be \$16.1 billion for
20 signals, cars and stations. Yet, in the most recent
21 Capital Plan, 2015-19 the level was just \$2.7
22 billion. However, in the most recent Capital Plan,
23 the budget for this need was cut to-to 12-I mean to
24 12--\$12.5 billion from \$12.7. Would you agree that

2 this amount is not enough to address the core needs
3 of the system?

4 RONNIE HAKIM: The—the recently amended
5 Capital Program for New York City Transit is a total
6 of \$16.7 billion. I would have to look into the
7 individual elements to see how they compare.

8 CHAIRPERSON RODRIGUEZ: Okay, and my last
9 question since we're talking about, you know,
10 prioritizing the investment and—and I understand that
11 everyone has to do their part. They have to bring
12 the proposal for putting the lights in the bridges.
13 So, can you explain the costs, the source of funds
14 and the process by which decisions are made relating
15 to the bridge lights project?

16 RONNIE HAKIM: I don't know a lot about
17 the Bridge Light Project except to say that the MTA
18 or any elements of the MTA will not be paying for any
19 of the Bridge Light Program. I understand that NYPA,
20 the State Power Authority and the State ESD are
21 working out a financing arrangement for that.

22 CHAIRPERSON RODRIGUEZ: [off mic] [on
23 mic] Council on a consistent basis?

24 RONNIE HAKIM: I—I think that one of the
25 things that we want to come out of here is a method

2 of reporting not just to the City Council, but
3 frankly to the entirety of your constituent base on a
4 regular basis on the progress of our Subway Recovery
5 Plan.

6 CHAIRPERSON RODRIGUEZ: We would just like
7 again, and we look at you as the partners in this
8 conversation. We appreciate even though I feel the
9 same level of frustration as my colleague the Speaker
10 for the Chairman not to be here, but you've been
11 doing a great job explaining, taking us through the
12 whole process of this, to get more details on that
13 reporting. I believe that also this is one
14 particular thing that I hope with the new leadership
15 I hope to see. We have to leave the—we have to leave
16 behind the level of arrogance that we have seen in
17 past. If we're in the same boat, if we're in the
18 same commitment, if we are here to say we can lead
19 the most important legacy right now to take a
20 transportation system to the 21st Century then we
21 should go—we should be partners, and thank you again
22 for your participation and in a few minutes we will
23 be joined by Dean Fuleihan and DOT Commissioner Polly
24 Trottenberg. We'll take five minutes, you know, a
25 break.

2 CHAIRPERSON RODRIGUEZ: So, were
3 listening from the MTA, and now we have the honor to
4 the representative from Mayor de Blasio Dean Fuleihan
5 and also DOT Commissioner with great expertise on
6 transportation Polly Trottenberg, and now the counsel
7 will administer the affirmation and then invite them
8 to deliver their testimony.

9 LEGAL COUNSEL: Please raise your right
10 hand. Do you affirm to tell the truth, the whole
11 truth, and nothing but the truth in your testimony
12 before this committee, and to respond honestly to
13 Council Member questions?

14 PANEL MEMBERS: [off mic] We do.

15 LEGAL COUNSEL: Thank you. You may
16 proceed.

17 COMMISSIONER TROTTEBERG: Thank you, Mr.
18 Chairman. Good afternoon Speaker Melissa Mark-
19 Viverito, Chairman Rodriguez and members of the
20 Transportation Committee. I'm Polly Trottenberg,
21 Commissioner of the New York City Department of
22 Transportation, and one of the city's representatives
23 on the MTA Board. With me today is Dean Fuleihan,
24 Director or New York City's Office of Office of
25 Management and Budget. At the outset I want to thank

2 the Chair and other members of the committee for
3 convening such a timely and important hearing. On
4 behalf of Mayor de Blasio I also want to express the
5 city's gratitude to the men and women of the MTA who
6 drive trains and buses and work in the tunnels day in
7 and day out under very difficult circumstances to get
8 New Yorkers where they need to go. We should never
9 lose sight of the fact that this city could not run
10 with the difficult work they do for all of us. We're
11 here today to testify about the role the city plays
12 in working with the MTA as a major funding sources, a
13 partner on bus service and is an advocate on behalf
14 of all New Yorkers who rely in the system, which we
15 all agree is facing a crisis. Yesterday the Mayor
16 presented a fair fix, the his vision for providing
17 additional resources for New York City subways and
18 buses while also ensuring low-income New Yorkers can
19 access public transportation more affordably. We're
20 pleased to have this supportive leaders in Albany
21 including Senator Michael Gianaris, Assembly Member
22 Danny O'Donnell, you, Mr. Chair, Transportation
23 Chairman Ydanis Rodriguez as well as other elected
24 officials, advocates and labor leaders who joined the
25 mayor yesterday. It worth stepping back and

2 considering the context for our current moment of
3 crisis. More people are choosing to live and work in
4 New York City than ever before, a population now of
5 over 8.5 million is the highest in recorded history.
6 Between 2010 and 2016 the city created 600,000 new
7 jobs and added 360,000 new residents. Sustainable
8 modes of transportation particularly in New York
9 City's public transit system are powering this
10 growth. New Yorkers need reliable and efficient
11 public transit to continue to succeed, but our
12 transportation system is now bursting at the seams.
13 This summer is highlighting the real strain the MTA
14 is under and the train commuters across the city are
15 feeling as a result of the record ridership and years
16 of deferred maintenance. Mayor de Blasio recognizes
17 that our transit system is the backbone of our
18 economy, and he knows firsthand the frustration that
19 riders rightly feel as service has continued to
20 deteriorate, and delays prevent them from getting to
21 work, school and other important destinations.
22 Between 2010 and 2016, we've seen about a 9% increase
23 in subway ridership. If we want to continue to
24 support the region's growth and have the capacity to
25 accommodate all those who want to live and work in

2 New York City, we must work together to ensure that
3 the MTA has the right management tools and
4 structure, political support and the resources it
5 needs. I want to emphasize that the city of New York
6 and the MTA. I want to emphasize that the city of
7 New York and the MTA have a long history of working
8 together to improve mobility for New Yorkers. Today
9 we're continuing that collaboration on a number of
10 fronts including the rollout of additional Select Bus
11 Service routes, expansion of transit signal priority
12 and other citywide bus service improvements, and
13 development of a mitigation strategy for the
14 impending L Train-L Train closure. Turning to the
15 crisis of service declines, I want to provide some
16 context. Over the last five years subway delays have
17 more than doubled from around 28,000 per month in
18 2012 to more than 70,000 per month today. Only 63%
19 of trains are now running on time, a drop of more
20 than 15% since 2012 meaning longer waits and less
21 reliable travel times. Starting this spring the
22 deterioration in service has accelerated even more
23 rapidly. As a result, commuters across the city are
24 suffering, reporting real human costs such as lost
25 wages, childcare gaps and missed medical

1 appointments. There's been a lot of discussion today
2 and throughout the recent months on the role that
3 additional funding should play in addressing the
4 MTA's challenges. It's critical that this discussion
5 is informed by a clear understanding of New York
6 City's current substantial role in supporting the MTA
7 financially something I know many council members are
8 well familiar with. To provide some background, New
9 York City, its residents, visitors and daily
10 workforce contribute over two-thirds of the MTA's
11 \$15.6 billion annual operating budget; \$4.7 billion
12 in fares; \$3.7 billion in dedicated taxes; \$1 billion
13 in bridge and tunnel tolls; and \$800 million in
14 direct operating support from the city of New Yorkers
15 totaling \$10.2 billion. In addition to the direct
16 support, New York City provides in kind services and
17 capital program support of about \$800 million
18 annually, and New York City residents bear the brunt
19 of regular fare and toll increases in order to keep
20 the MTA on firm financial footing. And as the city's
21 operating contributions continue to grow, the state
22 has consistently diverted (coughs) promised operating
23 funding for the MTA year after year. In fact, since
24 2011, as has been discussed this morning, the state
25

1 has siphoned off \$456 million from the MTA including
2 \$65 million just this past in diverted payroll
3 mobility tax replacement funds, a move the received
4 vocal objections from many city and state
5 legislatures as well as transit advocates. With
6 regard to the MTA's Capital Plan, the Mayor has
7 committed an unprecedented \$2.5 billion and the vast
8 majority of these funds have yet to be used. Much of
9 that money is ready to go hand-in-hand with the
10 state's own contribution, and yesterday the Mayor
11 proposed his Fair Fix Plan to address future capital
12 needs. The City is encouraged that Chairman Lhota has
13 stepped up to the plate and delivered a 30-day plan
14 to start what will need to be a sustained and long-
15 term effort to get the MTA back on track. The plan
16 that Chairman Lhota and Managing Director Ronnie
17 Hakim discussed this morning is a position step
18 forward. In particular, we're pleased that the plan
19 emphasizes the need to accelerate track and signal
20 maintenance to tackle disruptive power losses. And
21 while inconvenient for subway riders, the MTA's plan
22 for additional closures overnight is necessary to
23 increase sorely needed preventive maintenance. The
24 Mayor has also advocated for a public performance
25

2 dashboard modeled off COMPSTAT, and we're pleased to
3 see that the MTA is planning to implement such a
4 system. The successful implementation of the overall
5 30-day plan will require assistance from the city and
6 the Mayor has said he stands ready to work with the
7 council to provide help with its implementation
8 including the deployment of NYPD, FDNY and Department
9 of Homeless Services resources, and we do think the
10 plan should be implemented as quickly as possible to
11 bring riders some immediate relief. We also know
12 that Chairman Lhota has called on New York City to
13 finance half of the plan's costs, which the MTA
14 estimates at \$456 million in operating costs and \$380
15 million in capital costs. That line of \$456 million
16 is the exact amount of money that the state has
17 diverted from the MTA Operating Budget since 2011.
18 Before we turn to the important question of how this
19 plan will be funded, there are some questions to be
20 raised about the plan's long-term financial impact on
21 the MTA. The plan would add \$456 million to the
22 MTA's Operating Budget in the first year with a
23 recurring cost that the MTA estimates to be at least
24 \$300 million per year to cover the ongoing expense of
25 hiring 2,700 new employees and their associated

costs. We should be mindful and I know it was discussed this morning that staffing of 2,700 new positions expeditiously will be a challenging task. According to a recent Wall Street Journal article, the MTA is currently facing significant difficulties filling existing vacancies. At present, the MTA has not identified a way to cover those recurring operating costs. Moreover, the MTA has not made available many key details of the plan including cost allocations that support its overall estimate and a clear time table for significantly expanding its workforce. The plan has to also be considering the context of the overall fiscal picture for the MTA. At the July Board meeting, MTA Chief Financial Officer Bob Foran presented the MTA's Updated Financial Plan, which projects significant operating deficits in the not too distant future. The MTA also stated that it needs to find hundreds of millions of dollars in new recurring savings on top of scheduled fare and toll increase to stay out of the red. Without these measures, the agency faces an annual operating deficit of \$206 million in 2018 rising to \$1.5 billion by 2021, and those estimates to not even account for the additional \$300 million or more I

2 just mentioned that the agency's new rescue would add
3 to its ongoing operating costs. It's clear that the
4 current financial trajectory for the MTA is
5 unsustainable, and cannot be addressed through one-
6 time patches. When it comes to funding the short-
7 term rescue plan, the Mayor has made the city's
8 position clear: The state should return the \$456
9 million that has been diverted from the MTA to the
10 State's General Fund, and regardless of which agency
11 is paying or exactly how it's being funded, any state
12 money going to install decorative lights on the
13 state's bridges should be reallocated to help New
14 York City straphangers. Beyond this short-term
15 rescue plan, the MTA does need additional dedicated
16 revenue sources to fund modernization and upgrades
17 necessary to reduce delays and improve service.
18 Because we know that the city's economy depends on a
19 reliable subway and bus service Mayor de Blasio is
20 proposing a Fair Fix, the income tax surcharge on our
21 wealthiest citizens that will generate nearly \$800
22 million a year for the New York City subways, buses
23 and the Staten Island Railway. To elaborate, the
24 city's proposal will increase the city's highest
25 marginal income tax rate from 3.9% to 4.4% on taxable

2 incomes by \$500,000 for individuals, \$750,000 for
3 heads of household and \$1 million for married
4 couples. This new revenue proposal would generate
5 and fund critical upgrades like work on your signals,
6 track repairs as well as the purchase of new subway
7 cars and buses. The city is also proposing to fund
8 the Fair Fares concept providing half price fares for
9 approximately 800,000 low-income New Yorkers. Under
10 the city's proposal, half price Metro Cards would be
11 available to New Yorkers at or below the federal
12 poverty level. And let's be clear, this marginal tax
13 increase would apply only to approximately 32,000 New
14 York City tax files, those who are doing quite well
15 and can afford to pay just a little bit more so that
16 the region's economy continues to thrive, and working
17 with our partners in the State Legislature, we want
18 to ensure that there are protections from diverting
19 this revenue for other purposes. The city hopes that
20 the Governor, MTA and the State Legislature support
21 the Fair Fares proposal, which asks the most
22 fortunate city taxpayers to chip in a little bit more
23 to ensure that the MTA and our region's economy is
24 thriving. As an MTA board member I have fiduciary
25 responsibility to the agency and I take that very

1 seriously as do my colleagues. Many of us are
2 interested in having a serious conversation about
3 potential reforms the MTA can implement to
4 reprioritize its spending and accelerate project
5 delivery. The most recent Capital Program Amendment
6 presented to the board in May of 2017, contains
7 worthwhile additional funding for projects including
8 \$700 million for Phase 2 of the Second Avenue Subway;
9 \$226 million in accessibility improvements and \$196
10 million for new buses. However, the Amendment also
11 acknowledges the significant delay of over \$1.2
12 billion in subway car purchases, and with it the
13 potential for improved service and reliability across
14 the system. This delay is emblematic of the chronic
15 challenges in delivering capital projects on time and
16 on budget facing Chairman Lhota and the MTA. It is
17 our understanding that Chairman Lhota is currently
18 developing a second phase of the Subway Action Plan
19 focusing on system modernization and Capital Plan
20 improvement. We look forward to seeing that plan as
21 well as the results of the Genius Challenge
22 Competition, and here's some of the items that New
23 York City would be looking for in MTA's future
24 capital plans and capital plan amendments: A focus
25

2 on coordinates for riders. Future capital plans and
3 amendments should have their primary focus on
4 increasing the reliability and capacity of the subway
5 system. This means investments in the maintenance
6 and modernization of signals, cars, tracks and
7 switches, the basic components of transit service
8 that New Yorkers can predictably and consistently lie
9 on—rely on. And while our focus today is on subways,
10 continued investments in improving and more reliable
11 bus service must continue to be a priority as well.
12 Improved management and expedited project deliver.
13 The money available to upgrade poor subway systems is
14 not being used quickly enough. The MTA should find
15 creative ways to speed up the pipeline of important
16 maintenance and upgrade projects in major investments
17 like Communication Based Train Control, which are
18 taking too long to complete and are at risk of
19 further delay.

20 A Serious Reckoning of Costs: The MTA
21 has among the highest operating and capital
22 reconstruction costs of any major transit agency in
23 the world. According to the Regional Plan
24 Association, New York ranks well above Paris, London
25 and Madrid in construction costs of comparable

2 projects. The recently completed Second Avenue
3 Subway is the most expensive subway extension in the
4 world with a cost of \$807 million per track mile. In
5 contrast London's Northern Line Extension to
6 Battersea costs roughly \$124--\$124 million per track
7 mile.

8 We're at a critical moment for New York
9 City's transportation system with deferred
10 maintenance, high capital costs and management issues
11 posing a real challenge for all of us. The vitality
12 of the city and quality of life for all New Yorkers
13 depend on a functioning and reliable MTA. We look
14 forward to Chairman Lhota and his team of
15 transportation professionals including Pat Foye,
16 Ronnie Hakim, Janno Lieber and Phil Eng identifying
17 steps the Authority can take to lower the cost of
18 projects so New York City riders and taxpayers can
19 get more for their hard earned taxes, tolls and
20 fares. We're at a critical moment for New York
21 City's transportation system. The vitality of the
22 city and quality of life for all New Yorkers depends
23 on a functioning MTA. In recent weeks we've seen a
24 lot of healthy debate and discussion and I know
25 passions are running high right now because the

2 stakes are so high for the city, our residents and
3 our commuters, but in the coming months we must all
4 work together at all levels of government to advocate
5 for the changes our system demands and our riders
6 deserve. Thank you and happy to answer your
7 questions.

8 SPEAKER MARK-VIVERITO: Well, thank you
9 both for being here to—to Dean and to the
10 Commissioner. Commissioner, can you just talk a
11 little bit more about—I'm kind of curious about the
12 communication between MTA and DOT particularly when
13 it comes to expansion on the bus side on the lines
14 and making those improvements, BRT expanding bus
15 routes. Obviously expanding our transportation
16 infrastructure is—is helpful, right? It's trying to
17 ease some congestion if there's more options for
18 people, and reliable options. I'm someone that
19 prefers to be above ground not below ground. So the
20 extent I can take buses, I prefer to do that, and so
21 I know there was some requests from Council Members
22 that were here earlier about more BRT lines for
23 instance in the boroughs that they reside in or
24 expansion of bus routes into areas that are
25 considered transportation deserts, and I'm just

2 curious about that, but also about how the level of
3 engagement is with MTA in coordinating that.

4 COMMISSIONER TROTTEBERG: I-I would say
5 that I think on-on bus service and BRT in particular
6 the two agencies do work very, very close together,
7 and I think we've had a very, very productive
8 partnership. We have 13 SBS lines up and running,
9 two more coming this summer: Woodhaven and the BX6
10 in the Bronx, and we've started also the two agencies
11 to focus together on things we can do to improve bus
12 service citywide. At the last Board meeting we just
13 voting the MTA is now doing a new procurement, which
14 will enable them to greatly speed up their process of
15 Transit Signal Priority, which enables buses to get a
16 green light when they come to an intersection, and on
17 the city end we're-we've now pledged to quadruple the
18 rate at which we install the necessary infrastructure
19 in the traffic signal system. So, on the day-to-day
20 level we're very working very closely together, and
21 we certainly recognize we're talking a lot about
22 subways, but improving bus service is really another
23 key priority where the two agencies, I think, have
24 worked together well, and continue to do so.

2 SPEAKER MARK-VIVERITO: Well, I mean
3 ferries will be included in that, the bike
4 infrastructure right? People talked about expanding
5 Citi Bike. So, all of that is--

6 COMMISSIONER TROTTEBERG: [interposing]
7 Right, well, right, above and beyond that as-as you
8 all know, and you've-you've been great partners, the
9 city is continuing on the transportation end on the
10 things that are in our purview building out the bike
11 network, looking to what the next phase of expansion
12 is going to be for Bike Share. The citywide ferry
13 system, as we know, just had its millionth ride, and
14 that's going to continue to expand. We're also
15 rolling out this year, this coming year a car sharing
16 pilot. So, we're certainly looking at every means we
17 can to provide alternative transportation, but we
18 also recognize the main source of transportation for
19 New Yorkers is always going to be our subway and bus
20 system, and-and we want to be a good partner in that
21 as well.

22 SPEAKER MARK-VIVERITO: Now, in terms of
23 just-this will be my last question, but in terms of
24 the role on the Board, the MTA Board and the other
25 city representatives, you-we've heard and laid, you

2 know, you obviously have laid out and the Mayor's
3 long-term vision, additional revenue streams and ways
4 of getting support from the state to do that. And
5 that that's really the focus, and wanting to see some
6 more detail on the plan the--the Chairman has
7 presented and the MTA to justify this additional
8 investment by the city, and we'll be taking a look at
9 all that, too. But do you as members of the--the city
10 representatives on the Board, understanding that a
11 minority, do you work collectively? Have you
12 expressed any of these concerns along the way to the
13 Board, pushed back on some of the thoughts and--and
14 the processes that had--this Chairman has been
15 presenting in this emergency plan?

16 COMMISSIONER TROTTENBERG: I mean we--we--
17 we certainly have collectively and individually and I
18 it was mentioned today we only fortunately just got
19 our fourth Board member, and I would say for close to
20 two years I was the city's only board member. So,
21 the city has actually unfortunately rarely had all
22 four of us. We do now, and I'm happy to see one of
23 my--my colleagues is here from the Board. You know,
24 the city just--just to be clear on the MTA Board, I
25 think a lot of people know this. It's a Board with

2 17 voting members, four of those members they each
3 only get a quarter vote. So, there's only 14 votes.
4 So, the city gets 4 out of the 14, and, you know, I
5 would say our experience on the MTA Board is
6 sometimes we get to work more cooperatively with the
7 MTA than other times. I think we've spent a lot of
8 time trying to press them on getting more
9 information, and when Chairman Lhota came in, we
10 presented him with a list of ideas we had for how the
11 Board could share more information with Board members
12 and be more transparent in how it operates.

13 SPEAKER MARK-VIVERITO: Okay, thank you.
14 I will pass it back to the Chair.

15 CHAIRPERSON RODRIGUEZ: Thank you,
16 Speaker. Commissioner, on Monday the Mayor
17 announced, and you were there, just saying his-their
18 support for a millionaire's tax that will generate
19 \$700 million to \$800 million a year with more than
20 \$500 million going toward capital costs for the
21 subways and buses and \$250 million for half price
22 Metro Cards for low-income residents. What is the
23 Administration's plan for getting this tax enacted?

24 COMMISSIONER TROTTEBERG: Well, I'll-
25 I'll speak a bit about that, and I'm sure my

2 colleague would like to as well. I mean, you know, I
3 think for those of you who got to attend the—the
4 Mayor's announcement yesterday, you know, he spoke
5 about he's prepared to do what he can to advocate for
6 this idea to work with allies. Obviously we have
7 Senator Gianaris, Assembly Member O'Donnell, other
8 members of the Legislature up in the state and a
9 bunch of allies, but the Mayor also did make appoint
10 of saying, you know, this is the idea that he thinks
11 makes the most sense, but if there are other ideas
12 that emerge out of this debate and discussion, he's
13 happy to look at those, and I think just excited to
14 try and get a real process going since I think there
15 is now pretty broad consensus the MTA does need an
16 additional revenue stream. We even heard it today
17 from Managing Director Hakim.

18 DEAN FULEIHAN: Thank you. The—the Mayor
19 mentioned yesterday that he believed that this tax in
20 particular had a—a strong likelihood. It has been
21 adopted at the state level now twice in the past few
22 years. It was just re-upped recently at a much
23 higher rate. We are saying that in place of a
24 regional tax, in place of a statewide tax, we are—the
25 Mayor was very clear we are talking about a tax on

2 less than 1% of our—of our taxpayers at a 0.534% that
3 would be New York City based and would be used
4 specifically for core infrastructure needs and the
5 Fair Fares proposal for New York City residents. So,
6 it is improve the New York City subway system for
7 those core infrastructure projects that have been
8 discussed this morning: Signaling, an increase in
9 the subway car purchases and the Staten Island
10 Railroad in addition to the Fair Fare. This covers
11 that. It's a modest increase, and we actually do
12 believe that this has a strong opportunity and the
13 Mayor again, as the Commissioner just said, will do
14 everything he can to make sure that this is able to
15 move forward.

16 CHAIRPERSON RODRIGUEZ: I—and as you
17 know, I—I believe it's a great initiative they ask
18 for those 32,000 New Yorkers that per family they're
19 more—they're making more than \$1 million, and as I
20 said before, I don't see, as you know, a penalty for
21 we are going after those who are doing better, but
22 it's about how those who many of them they have good
23 jobs. Many of them the work in the private sector.
24 Many of them they work in the real estate sector.
25 How they will contribute to make the train a 21st

2 Century one that is good for them, too. So, it's not
3 only for them to help the working and the most
4 disadvantaged New Yorkers. Has the Mayor engaged in
5 some conversations with some voices of that sector
6 trying to persuade them also?

7 DEAN FULEIHAN: [interposing] Yeah, we-

8 CHAIRPERSON RODRIGUEZ: Is there some of
9 them to lead the conversation.

10 DEAN FULEIHAN: Correct, we are—we have
11 been reaching out, and we will continue to reach our
12 aggressively. You're absolutely right. I mean we've
13 heard this morning. The Commissioner said it. This
14 is vital to the economic health of the city, and
15 these are—these are residents, New York City
16 residents who have benefitted the most from—from the
17 infrastructure that we have with the MTA.

18 CHAIRPERSON RODRIGUEZ: Okay, and—and we
19 are joined by, you know, a great colleague Assembly
20 Member Jeff Dinowitz who unfortunately couldn't be
21 with us since early this morning, but we spent those
22 24 hours in—in the subways, and—and one of the
23 initiative, proposals that we had on the table is his
24 proposal. That he's also asking for the state to
25 take in more percentage of the taxes it has to be-

2 it's not to create a new tax, but it's to take a
3 small percent of our taxes to the state level, and
4 dedicate the percentage to the transportation not
5 only for the City of New York but for the State of
6 New York. He will explain later on his idea, but I
7 would like to hear from you since he will speak after
8 you—after you leave the panel. As someone also, the
9 former Budget Director at the state level, what do
10 you think about that proposal also that would also
11 allow to raise more than \$2 billion for
12 transportation, and 8% is coming to the New York City
13 MTA?

14 DEAN FULEIHAN: So—so, again, what the
15 Mayor said yesterday there are obviously other
16 proposals and we should be looking at those proposals
17 and we expect others will come over the next coming
18 days. The—the Assemblyman's proposal is one of
19 those. It addresses a broader—a broader issue I
20 believe. I—I could be corrected, but it addressed
21 the entire MTA—MTA region, and it was attempting to
22 take a piece of the state personal income tax and do—
23 and—dedicate it to the entire MTA and the MTA
24 need. We never said and the Mayor never said there
25 aren't other needs. What we put forward was okay,

2 here's something we can do and get support within New
3 York City for a New York City tax on a very small-
4 small group of-of-of residents of New York City who
5 have done extremely well to both help the poorest in
6 New York City to afford transportation, to maintain
7 the economic success that we have been, we have been-
8 we have been seeing, and the growth that we have been
9 seeing as well as the core critical existing capital
10 infrastructure projects. So, it was very focused on
11 what the purpose, but the Mayor was very clear, and
12 was very open that there were other-other forms of-
13 of-of taxation or other ideas that he was quite sure
14 would be presented and we would be happy to have that
15 conversation.

16 CHAIRPERSON RODRIGUEZ: I-as I said
17 before, I-I believe it is time to-for all
18 stakeholders that have voices on-on the present and
19 future and the MTA to sit down at the table. I
20 believe that that should include the Mayor. The
21 Speaker should at the table, the Governor, too, and
22 the private sector. We are in a moment where we can
23 take advantage of this crisis because everyone are
24 part of this conversation. The reason in those 24
25 hours we were able to get riders to fill out the

2 survey it was because they wanted to speak. They
3 wanted for their voices to be heard loud and clear,
4 and those riders they were poor, they were middle
5 class, there was wealthy. There were Black, Asian,
6 Latinos. So, this is the opportunity that I hope
7 that we can move in immense. I think that if we are
8 able to bring everyone together, you know, everything
9 should be discussed. But the issue kind of also for
10 the state to act to call for a special session to
11 look on particular proposals that are on the table,
12 and see how we can work together. MTA should keep
13 doing the repairs. They have the \$15 billion
14 Operating Budget for this year. They have the \$32
15 billion budget capital that ended in 20—in 2020. So,
16 I think that the most important is following voter
17 plan at the same time that in this year before we end
18 2017, we should look at all proposals. This morning
19 we were able to put everything on the table, Plan
20 Move New York to raise \$1 billion for the MTA every
21 year. It means \$10 billion in the next ten years.
22 Assemblyman Dinowitz gives \$2 billion every year.
23 The Comptroller proposal is \$2 billion also right
24 here in the plan. (sic) So, I think in total being
25 able to say that we can see the MTA they should be

2 able to have \$27 billion in the next ten year, and on
3 the--and for the MTA also to control the cost and come
4 back to us, too, on how they can raise their own
5 revenue. As I say, there are a lot of real estates.
6 They are a \$1 trillion asset value corporation. So,
7 as--you know, as a member of, you know, in this case a
8 Board, is MTA having those conversations among the 16
9 members of the Board?

10 COMMISSIONER TROTTEBERG: No, it--really
11 I think the--the general feeling, and I look at it.
12 You heard it from Managing Director Hakim today. I
13 think she does view that the decision about where
14 revenues are going to come from is largely one
15 that's--that's determined by political leadership.
16 Now that said, the MTA has, you know, certainly does
17 look for efforts to capture some value from the real
18 estate it owned. It has advertising revenues, but
19 let's be honest. The--the vast majority of the MTA's
20 revenues come from the city and the state and from
21 the riders and the toll payers

22 DEAN FULEIHAN: I'd like to add two--two
23 points to what you just said, and what the
24 Commissioner just said. We will need--and the Mayor
25 raised this yesterday--we will need a very strong

2 clear maintenance of effort to make sure that
3 whatever taxes dedicated, whatever additional source
4 actually goes to the purpose intended. And one of
5 the—one of the issues that has to be addressed is the
6 \$456 million that has been taken from dedicated taxes
7 that were intended for the MTA and has gone into
8 state general—general purposes and not to the purpose
9 it was intended.

10 SPEAKER MARK-VIVERITO: Well, how do you
11 respond? You heard the answers that they provided
12 with regards to this issue saying that the money went
13 into the Capital Fund and they don't believe it was a
14 full amount that has been indicated. If you could
15 just respond to what it—

16 DEAN FULEIHAN: It is—it is clear since
17 2011, and we are happy to give you the exact amount
18 every single year that \$456 million of dedicated
19 revenue—those were not—those were enacted state taxes
20 that were intended--

21 SPEAKER MARK-VIVERITO: [interposing] For
22 the MTA?

23 DEAN FULEIHAN: --and it was clear for
24 the MTA, and for no other purpose.

2 SPEAKER MARK-VIVERITO: So, you-but his-
3 the-the gentleman. I'm-I'm not remember his name
4 saying that that money went into the Capital as
5 opposed to the Operating.

6 DEAN FULEIHAN: There was \$65 million
7 that where there was a back-up proposal that capital
8 could be used. That is very different than an
9 operating commitment, which is what those taxes were
10 intended for. They were clearly diverted from that
11 purpose.

12 SPEAKER MARK-VIVERITO: Thank you.

13 CHAIRPERSON RODRIGUEZ: I'm just happy to
14 hear that. As you know, speaking on behalf of Mayor
15 de Blasio and the Administration that even though the
16 Mayor believes that, the beginning-the plan to raise
17 the \$500 million I mean \$750 million, \$250 of those
18 for the Fair Fare. We have Mr. Jones here a greater
19 leader in the Riders Alliance the whole coalition.
20 They have been pushing for that initiative. For us
21 it was a top priority also that led by the Speaker
22 and-and the rest of my colleagues. We were not able
23 to get it done that we fought for. So, seeing-
24 knowing that that is included also in the-in the
25 Mayor's proposal is very important for us. But I

2 just believe that again that this is a moment where
3 all initiatives should be on the table. I think that
4 this is a moment where from that initiative to plan
5 Move New York to the City Comptroller Plan to the
6 Assembly Member who chaired the Committee or
7 corporation, oversight the MTA plan. I think that
8 then if we raise those monies and all those four
9 initiatives then we can tell the MTA here you have
10 everything you need more than what you are asking
11 for. Now it's up to hour leadership to take us to
12 the 21st Century. Okay, Council Member [off mic]

13 COUNCIL MEMBER LANCMAN: Thank you. Good
14 afternoon. I want to talk about this \$465 million?

15 DEAN FULEIHAN: 56.

16 COUNCIL MEMBER LANCMAN: \$456 million.
17 I want to talk about the finances. I want to talk a
18 little bit about the governance and I want to talk
19 about the Mayor's Millionaire's Tax Plan, but let's
20 talk about the finances.

21 DEAN FULEIHAN: Okay.

22 COUNCIL MEMBER LANCMAN: First, of all, I
23 understand from the press release that the Mayor put
24 out that \$65 million of what you're counting as a
25 diversion to use the--the term in the press release,

2 is—is an adjustment to the mobility tax to exempt
3 libraries, schools and small businesses. I'm reading
4 this from the Mayor's press release.

5 DEAN FULEIHAN: There was a commitment
6 that when the Payroll Mobility Tax was—the Payroll
7 Mobility Tax was enacted in 2009--

8 COUNCIL MEMBER LANCMAN: When we were
9 both in different positions up in Albany.

10 DEAN FULEIHAN: Correct, that's correct
11 and it was—it was part of one of the—at the—at that
12 time Lieutenant Governor Richard drafted--

13 COUNCIL MEMBER LANCMAN: [interposing]
14 Richard Ravitch.

15 DEAN FULEIHAN: --that proposal. It was--
16 it now produces about \$1.6 billion. There was an
17 amendment to it that—for certain small businesses,
18 for certain—for school districts. There may have
19 been some other not-for-profits that were included in
20 that that they would be—they would be taken out of
21 paying the Payroll Mobility Tax, and in place the
22 state committed that they would make the difference,
23 and the MTA would not lose any dollars.

24 COUNCIL MEMBER LANCMAN: Uh-hm, but that
25 money wasn't--

2 DEAN FULEIHAN: That hasn't happened.

3 COUNCIL MEMBER LANCMAN: That money
4 wasn't diverted. I mean correct me if I'm wrong.
5 It's not like the state collected that \$65 million
6 from the libraries, the small businesses---

7 DEAN FULEIHAN: [interposing] Again.

8 COUNCIL MEMBER LANCMAN: --and then--and
9 then put it into its own General Fund.

10 DEAN FULEIHAN: Again, we--we heard just
11 from the MTA this morning the crisis they confronted
12 in 2009. Part of the crisis that was addressed was
13 the Payroll Mobility Tax. The Payroll Mobility Tax
14 was on all employers and employees in this--in the
15 metropolitan region. There was an adjustment made and
16 a commitment. That commitment was not kept. I would
17 label that as diverting revenues that were intended
18 and dedicated for the Metropolitan--

19 COUNCIL MEMBER LANCMAN: [interposing]
20 Diverted to whom? There were diverted back to the
21 taxpayers who didn't have to pay that tax.

22 DEAN FULEIHAN: The tax, the intent of
23 the tax--we can argue about the semantics of it. It
24 doesn't really matter.

2 COUNCIL MEMBER LANCMAN: But-but your
3 press release because it says divert.

4 DEAN FULEIHAN: Oh, in 60—the vast
5 majority of the money, the vast majority of the money
6 has been taken for General Fund Relief of that \$456.
7 There is some money where the state pledges that they
8 would make up the difference and send to the MTA.
9 There's no way around that. That pledge was not
10 kept. That's \$456 million.

11 COUNCIL MEMBER LANCMAN: And the—the
12 Mobility Tax, which we're talking about here how much
13 does it bring in a year?

14 DEAN FULEIHAN: Right now I believe—I
15 could be corrected. I believe it's approximately
16 \$1.6 billion.

17 COUNCIL MEMBER LANCMAN: Well, listen
18 again, as a legislator for New York City whether when
19 I was in Albany or now as City Council member I would
20 like New York City to get every penny that it's due,
21 and then some. I have to say and—and you're a budget
22 professional and that's an understatement, a—a deal
23 where the city ends up getting a million—a billion
24 plus a year over—since 2009 or 2010 and then at some
25 point \$400 million or \$465 million of that gets taken

2 out, I lament that as a city resident, but you're an
3 experienced budget hand. That's a pretty good deal
4 for the city overall. That's billions and billions
5 of dollars that were also sent over those years to
6 be—not from your or either of you two, but from the
7 Mayor's communications people. To be more about
8 political messaging and talking points than about
9 what are really getting in support from the—from the
10 state?

11 DEAN FULEIHAN: So--

12 COUNCIL MEMBER LANCMAN: That's not a
13 question, but I don't want to--

14 DEAN FULEIHAN: [interposing] Well, I'm
15 here and that's fine.

16 COUNCIL MEMBER LANCMAN: I don't want you
17 to not have the opportunity to respond.

18 DEAN FULEIHAN: Respectfully, and thank
19 you for the compliment, the—these taxes are not state
20 taxes in the tradition sense that we think of it, and
21 the finance—the traditional state budget. They were
22 imposed and you—you know, this history extremely
23 well. They were imposed in 1981 and '82 to turn
24 around in the first Richard Ravitch attempt to turn
25 around the MTA, and then again in 2008 and 2009. The

2 clear intent of this was that they would be
3 completely dedicated to the MTA, that yes the
4 collection mechanism has to go through the state.
5 There's an estate appropriation process, but that
6 those taxes would go to every single last dollar to
7 the MTA. [bell] we are talking about a crisis of-of
8 both many reforms that need to occur but also of
9 additional resources. That is part of the additional
10 resources that Chairman Lhota identified and it
11 certainly addresses the point of what he identified.
12 What the Mayor put out yesterday was to say there's
13 more than that. There's—and we're willing to step up
14 and do more, and we're willing to talk about more.
15 Let's remember, you know, the—the—while all this is
16 going on , it's not just a capital commitment that
17 the city made in 2015 of the \$2.5 billion. It's also
18 the annual operating support and there were some
19 arguments about how much the city does. The city
20 actually does \$1.6 billion of annual operating, \$800
21 million direct support to the MTA, and another \$800
22 million that we spend through the—the NYPD, which is
23 about \$460 million.

24 COUNCIL MEMBER LANCMAN: [interposing] I
25 get it.

2 DEAN FULEIHAN: And—and then—and then
3 debt service because the city unlike the state has a
4 long tradition of actually providing direct capital
5 assistance to the MTA. That's \$1.6 billion.

6 COUNCIL MEMBER LANCMAN: I'm focusing on
7 this \$400—

8 CHAIRPERSON RODRIGUEZ: [interposing]
9 Council Member, last question .

10 COUNCIL MEMBER LANCMAN: Okay, I'm—I'm the
11 only one here. Could I get more than five minutes?
12 Good. Thank you. You get—you should get some kind
13 of longevity bonus, but I'm focused on the \$465
14 because the Mayor is—is using it as the argument, the
15 main argument for why the city shouldn't kick into
16 the emergency plan, and go—go get the \$465 million
17 that you stole from us, and I'd love to have that
18 money back. Don't get me wrong. Earlier and it was
19 Doug Johnson of the MTA, Director of Management and
20 Budget said that the real number there is \$162
21 million because it offset this or that. Can you just
22 assess whether that was a fair interpretation of what
23 it is the MTA actually lost through those--

24 DEAN FULEIHAN: [interposing] I—I
25 believe firmly and I'm happy to go through this with

2 you, we believe the MTA lost \$456 million. Let's-
3 let's also remember, right, I meant the-part of this
4 conversation keeps coming up to what are the city
5 resources and you-you know that as well, and working
6 together yes we put aside fine saying working
7 together we actually believe we have serious risks on
8 the horizon. But the state also ended their fiscal
9 year with-with \$7.7 billion in-in surplus and at the
10 end of next year, they're anticipating \$4 billion,
11 and we're talking about a-a fiscal year 19 deficit
12 gap to be-to be addressed of \$3.4 billion. So, this
13 \$456 is-is-is not a trivial matter.

14 COUNCIL MEMBER LANCMAN: Now, I would just
15 say that-

16 SPEAKER MARK-VIVERITO: [interposing]
17 I'm-I'm just going to jump in because I keep saying
18 it and I don't think people, and I just find it
19 really fascinating that the amount of money that is
20 asked for in the Emergency Plan is \$456 million when
21 that is the amount of money that the Mayor has been
22 saying has been diverted from the general-I mean
23 towards the General Fund. I-I-it's interesting how
24 they happen to be the same amount of numbers. So,
25 that's just interesting.

2 COUNCIL MEMBER LANCMAN: Right so I—you
3 know, what—what's interesting about that is either
4 that is just an extraordinary coincidence or a very
5 clever person in the Mayor's Comp (sic) Team said how
6 can we come up with an argument for \$456 million—

7 DEAN FULEIHAN: Well, we—we

8 COUNCIL MEMBER LANCMAN: --and I—and I--

9 DEAN FULEIHAN:

10 COUNCIL MEMBER LANCMAN:

11 DEAN FULEIHAN:

12 COUNCIL MEMBER LANCMAN:

13 DEAN FULEIHAN: Well, we—we actually in
14 fairness, and I'll interject.

15 COUNCIL MEMBER LANCMAN: --and I—and I--

16 DEAN FULEIHAN: We had said \$456 million
17 for much longer than this plan.

18 COUNCIL MEMBER LANCMAN: And so as—as—as
19 we were--

20 DEAN FULEIHAN: [interposing] So we were
21 out there before saying it was \$456 million.

22 COUNCIL MEMBER LANCMAN: As—as we've gone
23 through it, again, as much as I lament any money
24 being diverted from New York City, I don't' think

2 it's the strongest argument. Let me just ask you
3 about the governance real quick.

4 DEAN FULEIHAN: You know, we—we obviously
5 disagree.

6 COUNCIL MEMBER LANCMAN: Yeah, we've—
7 we've done that.

8 DEAN FULEIHAN: Yeah, we have done that,
9 yes. [laughter]

10 COUNCIL MEMBER LANCMAN: The issue of
11 governance. It's very frustrating for me for the
12 Mayor to say things as he did. Listen, if you like
13 what's happening in the subway speak to the Governor.
14 If you don't like what's happening in the subway,
15 speaker to the Governor. It's a sense that he's kind
16 of washed his hands of the governance of—of—of the
17 MATA. We've got four seats on our board. That's
18 four votes. It took the Mayor a year and a half for
19 him to even nominate the full four member complement
20 of—of the Board. Is there anything on the Board in—
21 in—in your time as a members, is there anything that
22 New York City has pushed for, advocated for, or any
23 plan you've put forward that the other members of the
24 Board or the Governor has—has quashed. What—what

2 have you asked for that you haven't gotten? Because
3 I'd love to help you like try to get that?

4 COMMISSIONER TROTTEBERG: Well, it's-
5 it's a good question and-and I-I would say for the
6 record as someone who at least for almost two years
7 was the city's sole representative in the MTA Board,
8 I welcome the-the help and-and partnership of Council
9 Members. We could certainly use. The MTA is a
10 pretty unusual board. I've-I've been a number of
11 Boards. I actually chair a board right now at Trans
12 Com and I can't say the MTA is a Board in the
13 traditional way you would think about it. I mean
14 I'll give you a good example. In the past month and
15 a half or so, we've had the announcement of a new
16 Chairman Joe Lhota, a 30-day plan and Adopt the
17 Subway Plan. We announced Pay Foye was coming on
18 board. We announced Ronnie Hakim now is Managing
19 Director. A whole bunch of things have happened. The
20 Board found out them essentially by reading about
21 them in the newspapers the same as you all. So,
22 we're not a board in the tradition. Most boards that
23 I've ever been involved in would vote for their own
24 chairperson, their own executive director or
25 leadership team. Would certainly vote on matters of

2 major reorganization or financial decisions. So, you
3 know, if you look at the Bylaws of the MTA, it's-it's
4 not a board that has a tremendous amount of
5 authority. That's-that's not to say that the city
6 doesn't have a voice. We try to, but just to say I
7 think a lot of people have a-

8 COUNCIL MEMBER LANCMAN: [interposing]

9 But just-just using those as examples--

10 COMMISSIONER TROTTEBERG: [interposing]

11 Yes.

12 COUNCIL MEMBER LANCMAN: --have you--have
13 you at a Board meeting said--raised your voice and
14 said hey?

15 COMMISSIONER TROTTEBERG: I-I raise my
16 voice at almost every meeting on a number of
17 different topics, and actually one that I think I
18 particularly want to go back to because we're talking
19 about the \$65 million. You know, that came up back
20 in February, and I and a number of fellow board
21 members raised a lot of concern about, yeah,
22 literally we have to turn to our legislators in
23 Albany. It's not actually up to the Board Members of
24 the MTA what happens at the State budget level, but
25 we raised great concerns to it. You likewise, the-

2 the-it has--has been discussed today the Capital Plan
3 Amendment. A number of us also raised concerns there
4 about money potentially going to what seems like in
5 some cases more aesthetic improvements, the
6 potential, you know, delay of producing new subway
7 cars. The MTA adding on extra debt. So, certainly I
8 think if you go back and look at all the board
9 meetings, you could see the city board members one,
10 we've been at full strength, have raised a lot
11 issues. I will also just say in defense of the
12 Mayor, he's nominated--he nominated quite a few people
13 to go to the Board. It took--it takes some time to
14 get through the--the confirmation process in Albany
15 and I--I'm looking at some of my fellow Board members
16 over here who can testify to that. So, he's not
17 lacked aggression in trying to fill all the
18 positions.

19 COUNCIL MEMBER LANCMAN: Well, it was a
20 year and a half June of 2015 before he appointed the
21 full four but--

22 COMMISSIONER TROTTENBERG: Well, we can--
23 we can go back and walk you through the history of
24 that.

2 COUNCIL MEMBER LANCMAN: But—so my last
3 question. I don't—are you done? I don't want
4 interrupt you.

5 COMMISSIONER TROTTENBERG: Sure.

6 COUNCIL MEMBER LANCMAN: Okay. My last
7 question has to do with the Capital Program Review
8 Board. I think that most people don't appreciate—
9 don't understand it, aren't aware of it, don't
10 understand it or appreciate the extraordinary amount
11 of leverage that it gives the Mayor in the MTA's
12 Capital Plan. Could you just briefly explain what
13 the—the Review Board does, the governance of it and
14 then whether or not you've ever—whoever is the
15 Mayor's appointee to the Board. I don't even know—
16 has ever exercised their—their veto power and—and
17 fought for something that they didn't get?

18 COMMISSIONER TROTTENBERG: Right, it's—
19 it's a good question. The Capital Plan Review Board
20 and it's—it is admittedly a kind of a little known
21 institution. It consists of four members one
22 appointed by the Governor, which has traditionally
23 been the state's DOT Secretary. One appointed by the
24 Senate, one appointed by the Assembly and then the
25 Mayor gets a pick, and our pick currently is Bill

2 Goldstein who formerly had been in Mayor de Blasio's
3 Administration. Each of the three of the four
4 members of the CPRB have the ability to veto the
5 entire Capital Plan. The city does not that ability.
6 The city only has the ability to veto the New York
7 City Transit portion of the Capital Plan, and so the
8 City I think as far as we could tell digging back
9 into the history has never done that because it's a
10 very actually difficult kind of leverage. Because in
11 some ways you're only hurting your own portion of the
12 program. Now that said, if you heard in my
13 testimony today, I think the Mayor has decided that
14 going forward that is potentially an area where the
15 city needs to, you know, lay some more clear markers
16 down, but even in this last set of Capital Plan
17 Amendments there were some things in there we liked
18 very much. We got money for the next phase of the
19 Second Avenue Subway. I mean they're usually
20 typically the capital plan is a combination of
21 things that clearly the city desperately needs, and
22 then some things we wish could be done differently.
23 But remember, the city only has control over the sub-
24 if we think for example some of the money that's
25 going into bridges and tunnels or Long Island

2 Railroad and we don't agree with that, we can't—we
3 can't veto those portions of the plan.

4 COUNCIL MEMBER LANCMAN: I—I get it but—

5 DEAN FULEIHAN: [interposing] Yes.

6 COUNCIL MEMBER LANCMAN: --but vis-à-vis
7 the—the Governor who we are told has absolute
8 dominion over the MTA, and it's not the Mayor's
9 problem. When it comes the Capital Plan, which is
10 extremely important and very meaningful, the Mayor
11 has (coughs) arguably equal authority with the
12 Governor or at least a lot more than nothing.

13 COMMISSIONER TROTTENBERG: No, I—I don't
14 think it's equal authority at all. I think it's

15 COUNCIL MEMBER LANCMAN: [interposing] We
16 can't veto the plan. The Mayor can. Can he not?

17 DEAN FULEIHAN: Yes, he can only veto the
18 New York City Transit portion of the plan.

19 COUNCIL MEMBER LANCMAN: But that's the
20 part in New York City.

21 CHAIRPERSON RODRIGUEZ: Council Member.

22 COMMISSIONER TROTTENBERG: But that's—
23 that's the part that that doesn't—if we veto that, it
24 doesn't our—our solid board members it doesn't
25 really—it doesn't really much of an effect on it. I

2 would also just say I think of the vetoing, but the
3 time you get to the veto stage of the Capital Plan
4 that's not really where you want to wield your
5 influence and one of the things we talked about—you
6 may remember this Council Member. A couple of years
7 ago when the City put in that \$2.5 million capital
8 funds working with you and the Council we made it
9 very clear that we wanted to be part of the
10 discussion upfront of crafting the Capital Plan of
11 making sure that the City—

12 COUNCIL MEMBER LANCMAN: And were you?

13 CHAIRPERSON RODRIGUEZ: Sorry. Council
14 Member.

15 COMMISSIONER TROTTEBERG: Well, we—I
16 mean we have been to some degree yes.

17 COUNCIL MEMBER LANCMAN: Yeah, well—

18 CHAIRPERSON RODRIGUEZ: [interposing]
19 Sorry.

20 COUNCIL MEMBER LANCMAN: --that's what
21 you get when you put money in. You know the Golden
22 Rule right?

23 COMMISSIONER TROTTEBERG: We put in a
24 little rule.

2 COUNCIL MEMBER LANCMAN: Who has the
3 golden rule?

4 COMMISSIONER TROTTEBERG: [laughs]

5 CHAIRPERSON RODRIGUEZ: Thank you,
6 Council Member.

7 COUNCIL MEMBER LANCMAN: [interposing] We
8 should be working on our subways more than we are.
9 Thank you very much for your indulgence.

10 CHAIRPERSON RODRIGUEZ: You're welcome
11 and—and I'm sorry. I would like to give more time,
12 but we also have the elected—the Senator Gianaris
13 being here. Thank you, you've been here the whole
14 day and now it is our time to call the next panel.
15 Thank you, both of you. We will have Assembly
16 Dinowitz and Senator Gianaris, and then we will take
17 a five-minute break, and we'll get into the
18 Comptroller. [background comments, pause] [sound
19 check]

20 SERGEANT-AT-ARMS: Everyone please find
21 your seats. We are still in session. We are still
22 in session. Please find your seats. Everyone that
23 is approaching the des, please find your seats. We
24 are still in session. [pause] [background comments]
25 [gavel]

2 CHAIRPERSON RODRIGUEZ: Let's get going.

3 [background comments, pause] [gavel] Come on let's
4 get going, and Senator, it's a pleasure.(sic)

5 SENATOR GIANARIS: Okay, thank you. Good
6 afternoon. Let me first thank the City Council for
7 the leadership you're showing and Chairman Rodriguez,
8 I know you have been on the front lines of this for a
9 long, long time and especially since the crisis has
10 reached a head this summer, and it's great to see
11 some of my former colleagues from the State
12 Legislature, Vanessa Gibson and Rory Lancman. We
13 were both in the Assembly. I wanted to talk
14 obviously about the—the important topic of the day
15 that's of critical importance to millions of New
16 Yorkers. The calamity of our subway system has been
17 in the news countless times in the last couple of
18 months, but those of us who represent New York's
19 transit riders are well aware that the problem
20 extends far beyond the derailments, the trapped
21 commutes and the overheated subway that have made the
22 headlines. For everyday riders, expectations are so
23 low that delays stretching over an hour are now part
24 of their daily routine that they have to plan for in
25 the course of their daily schedule. We cannot allow

2 the deterioration of our mass transit system to
3 become an expected part of life in New York City.
4 Our subways and buses are the life blood of our
5 region. Without them functioning efficiently, our
6 economy suffers, people miss doctor's appointments,
7 students are late to school and the entire city
8 becomes paralyzed. It is widely acknowledged that is
9 problem is rooted in years of neglect and
10 underfunding of the MTA by government's leaders.
11 Governor Cuomo himself when he declared a state of
12 emergency said, "We know that decades of under-
13 investment, deferred maintenance and deferred
14 modernization have caused this problem." And he
15 further said, and I quote again, "There's no doubt
16 that to do what we need to do we're going to need
17 more resources." He's right on both counts, and he's
18 properly identified the problems that are plaguing
19 the system. Now, we need to find a solution. If we
20 want a mass transit system that works and works well,
21 it will not happen by magic. We have to pay for it.
22 MTA Chairman Joe Lhota recently pegged the resources
23 needed at \$8 billion—the additional resources at \$8
24 billion. This money must come from somewhere, and
25 the last places we should look are the pockets of

2 hard working New Yorkers who are already suffering
3 due to our collapsing transit infrastructure. These
4 men and women are working harder than ever just to
5 stand in place while the wealthiest among us are
6 wealthier than ever before. Indeed estimates are
7 that the top 20% of Americans hold 88% of the
8 country's wealth while the bottom 80% have the
9 remaining 12%. Here in our own state we lead the
10 nation in income inequality with Manhattan winning
11 the prize for the biggest gap between rich and poor
12 for any county in the entire nation. Given this
13 landscape, it seems to me the fairest and simplest
14 solution is to ask the wealthiest New Yorkers to chip
15 in a little more to ensure that our mass transit
16 system no longer serves as an embarrassment to the
17 greatest city on the world. That is why I stood with
18 the Mayor yesterday to announce that I will introduce
19 a bill together with Assemblyman Danny O'Donnell that
20 would enact a surcharge on the top 1% of city
21 residents to fund critical mass transit repairs and
22 maintenance. The proposal would raise over 8--\$750
23 million annually by imposing a .5% surcharge on
24 couples earning over a million dollars and single
25 filers earning over \$500,000 annually. This money

2 would be required to be spent on the most serious
3 infrastructure needs of New York City subways and
4 buses, and would be subject, and I think Dean
5 Fuleihan just said, would be subject to a maintenance
6 of effort provision so that the \$9 billion already
7 committed to the MTA by the state is allocated as
8 promised and gets spent as promised. An important
9 requirement given recent reports of MTA funds being
10 diverted for other purposes. Importantly, the
11 legislation further protects working New Yorkers by
12 including the Fair Fares proposal that both
13 Councilman Rodriguez and Assemblyman Dinowitz have
14 championed to provide discounted fares for low-income
15 residents so they can get to work more easily and
16 continue to climb the economic ladder. Our city has
17 come together in times of crisis before. When crime
18 ran rampant responsible leaders like Mayor Dinkins
19 and Speaker Peter Vallone led the charge for the Safe
20 Streets, Safe City Program that imposed surcharges
21 temporarily so that more police could be hired. Over
22 20 years later we continue to reap the benefits of
23 their vision in the form of historically low crime
24 rates. We need similar leadership today for the
25 crisis of our time, which is our deteriorating

2 infrastructure. To those who would shoot arrows at
3 this idea, I ask what is your alternative? It is no
4 longer enough to criticize others for attempting to
5 fix this crisis. Either present a different approach
6 for discussion or get out of the way. This is not a
7 time for politics as usual. This is a time for
8 leadership, and I want to thank the City Council for
9 providing some important leadership on this issue
10 this issue today.

11 ASSEMBLYMAN O'DONNELL: Okay. Good
12 afternoon, Council Members, Chairman Rodriguez. Last
13 week Councilman Ydanis Rodriguez and I led a
14 coalition of elected officials and transit advocates
15 to hear direct feedback from riders about the
16 conditions they face on a daily basis, and I just
17 want to say for the record that I—I thought you, Mr.
18 Chairman, were terrific and amazing during that—those
19 two very, very long days, and I think it was very
20 important that we did that to hear from people, and
21 whatever we went through those two days, they were
22 two days. But millions of people deal with this on a
23 daily basis all the time, and just during the two-day
24 period we—we got stuck on the way to Coney Island for
25 a very extended period of time. Coming home on

2 Friday night, I was stuck on the A Train and we had a
3 few other delays, and that's just over the two-day
4 period. So, no complaints because the two-days were
5 over when the two days were over, but people have to
6 go through this all the time. The most common
7 complaints we heard last week really fall into three
8 categories: Too many delays and service disruptions;
9 lack of accessibility in most stations; and for many
10 people that the cost of-of transit is increasingly
11 out of reach. And the riders we spoke to didn't
12 really care about who's in charge, whether it's the
13 Mayor or the Governor. All they care about was
14 getting things fixed, and most of them didn't know
15 that the MTA is, in fact, a State agency. Delays in
16 service disruptions was certainly the most prominent
17 complaint that we got, and it hasn't received
18 adequate attention in recent years. And the people
19 we spoke to they have to add like 20 or 30 minutes.
20 They have to factor that into their commute in the
21 morning because they don't want to be late for work.
22 So, if they're taking an hour long trip from 242nd
23 Street near Van Cortlandt Park to Chambers Street,
24 they probably have to get on an hour and a half in
25 advance just to ensure that they're not late, and

2 people don't really like that so much. It's become
3 impossible for a commuter to avoid having to wait in
4 a packed train and then they're train traffic ahead.
5 It's kind of like bus functions or to watch several
6 trains pass them by when they're on a stifling
7 platform that is already overcrowded, and the causes
8 for these delays could be signal malfunctions,
9 passengers holding doors open, sick passengers or
10 almost anything else, and we know that even before
11 the tour last week, that three out of four trains
12 were deemed chronically late, train lines are being
13 chronically late in the first quarter of this year
14 and that five of the 24 subway lines were on time
15 less than 50% of the time. Of notable exception is
16 the L Train, which boasts a 92% on-time rate despite
17 being one of the busiest lines in the system. Why?
18 It's because they're fully equipped with
19 Communication Based Train Controls, CBTC, the modern
20 standard of transit systems around the world, which
21 increase subway capacity by 30%. Unfortunately, the
22 MTA is currently on pace to have CBTC fully installed
23 by 2045. That's when my grandchildren will be
24 parents. That's a long time to wait for most people,
25 and it will cost billions of dollars—billions of

2 dollars more than other places are spending. For
3 example, Paris and London have installed CBTC on
4 their tracks, a similar track to the No. 7, the only
5 other station that' actually begun this upgrade for
6 \$150 million while we haven't even finished the 7
7 Line and we've already spent \$550 million, and
8 installing this technology would address the two top
9 cause of subway delays: Signal malfunctioning and
10 overcrowding. The question is why should it be so
11 much more expensive and take so much longer in New
12 York to have this technology? Many people talked
13 about the importance of accelerating our
14 accessibility goals for our transit system. We saw
15 countless senior citizens struggle—struggle up and
16 down the long staircases that even taxed some of the
17 young volunteers those days. And, we watched parents
18 try to figure out how are the going to get their baby
19 carriage, their diaper bags, their children from
20 mezzanine to the subway platform because there was no
21 working elevator. What about the countless
22 individuals who can't use the subway at all because
23 of them are inaccessible, and instead they have to
24 rely on the horrible Access-A-Ride program to get to
25 appointments. Right now, 77% of the New York City

2 subway stations do not have elevators, and are not
3 accessible, and even if you have an accessible
4 station, the station in my office at 231st and
5 Broadway on the 1 Line, we have an elevator when it
6 works. But if you're going to a location that
7 doesn't have an elevator, so what. It doesn't really
8 do you any good. We haven't had a plan to increase
9 station accessibility for since 1994, and we're
10 almost finished with the original Key Station Plan
11 for the Accessibility. So, even if there is an
12 elevator, it often doesn't work. The MTA average 25
13 elevator outages everyday. The elevators are very
14 expensive, and many stations need to have two
15 elevators if they have separate platforms, and we
16 have over 350 stations. Now we know that we're not
17 going to get 100% accessibility in the immediate
18 future, but we don't have a plan to get there more
19 quickly. Right now we're on pace to get there at the
20 turn of the next century. Almost everywhere we went
21 people talked about how much they spend on mass-on
22 transit compare to the quality of service, and people
23 told us in some cases they can only buy one trip at a
24 time because it cost a lot of money. They can't use
25 the cost saving monthly Metro Cards. They can't

2 afford the \$121. So, in essence we sort of have a
3 two-tiered system where the people who are most in
4 need are the ones who have the least ability to
5 benefit from the discounts. So, this regressive
6 system obviously adversely affects low-income
7 individuals, and that's why the Fair Fares proposal
8 should be implemented and needs to be included in
9 discussions about how to fix our transportation
10 system. And even a minimal rollout of the half fare
11 metric-half price Metro Card for low-income New
12 Yorkers would help countless residents and save some
13 people up to \$700 a year. Mass transit we know is
14 the life blood of the city for rich and poor alike.
15 We need to make sure that nobody gets left behind
16 when we modernize our transit system. It's also
17 important to note that improving bus service is very
18 key to many New Yorkers. Many residents in my
19 district in the Bronx and I'm sure countless others
20 throughout the city depend upon the bus to get
21 around. It's easier because the buses are accessible
22 than most subways, and for others there are no other
23 transit options available to them. In my
24 neighborhood where I live we have buses. We don't
25 have trains. We have trains not so far away in the

2 next neighborhood, but we have buses. Yet, despite
3 the incredible demand, bus ridership has actually
4 declined in recent years, and that's because the bus
5 system is not working and because of the relatively
6 small of investment in recent years in the buses.
7 So, we need to bring—bring improvements, and there
8 are ways we can do that very easily. In this past
9 May I circulated a letter among my colleagues to the
10 Governor asking for his support for two low-cost
11 technological improvements to produce substantial
12 improvement in citywide bus service; Transit Signal
13 Priority, TSP, an all-door boarding technology. TSP
14 would allow buses to extend green lights by a few
15 seconds and result in a 15% reduction in travel times
16 when it was implemented in Chicago. All door
17 boarding has resulted in a 36% reduction in dwell
18 times after being implemented in San Francisco and on
19 Select Bus Service routes in the city here. We also
20 should explore re-evaluating some of the design of
21 bus routes that we have right now to increase
22 efficiency, developing new methods that would allow
23 dispatchers to keep buses on schedule, and consulting
24 with DOT to redesign some streets so buses can be
25 moved more quickly as was done on the SBS routes.

2 So, DOT and the New York City Transit have a plan to
3 expand transit signal priority to ten routes by 2020,
4 and while that's good, it's not enough. We have to
5 do more. So, with so much focus underground as it
6 should be, we have to remember not to forget about
7 our buses, and we have to create dedicated recurring
8 and sufficient streams of funding for transportation
9 infrastructure. The MTA has proposed a nearly \$1
10 billion plan to fund emergency repairs for tracks and
11 signals, and has asked the city to contribute half
12 the cost. Now, we can debate what percentage who
13 should—who should contribute to what, but we should
14 also keep in mind it's not only the state and the
15 city that have an interest in fixing our transit
16 system. It's also the suburban counties that
17 surround New York City many of whose residents also
18 take our subway. Years of deferred maintenance have
19 left the system buckling under the pressure of near
20 record ridership with more frequent delays,
21 breakdowns, signal failures and these long festering
22 problems need long-stem-long-term solutions, and just
23 can't seem to be fixed by temporary delays.

24 Now, at the state level, I have been
25 advocating, we have legislation, to earmark 2% of the

2 existing income tax revenue specifically for
3 transportation infrastructure, and this would result
4 in approximately \$900 million for statewide transit
5 funding including over half a billion dollars
6 directly to the MTA, but through bonding, this would
7 gen-generate billions, several billions of dollars
8 for mass transit and other transportation
9 infrastructure. In addition, asking non-resident
10 commuters to pay their fair share by restoring the
11 Commuter Tax, could generate upwards of \$800 million
12 a year and these two options together-together would
13 put us on path towards bringing our transit system to
14 the modern age. In addition, we need to protect
15 existing revenue that has been allocated for
16 transportation from being diverted without express
17 legislative consent. A combination of these
18 legislative options would go a long way towards
19 meeting our transportation infrastructure
20 obligations. In addition, the proposal that the
21 Mayor put forth the other day championed by Senator
22 Gianaris for New York City—an increase on the taxes
23 by .5% of millionaires would bring significant
24 revenue and would among other things help fund the
25 Fair Fares proposal, and furthermore this year the

2 New York City Executive Budget cut, cut \$65 million
3 from the MTA, and it was discussed by the earlier
4 panel, but it was a cut. We did add money in other
5 areas in capital areas, but there was a cut of \$65
6 million. This was in the Executive Budget, and the
7 MTA person who testified at the fiscal hearing
8 defended that cut by saying that it would not result
9 in any diminution of services at all. Now, \$65
10 million may not be a billion, but it's still a whole
11 lot of money. It should not have been cut. That
12 money was part of the deal that the state made to
13 replace funding that was lost when the Payroll
14 Mobility Tax was reduced because certain types of
15 entities were exempted. This cut took effect over
16 the objections of the Assembly and should have never
17 been proposed in the first place. I'm going to
18 conclude by saying that we need to all work together
19 to solve this crisis. Commuters are tired of the
20 blame game. They don't want officials pointing
21 fingers at each other. They want leaders on the
22 state and city level to work together as a team.
23 That's the only way we can give New Yorkers the 21st
24 Century transit system they deserve. Every day that
25 goes by without a plan to solve the transit crisis

2 inroads confidence of everyday New Yorkers, and the
3 taxpayers don't really care where the money comes
4 from because ultimately it comes from the same place
5 and that's their pockets. We need to ensure that
6 their money is being spent appropriately, and on the
7 things that are important, and right now the thing
8 that is important is fixing our transit system.

9 Thank you.

10 CHAIRPERSON RODRIGUEZ: Thank you both of
11 you and, you know, it's good to know that we have
12 leaders in both chambers of the Senate and Assembly
13 who are also advocating New York and, of course,
14 great experience is coming up 24 hours. I just, you
15 know, one thing that I see very interesting here is
16 also I know that in this room we have important
17 voices. Many of them carrying different of those
18 initiatives, and we've been able to see how even in
19 those 24 hours, you know, you have not come out with
20 a position on the plan of New York. But no movement
21 like, you know, that were referring including the
22 plan of New York as one of the potential sources to
23 raise revenue, (coughs) and even today when we also
24 write the-wrote the op-ed in the Crane newspaper, we
25 also included mentioning as one of the those

2 potentials. So, while we are calling on New Yorkers
3 here to look at all potential sources of revenue from
4 the City Comptroller that is the one coming right now
5 that he will really explain also how in his plan we
6 can raise billions of dollars to the great chairman
7 or corporation we have the noise (sic) to the plan
8 Move New York to the Mayor's plan. So, again I would
9 like to continue pushing all sectors to come together
10 in the roundtable conversation. Let's get it done.
11 Let's get the revenue, and lets' get the MTA to be
12 more accountable and for them also to control the
13 cost that--that--that we've been dealing with, with
14 the--over the last couple of decades. So, with that,
15 thank you, and now I'm calling the City Comptroller
16 Scott Stringer. [pause] Comptroller Scott, I would
17 like to apologize for the delay and, you know, the
18 MTA presentation took longer than we expected and we
19 have some input in the scheduling for everyone. So,
20 sorry Comptroller and the rest of the panel is ready
21 to testify because of how we've been pushed back on
22 the scheduling. We hear after the Comptroller, Plan
23 Move New York also has been schedule for later on, as
24 also TW and other members.

2 SCOTT STRINGER: Well, good afternoon,
3 and thank you, Chairman Rodriguez for hosting this
4 important hearing. I am with Preston Niblack our
5 Deputy Comptroller for Budgets, and I want to
6 especially shout out Vanessa Gibson for actually
7 being at this hearing because if we're going to have
8 hearings we want to see as many people listening to
9 us, and I'm glad at least two of you are here. But,
10 I am glad—I was glad to spend some time with you last
11 week, Mr. Chairman, riding underground and hearing
12 directly from straphangers, and I think we all agree
13 that we got an earful and with good reason. And I
14 want to thank you and Assembly Member Dinowitz for
15 organizing the event. But I'm here today to
16 contribute to the conversation about our future. Our
17 subway system is in a state of crisis unlike anything
18 we've seen in decades. New Yorkers are truly
19 struggling. Over the past two years our work in the
20 Comptroller's Office has foreshadowed this this
21 crisis and made clear that we could see this coming.
22 Since 2014, the Comptrollers Office has done nine
23 audits and investigations of the MTA, and we've done
24 several other reports on transportation that warned
25 of the crisis we now face. Back in 2015, in a budget

2 analysis on city contributions to the MTA, we noted
3 that the agency needed significantly more money just
4 to keep our subways in good repair. That same year
5 we also looked at MTA bus delays revealing that
6 nearly one-third of express buses were not running on
7 time. We've examined station cleanliness uncovering
8 that 97% of subway tracks were not cleaned on
9 schedule leading to delays and more importantly the
10 safe risks. Last year in an audit of Access-A-Ride,
11 we uncovered that 2.5 million pick-up and drop-off
12 times may have been manipulated to show favorable
13 performance. Earlier this year we showed why
14 elevators and escalators always seemed to break down,
15 and it's because MTA management is not helping their
16 workers do proper preventive maintenance. And when
17 you don't give your machines their tune-ups, and you
18 don't fix problems as they discover—as they're
19 discovered, they break down. To me that symbolizes
20 what's gone wrong with our subways. The regular
21 ongoing maintenance to the entire system hasn't
22 happened the way it should. Beyond day-to-day
23 frustrations, there are real world consequences and
24 human impacts on New Yorkers. Last month my office
25 released a survey of more than 1,200 riders from more

1 than 140 stations across all five boroughs. What we
2 found was staggering. 74% of straphangers say
3 they've been to a work meeting in the past three
4 months because of a subway delay. Two-thirds of
5 people have been late to pick up or drop off a child.
6 Almost a third have been late for medical
7 appointments and 13% said they had lost wages in the
8 last 90 days while 2% claimed they had even been
9 fired. These are the reality. So, the question for
10 us today is how do we move forward? In my view,
11 during a crisis we can't focus on finger pointing.
12 We must look towards the future, and when it comes
13 to keeping New York City on top in this century and
14 the next, we must stand together. At this very
15 moment countries and cities around the globe are
16 investing in their public transportation
17 infrastructure. China is becoming more intimate-
18 connected to mass transit. Tokyo is building first
19 rate systems. London is working to make the two best
20 in class. Los Angeles, Paris, Seoul, Singapore
21 they're all making down payments on their future, and
22 that's because world class transportation doesn't
23 just attract people, it builds a world class economy.
24 Economic growth tomorrow hinges on infrastructure
25

2 investments today. In the long term for the MTA we
3 have a lot of great ideas. The concept of congesting
4 pricing has been raised. It's worthy of a thoughtful
5 conversation. Yesterday the Mayor unveiled a
6 proposal for a millionaire's tax to fund
7 improvements, another idea that merits discussion,
8 and what I appreciate most about the Mayor's proposal
9 is Fair Fares. Subsidizing Metro Cards for those who
10 need it the most is the right thing to do because no
11 one should have to choose between putting food on the
12 table and riding the subway. And making New York
13 affordable and fixing our subways has to be top
14 priorities, and the Mayor's proposal does attempt to
15 do both. In my view, a new transportation Bond Act
16 should also be part of the discussion. It's been 12
17 years since we went to the voters for transportation
18 investments. In 2005, 56% of voters approved a \$2.9
19 billion investment for DOE and MTA projects over five
20 years. That got us new rail cars, better buses,
21 improved track, and supported other critical
22 infrastructure projects like the side access in the
23 Second Avenue Subway, which have made the system
24 stronger. Today, I believe the support exists for a
25 \$3 or \$4 billion transportation Bond Act. This Bond

2 Act relieves the heavily indebted MTA of having the
3 issue and repay their debt. That ultimately helps
4 lighten the burden on fares. The state would do that
5 debt service. Now, as we take the time to consider
6 the menu of long-term funding options, we must ensure
7 that those who are actually paying for transit
8 improvements see an equitable fair return on their
9 investment, but we can address our long-term
10 challenges unless we face what confronts us in the
11 short term. That, of course, is the goal of Chairman
12 Lhota's Stabilization and Modernization Plan. I
13 believe that the Chairman has put forth an ambitious
14 proposal. The question is how do we fund it? My
15 Budget Office has run the numbers, and we believe New
16 York City has the ability to make a substantial
17 contribution specifically for this emergency
18 situation, but it can't be a blank check. If the
19 city does contribute, it should be with a memo of
20 understanding between the City, the State and the
21 MTA. The city should know where every cent is being
22 spent, and should have assurances that not a dime
23 will be siphoned off. We should get regular reports
24 of where the money going, where the progress is
25 happening and whether our infusion of dollars is work

2 because when it comes to taxpayers, transparency
3 matters in budgeting. Now, I'm going to close with
4 this: We've crunched the number and we've done the
5 audits. I'm very concerned about where we are. We
6 have a problem. Everyday we delay during this
7 crisis, we are playing with fire. Failing to invest
8 and pretending that this problem doesn't exist is not
9 an option. The economic costs of train delays are in
10 the billions. Inaction will cost more than action.
11 As we think about funding for the next quarter
12 century, there are many ideas on the table. In the
13 immediate future we must be results driven. There is
14 a lot of discussion that needs to happen about a
15 long-term capital plan. The ideas outlined at this
16 hearing and throughout the week make it clear that
17 people are thinking long term, but I'm here to tell
18 you as the city's Chief Fiscal Officer we have a
19 short-term emergency that must be fixed, and the one
20 thing we learned from our survey and your ride around
21 with the elected officials straphangers do not care
22 whether it's city money, state money, federal money
23 or money from Mars. They want to get the subway
24 system fixed, and we deserve our—and our constituents
25 deserve nothing less. So, thank you for allowing me

2 to be here, and most importantly thankyou for being
3 here representing the Council.

4 CHAIRPERSON RODRIGUEZ: [off mic] [on mic]
5 Can you go back and elaborate a little bit more about
6 how much will your plan raise.

7 SCOTT STRINGER: Well, you know, the-the
8 Bond-a Bond Act is-is just one of several ideas and
9 I'm not wedded, and I appreciate you saying my-you
10 know, it was my plan, but it's--

11 CHAIRPERSON RODRIGUEZ: [interposing] No,
12 I say one because I'm putting like today--

13 SCOTT STRINGER: [interposing] Yes.

14 CHAIRPERSON RODRIGUEZ: --we share like
15 all those ideas. We put it together, and while we
16 look at the numbers that if move all those ideas,
17 which is four, we raise \$27 billion in the next ten
18 years. So, if we use--

19 SCOTT STRINGER: [interposing] It's
20 funning that-it's funny how elected officials are
21 never short ideas about how to spend money, right and
22 so-but let me just briefly talk about the Bond Act.
23 You know, we have had bond act-transportation Bond
24 Acts passed in the state. The last was-was in 2005.
25 We got \$2.9 billion. It did really go a long way to

2 help serve, you know, build subway cars, make the
3 kind of repairs back then that we need today. So,
4 the most important aspect of this Bond Act is that
5 this—MTA would not pay the debt service. The state
6 would pay it. The state has more debt service to
7 spend than the MTA, which is already very
8 constricted. So, that would help the MTA doubly.
9 It—it—it—it would be twofer and the state would be
10 able to pay it, the debt service. So, that is
11 something entices me, but again I'm open to a number
12 of ideas. Look, I think long-term, Mr. Chairman, the
13 long term has to be sorted out, but it can't just be
14 a menu of money generated ideas. Unfortunately,
15 there's a politics to this, right. I don't want to
16 talk about pie in the sky when we know that there's a
17 very difficult political situation in Albany
18 especially in the State Senate. We have to assess
19 that because right now, we have an \$850 million--\$850
20 million deal that has to get accomplished, and so I
21 think a lot of the focus is not just the long term,
22 but we have to think about the long—the short term
23 and how we put the emergency plan into place, and how
24 we're going to pay for it.

2 CHAIRPERSON RODRIGUEZ: Yeah. Have you
3 looked at the MTA and the private contractors on who
4 gets payment? Those who they don't deliver a project
5 on time to the MTA, is there any penalty to those
6 contractors? Have you looked at those numbers or who
7 is--

8 SCOTT STRINGER: [interposing] You know,
9 contracts vary. Sub-contracts vary, you know and
10 there are penalties within contract—you know within
11 contracts. I don't have specific information today.
12 I can tell you that the—when I was Borough President
13 back in 2005, I was invited to the fourth
14 groundbreaking of the Second Avenue Subway. So that
15 was a project that wasn't on time or on budget, and I
16 do think that has contributed to the problem. I
17 think that anything we do—and look, let's assume down
18 the line the city works it out and contributes
19 something to the emergency ask right now? I agree
20 with the Mayor and others or I'm concerned that you
21 give money to the MTA black hole you never see it
22 again, and you have no transparency. So, I believe
23 any contributions that the city was to give, have-
24 would have to be covered an MOU and that money should
25 be tied to specific projects: Signals, tracks,

2 subway cars because New York City residents need to
3 know that what they're contributing they're actually
4 getting back.

5 CHAIRPERSON RODRIGUEZ: You know, those-
6 the-those surveys that we were able to collect, 75%
7 and you were one of those who would spend two-two
8 days, you and I with us to do some stations on
9 Thursday. The same thing on Friday, but close of
10 2,000 riders say that 75% of-75% of them they say
11 that they've been late at least usually four times a
12 week because the train had been delayed. So, I think
13 you are right, and that's why the approach that we
14 have when we have the MTA sitting with us, they say
15 that this is not only about raising the revenue, but
16 this also about the MTA to control the costs. This
17 is about why we are the ones in the city that is the
18 one that built the most expensive compared to any
19 other city in the world when it comes to the train
20 station, when it comes renovation. So, that's, you
21 know, one area that I believe it will be important
22 also to look at, you know, how will the MTA, what can
23 the MTA deliver with the new leadership and say they
24 can do better on reducing the-the expenses on the
25 Council to do.

2 SCOTT STRINGER: Look, I think you've
3 made a lot of suggestions in this area that should be
4 listened to, and part of building out a 21st Century
5 economy is also building out a 21st Century
6 transportation network and that starts with replacing
7 our aging infrastructure. You know, the one that we
8 always talk about in our office is, you know, what's,
9 you know, what's the economy going to look like and
10 it really hasn't changed much than many decades ago
11 when that number 7 Line was built through Queens, and
12 changed the Borough of Queens forever, and that's a
13 story that was relevant decades ago. It's relevant
14 today. We are city that is basically, is basically
15 about our subway grid, and so when you don't invest
16 in the grid, you're not going to invest in the
17 economy and we can't expand our economy. You have
18 heard all the data. Nine people will be in this city
19 in the near future, but at the end of the day what I
20 want to just leave you with right now, there are two
21 issues here. There's the long-term issue that
22 requires a lot of discussion. How much should the
23 city be contributing? Have we been paying our fair
24 share? Many people argue that we have. Should people
25 of wealth pay a little more to help the subway

2 system? That's worthy of discussion, and the 800
3 pound guerilla in the room is congestion pricing.
4 Here's what we should do: We should put it all on
5 the table, and do what you're doing here today, and
6 bring in the experts and private sector and the
7 public sector whether it's our unions or our business
8 leaders and let's treat this as an emergency the same
9 way we dealt with these issues back in 1980 under
10 Richard Ravitch and came up with a capital plan.
11 What I don't want to see happen, though, is that
12 people talk about the long-term, right, three, four,
13 five years from now, when it's way in the future when
14 we will have maybe a Democratic Senate a Republican
15 Senate, a Republican-Democratic Senate or whatever
16 they call it today. We need to have a real plan, and
17 we have to go to Albany as a city not playing checker
18 where we'll bounce all over the table, but where we
19 have a chess strategy because this is critical to the
20 growth of the our economy, and we have to deal with
21 the emergency that's before us as well.

22 CHAIRPERSON RODRIGUEZ: Thank you,
23 alright. [off mic] I mean thank you for [on mic] for
24 the Deputy Mayor?

2 SCOTT STRINGER: No, it's okay, right
3 back at you. Thank you. Vanessa, thank you for
4 staying.

5 CHAIRPERSON RODRIGUEZ: Thank you. It
6 says TW was in here. No. So, we're going to be
7 [background comments, pause] We'll take a ten-minute
8 break and we'll be back. I'm sorry for the delay. I
9 just have to close out and go across the hall (sic)
10 and voting in another committee, but we will be back
11 in ten minutes. [pause] Let's continue, right. So,
12 let's call on a great friend David Jones who come to
13 testify. He will be followed by Carl Konig (sp?).
14 Thank you for also waiting. [pause] So, everyone
15 knows, Mr. Jones is one of those that have been
16 behind for many years fighting for the Fair Fares
17 among many other initiatives. Alex. I'm sorry Alex,
18 would you like to sit down together? Jones and then
19 we follow with Carl Konig. Identify yourself and
20 then you can continue.

21 DAVID JONES: Okay, I'll—I'll be brief.
22 I'm David Jones. I'm President of the Community
23 Service Society a not-for-profit organization that
24 for 170 years has been working on issues of poverty
25 in New York. We use research and advocacy and

2 direction action when necessary on issues of poverty.

3 I'm also one of the city's representatives on the MTA

4 Board, and the main reason I agreed to serve on the

5 MTA Board was out of a real concern about barriers

6 that were presented to the poor, working poor of the

7 City of New York by the high cost of transit. In

8 2016, we partnered with the Riders Alliance a

9 grassroots transit member organization to launch the

10 Fair Fares Campaign, which called for a half price

11 Metro Card for working age New Yorkers living at or

12 below poverty. Just for you information, that's

13 \$24,000 for a family of four. That hits about

14 800,000 New Yorkers using the transit system. It

15 would follow on other major cities like London and

16 Seattle and San Francisco that have already taken

17 these steps, and we think for New York city and its

18 residents it was perhaps the most important thing

19 that could be helpful to the families. It would mean

20 somewhere between \$700 and \$800 dollars per year

21 going into the family, the individual's pocket. That

22 almost amounts to what the Earned Income Tax Credit

23 provides low-income people. So, it would be a huge

24 benefit, a month's rent or a substantial part of a

25 month's rent to an individual who was below the

2 poverty line. The Fair Fares or with your help, Mr.
3 Chairman, has become a campaign that's encompassed
4 labor everything from the TWU to major labor reunions
5 representing particularly fast food workers or the
6 rest. There are very few unions in the city of New
7 York that haven't come to support us on this effort
8 because it has an immediate affect on their working
9 members. We were very pleased to see the Mayor's—
10 unveiling his proposal and reaching out to myself and
11 others to support not only his proposal for a
12 millionaire's tax, but linking that with funding for
13 Fair Fares for virtually every low-income individual
14 in the city of New York. The combination we think is
15 unique and we support it, and are excited by it, but
16 we don't think that's the only way to go about this.
17 We're very eclectic about this. We hope that any
18 proposal that comes forward whether that's a proposal
19 dealing with congestion pricing or a gasoline tax.
20 Whatever it is, it now be melded not only for New
21 York City, but for the rest of the state to take into
22 account low-income individuals. Thank you.

23 CARL KONIG: Chairman Rodriguez and
24 honorable members of the Transportation Committee,
25 thank you for the opportunity to testify before you

2 today, and thank you Chairman Rodriguez for
3 consistently speaking in favor of the Move New York
4 Fare Plan and for being a leader in looking for
5 creative ways to assist those who rely on our transit
6 system. I should just say quickly that I-Move New
7 York is a strong supporter of the Fair Fares Program
8 and it's part of our plan as well. We think that
9 whatever money is raised from the Move New York Plan
10 should go to fully fund the Fair Fares Program. I
11 won't waste time describing the city's transit crisis
12 except to say that it's real, it's extreme and it's
13 not going away until our city and state leaders are
14 taking it as seriously as do the system's beleaguered
15 riders. I also won't use my time rehashing the finer
16 points of the Move New York Fare Plan as most of you
17 are already quite familiar with it. To paraphrase
18 Ross Sandler, Former DOT Commissioner who recently
19 summarized the plan more succinctly than I--than I
20 ever have, Move New York would merely have existing
21 tools throughout the boroughs; place electronic
22 charging where traffic is worse and transit options
23 are plentiful; add a congestion surcharge on taxis,
24 Ubers and other for-hire vehicles in Manhattan south
25 of 96th Street and as a result reduce traffic and

2 produce huge new resources of funding, sources of
3 funding for the MTA. Specifically the plan would
4 raise \$1.5 billion a year in perpetuity, one-quarter
5 of which would go to roads and bridges. The other
6 three-quarters, over \$1.1 billion a year, or more
7 than \$16 billion if bonded would go to upgrading and
8 expanding the transit system while lowering fares for
9 low and middle[income New Yorkers. So, how about the
10 other ideas that have recently been floated? The
11 Lotus Samuelson Plan, which we strongly support is
12 crucial for getting us out of the ditch that we're
13 in, but it's only a short-term fix. Still missing is
14 a serious plan to raise the money needed to make New
15 York's transit network worthy of the people who live
16 here. Luckily, we recently heard from both the Mayor
17 and the Governor's Office with some initial ideas.
18 We, of course, are pleased [bell] that Governor Cuomo
19 is looking a different forms of congestion pricing,
20 and look forward to assisting him and his team in
21 whatever way we can. While it's too early to tell
22 whether the Governor means business is throwing us a
23 chew toy, the fact that he's looking all options
24 including the Move New York Toll Reform Plan is
25 encouraging. One other point worth mentioning, a lot

2 of critics say the MTA has enough money and shouldn't
3 get any more until it learns how to use what it has
4 more efficiently. It's a fair criticism and the
5 agency does need to work harder to find cost savings
6 including those recommended recently by CBC President
7 Carol Kellerman. In addition, lets call on Governor
8 Cuomo to task a new independent group to review and
9 amend his previous MTA Re-Invention Commission's
10 Report to include some of the funding and reform
11 recommendations the original Commission may have
12 avoided. The Governor should then announce the
13 significant reform package simultaneous with its
14 unveil—his unveiling of an ambitious long-term
15 funding package. If we're going to ask New Yorkers
16 to chip in more to help pay for the transit system,
17 we have to commit to the MTA reforms that will ensure
18 that their money is well spent. The Move New York
19 Proposal is an equitable five-for-one plan that will
20 allow us to modernize and expand our transit system,
21 slash traffic, invest in our roads and bridges and
22 bring toll and fare relief to millions of New
23 Yorkers. It's no wonder the plan is supported by a
24 majority of the city's and region's voters, 50 plus
25 elected officials, over 75 civic organizations in

2 each of the city's major editorial boards from left
3 to right. So what role can the City play—Council
4 play in all this? Please get behind the Move New
5 York Plan, pass a resolution in support of it, start
6 pushing it hard and don't take no for from an answer,
7 for an answer. For too long we've been making
8 excuses to avoid embracing the only plan on the table
9 that can squarely address the city's twin transit and
10 congestion crisis. Now, millions of New Yorkers are
11 suffering and we no longer have the luxury of delay.
12 It's time to act and the New York City Council is a
13 great place to start. Thank you very much.

14 CHAIRPERSON RODRIGUEZ: Again it's nice
15 to see you both, you know, and in this case
16 supporting, you know, one—one of the proposals and
17 both proposals include contributing to the Fair Fare,
18 and as—as I said from the beginning the Plan Move New
19 York is a good one because not only will it will
20 raise \$1 billion for the MTA, but also because some
21 of the money that has been card here that I always
22 put on the table some of the money should be
23 reinvested. We create a fund for the local community
24 especially let us to run the one form Queens and
25 Brooklyn and the Bronx, the Outer Boroughs. They

2 should have a voice on how to invest some of those—
3 some of those large money from a particular fund that
4 should be created. As I also hope that we should
5 look at details, which this is now the moment to look
6 on any particular discount for especially those
7 residents or them closest around the area especially
8 from Queens and Brooklyn. We need to them support.
9 As you know, the moment is now, but you know, it's a
10 good plan and I hope that we can continue working
11 together.

12 CARL KONIG: Yeah.

13 CHAIRPERSON RODRIGUEZ: Thank you.

14 CARL KONIG: Thank you.

15 DAVID JONES: Thank you very much.

16 CHAIRPERSON RODRIGUEZ: Let's hear now
17 from Con-Ed like how we also have a major
18 responsibility when it comes to our train system.
19 So, let's hear your testimony. [background comments,
20 pause]

21 MATTHEW SMITH: Good afternoon. I'm
22 Matthew Smith. I'm Chief Engineer for Con Edison.
23 I'm joined Kyle Kimble, our Vice President of Gover—
24 Government Relations. I want to thank the City
25 Council, Chairman Rodriguez and all the Council

2 Members who are here today as we discuss our role in
3 helping the MTA improve service to millions of
4 transit riders in New York City. Con Edison welcome
5 the opportunity to partner with the Public Service
6 Commission, the MTA, and the State of New York on
7 workable long-term solutions. The women and me of
8 Con Edison don't just provide electric service to the
9 MTA subways and rails, many of us are also MTA
10 customers who use the subways everyday. We are fully
11 committed to implementing the recommendations made by
12 the state Public Service Commission last week, and the
13 followed several weeks of productive discussions and
14 field inspections by Con Edison and MTA personnel.
15 Our commitment to this effort is strong, and we have
16 created a special team of engineers devoted solely to
17 helping the MTA resolve power issues in the transit
18 system. As you'll see by the illustration attached
19 to my testimony the subway system is powered by
20 electrical equipment owned, operated and maintained
21 by both Con Edison and the MTA. Our effort involves
22 the coordinated effort to jointly inspect the
23 equipment, to make design changes and upgrades
24 wherever they are necessary. Among the actions we
25 are taking, identifying subway stations and other MTA

2 facilities with design changes or equipment upgrades
3 to be made with power line connections that will help
4 prevent or reduce the impact of service interruptions
5 to signals or track systems. Inspecting all of New
6 York City's transit signal related structures in our
7 service area. Working with priorities established by
8 the MTA, we've completed inspections on more than
9 half of the approximately 1,100 Con Edison structures
10 that serve signal systems at MTA stations. During
11 each inspection crews are performing needed repairs
12 or equipment upgrades and identifying the structures
13 that are key support systems for New York City
14 transit signals. Accelerating our planned
15 installation Smart Meters and advanced communications
16 technology in the subway system, we anticipate
17 Manhattan and Brooklyn Smart Meters will be installed
18 by the end of January 2081, and Bronx and Queens
19 Smart Meters installation be completed by mid-March
20 2018. We are also installing monitoring devices in
21 manholes. These technical-technological advances
22 will provide Con Edison control rooms with immediate
23 notification of equipment and/or power quality issues
24 so that we can proactively deploy crews when
25 electrical issues are detected. Replacing secondary

2 tables feeding their stations we plan to complete
3 this work at approximately 50 critical stations
4 identified by the MTA by the end of 2017, and we are
5 jointly inspect MTA electrical equipment. We're
6 developing a plan with the MTA to maintain a supply
7 of generators or other alternatives that can be
8 deployed to maintain electric service if there are
9 disruptions. We're working with the Electric Power
10 Research Institute know, EPRI, Department of Public
11 Service and the MTA to better understand how power
12 quality issues affect train operations and identify
13 ways to remedy those issues. In closing, I want to
14 reiterate that we have devoted every resource we can
15 to help improve subway service. We have a proven
16 record of providing the most reliable electric
17 delivery in the country if not world, and I'll be
18 happy to take any questions you may have.

19 CHAIRPERSON RODRIGUEZ: What is the
20 situation as today when it comes to the capacity and
21 electricity that the MTA needs on, you know, on-on
22 the supply that we have right now?

23 MATTHEW SMITH: This is not a capacity
24 issue. We have more than an adequate supply.

2 CHAIRPERSON RODRIGUEZ: You are good in
3 capacity?

4 MATTHEW SMITH: Yes.

5 CHAIRPERSON RODRIGUEZ: So, what-what are
6 the challenges that you face when you like especially
7 on identifying subway stations in the MTA facility
8 where design changes or equipment upgrades need to be
9 made?

10 MATTHEW SMITH: So-so each of the subway
11 stations has two services going to it fed from our
12 electric system. We're looking at how we supply
13 them, how we can add redundancy to those two
14 services.

15 CHAIRPERSON RODRIGUEZ: Okay. Recently
16 Con Ed released a plan to address power issues that
17 disrupt subway services. Can you give more details
18 about that service?

19 KYLE KIMBLE: Sure, I-I can. I'll take
20 this one. So, the plan involves a number of things
21 in terms of both the service that we provide to the
22 stations both in terms of redundancy, replacing
23 aluminum cable with copper to make it more resilient,
24 and then the longer term issues that Matt talked
25 about at the end is at times there power-millisecond

2 power disruptions that affect the signal service, and
3 they don't affect a lot of other structures around
4 the city. So, these are system wide blips that
5 happen in the power—in what's called power quality,
6 and it does tend to affect sometimes older or more
7 sensitive equipment. In the case of the MTA we have
8 some—seen some situations where there's been a power—
9 They're not—these are not outages necessarily in
10 terms of power. These are just momentary blips where
11 you might see a flicker in the light somewhere.
12 Sometimes those affect sensitive equipment. So,
13 we're doing a longer term study with the Public
14 Service Commission and the MTA to—to see how we can
15 make the MTA service more resilient to some of these
16 power quality issues.

17 CHAIRPERSON RODRIGUEZ: When will Con Ed
18 and the MTA release the plan to supply generators to
19 mitigate service disruption?

20 MATTHEW SMITH: We're looking to do that
21 by the end of 2017.

22 CHAIRPERSON RODRIGUEZ: Okay, and—and
23 what is (coughs) what is Con Ed's plan to install
24 monitor and certain device so that the minor defects
25 are detected?

2 MATTHEW SMITH: So, as we're doing our-
3 our structure inspections, we're installing those
4 sensors at the same time. That will all be completed
5 by the end of September.

6 CHAIRPERSON RODRIGUEZ: Okay. So, you
7 know, first of all, thank you for being here from the
8 beginning. So you heard from the MTA to the city and
9 everyone, and, of course, like everyone are partners
10 in this journey that should take us to make the train
11 system the best in the world. So, what are the
12 challenges that from our perspective you have seen
13 that the infrastructure, the MTA infrastructure
14 especially the train system that we have today we are
15 dealing with, and what has to be done from your side
16 in order to upgrade the train system?

17 KYLE KIMBLE: Well, I think one of the
18 things that I've heard consistent to your questioning
19 and the questioning of the other Council Members is
20 what are you doing that's not business as usual? And
21 it's just been a consistent theme that we've seen,
22 and I would say that everything we outline here in
23 terms of really getting into and—and really thinking
24 about how specifically—we've learned a lot I would
25 say over the last couple of months in terms of signal

2 structures and interlocking (sic) structures, and so-
3 and how our system interplays with that of the MTA.
4 And so, the approach that we've outline here is-is
5 our contribution to making sure that things are not
6 business as usual, and to make sure that we are going
7 above and beyond with the MTA a partners. As a-as an
8 important customer to Con Edison to make sure we are
9 delivering reliable power, and to make sure that the
10 structures that they have can distribute that power
11 reliably.

12 CHAIRPERSON RODRIGUEZ: Okay. Do you
13 work closely with those private contractors that are
14 working and upgrading the signal system?

15 MATTHEW SMITH: No, we do not.

16 CHAIRPERSON RODRIGUEZ: No, you don't
17 that. Okay. So, how-how-how closely do you work
18 with the MTA to develop your plan?

19 MATTHEW SMITH: So, we've-we've formed a
20 very close alliance in the last several months.
21 We're really working together to get-for us to get
22 educated on how we could help the get a better
23 understanding of what type of power issues they are
24 experiencing. Some are-are associated with our

2 equipment, but also internally to their equipment
3 giving a better understanding.

4 CHAIRPERSON RODRIGUEZ: Okay, and how
5 much will the action you plan to take cost?

6 MATTHEW SMITH: We're still developing
7 the scope of work that needs to be done, and so we
8 are--

9 CHAIRPERSON RODRIGUEZ: [interposing]
10 what is the estimate?

11 MATTHEW SMITH: We don't have an estimate
12 yet.

13 CHAIRPERSON RODRIGUEZ: A range. From
14 what number to what number?

15 KYLE KIMBLE: It's really right now--it's
16 honestly true. It's a true statement. We really
17 don't have a sense of--because we're still working
18 with the MTA to do the inspections and developing
19 scopes. So, we don't necessarily even know what
20 we're fixing yet, if anything.

21 CHAIRPERSON RODRIGUEZ: Okay.

22 MATTHEW SMITH: So, we--and we just
23 haven't focused on that.

24 CHAIRPERSON RODRIGUEZ: Okay, okay.
25 Thank you.

2 MATTHEW SMITH: Thank you, and now let's
3 hear from Manhattan Borough President Gale Brewer.
4 Thank you for being our partners in this touring the
5 stations.

6 GALE BREWER: Thank you.

7 CHAIRPERSON RODRIGUEZ: As much—as much
8 as you can just summarize.

9 GALE BREWER: I will summarize. I want
10 to thank you for what you did on the subway ride.
11 It's much appreciate. What I want to talk about are
12 some of the issues that I think need to be addressed
13 and more importantly how to go about it. We all know
14 the problems and the delays, and I think you have
15 talked a lot about the signal system. It's a major
16 challenge. As you know, we recently asked IBO to do
17 a survey and a report on it, and they did and they
18 found that 19 out of 33 signal upgrade and repair
19 projects in the MTA's previous two Capital Plans were
20 completed behind schedule, still pending or are
21 behind. And I know that there are in the current MTA
22 Capital Plan 14 signal projects have been scheduled
23 to begin by the end of 2017, but eight of these are
24 already delay, and I think what we hope to do is to
25 have forums as the MTA and the community did on the L

2 Train, and on those particular forums there were
3 groups of people. Many, many passengers showed up
4 and they said what they wanted to do with the L
5 Train, and we'd like to do the same thing with the
6 Eighth Avenue and other avenues in Manhattan where
7 there is possible work on the signal system, and does
8 the public want to do it on weeks and evenings, late
9 evenings or would they rather have a shutdown and get
10 it done quickly? And what would be the public's
11 interest in how the signal repairs will be done.
12 Again, something similar to the L Train. The other
13 thing I want to mention is where does all this money
14 going to come from? And I know that Albany has
15 pointed out it's commitment to fund the MTA's Capital
16 Plan, which includes \$2.1 billion for signal
17 improvements. However, the state has not
18 appropriated the dedicated funding required for the
19 Five-Year Capital Plan, denying the MTA the
20 predictability it needs to plan an execute capital
21 maintenance and improve the work efficiently, and we
22 know that the plan is not aggressive. So, we are
23 looking to see a couple of opportunities. We all
24 were there when the Mayor suggested one suggestion
25 taxing those that make a certain income either

2 \$500,000 for an individual or a million for a couple.

3 We also have looked at some of the suggestions that

4 came from the TWU. As you know, I'm a big supporter

5 of taxing cars as the Move NY Plan has suggested and

6 I know the Citizens Budget Commission has suggested

7 taxing some of the for-hires like the Ubers. It was

8 also the Payroll Mobility Tax that took place in

9 2009. There's a suggestion of the state increasing

10 the gas tax. This has been done in Georgia and Utah

11 quite effectively. I just mention all these. Also, I

12 think that the Post reporter, Niko Glynnis (sp?) is a

13 wonderful writer and thinks strongly and collectively

14 about these issues. She has some suggestions. She

15 thinks that the current proposals may or may not make

16 sense. Particularly she doesn't like the Mayor's

17 proposal. So while we go to Albany we need something

18 soon, we need it quickly and it has to be

19 sustainable, and so I know that you've had an

20 excellent hearing today, I think just think we have

21 to put all options on the table because one may not

22 work. We have to have plan B, plan C and, of course,

23 we have to have the Mayor and the Governor get along.

24 I think everybody—I joke and say if it was two women,

25 they might get along, but it's two men, and we have

2 to find a way that they are going to work together.
3 So, I really appreciate what you have done Council
4 Member in terms of the hearing, and the pre-rides on
5 the subway, which we all take, but it's good to do it
6 together. And I certainly want to thank the fact
7 that the MTA was here today. We have to think of
8 dedicated long-term funding and restoring the city's
9 113-year transit system to a safe and reliable
10 condition. Our constituents, the visitors the both
11 expect it. They deserve it, and it's our
12 responsibility to work together, which is exactly
13 what you're trying to do, and my only contribution is
14 that everything has to be on the table in order to be
15 success because we don't know exactly what the
16 outcome is going to be in Albany one way or the
17 other, and thank you very much for all of your effort
18 on this topic. Thank you.

19 CHAIRPERSON RODRIGUEZ: Thank you, and I
20 really love and agree with both-both things that you
21 are calling for getting everyone together and putting
22 all those initiatives as part of one plan.

23 GALE BREWER: Yep, thank you very much.

24

25

2 CHAIRPERSON RODRIGUEZ: Okay. Now, let's
3 hear from the George Sweeting Independent Budget
4 Office. [pause]

5 GEORGE SWEETING: Good afternoon,
6 Chairman Rodriguez. I've submitted written
7 testimony. I'm not going to read the whole thing
8 just because I know the—you've got members of the
9 public waiting to speak. I was struck listening to
10 the discussion earlier that obviously there's been—
11 there's a whole lot of debate over who should be
12 paying for the and who's responsible for paying for
13 the investments that are identified as necessary
14 whether it be the state, the city or some combination
15 of both, and I think it's important to note first of
16 all that there can be no doubt that residents and
17 businesses in the MTA region are already accounting
18 for the vast majority of MTA revenue. They don't do
19 it all in, you know, direct payments to the MTA.
20 Some of it is through fares. That's, you know, there
21 the users are paying the MTA directly for the
22 service, but there's also direct taxes that the city
23 or the state imposes on business activity, and
24 activity also of individuals in terms of sales tax
25 in the new—in the MTA region. All of that is

2 collected. Most of that being paid for by people who
3 reside in New York or are businesses operating in
4 New York. They're also commuters who come into the
5 city and they--the contribute some, and then there's
6 also a fair amount of money that flows through the
7 city and state government as grants directly from the
8 city and state government to the MTA. But, of
9 course, that money is also raised by general taxes on
10 New York City residents and even in the case of the
11 state grants, you know, well over 40% of New York
12 State revenue comes out of New York City. So, New
13 York City residents are already paying there, too.
14 So, in looking at who's going to pay for this, [bell]
15 you know, we should keep in mind that New York City
16 is already--New York City residents and businesses are
17 already paying a very significant part. And it's--it
18 was striking also the way the--the response to the
19 Mayor's announcement about his proposed millionaire's
20 tax. But first of all that has to go to Albany. It
21 has to be approved by Albany, and that highlights
22 the--the city's lack of fiscal autonomy, its ability
23 to control its own fiscal future even as it's--as it's
24 being asked to contribute more money. One might
25 think that if the city were being asked to--to put

2 more money, more resources into the MTA, that it
3 would also come with the authority for the city to
4 raise its own revenues in the way it wants to without
5 having to go hat in hand to Albany to—to ask for
6 approval on that. I would also just note quickly—
7 this is summarizing our testimony—that even if these
8 investments—if—if these solutions were found for how
9 to pay for this, it could very well be a long time
10 before the users of the MTA see some of those
11 benefits, and we've analyzed looking back over the
12 last three—the last three capital plans. This was
13 done at the re—the request of—of Brewer President
14 Brewer just describe looking at—at how many of the
15 signals programs—projects that were in those plans
16 were delayed, and some of them are still delayed.
17 There's also the issue that the city—the MTA has
18 difficulty in fully committing all of the revenues—
19 all of the dollars that are approved in the Five-Year
20 Capital Plans. So that in a current—in—in—when we
21 looked at 2014, for example, the city had—at that
22 point the MTA had a \$22 billion capital plan, the
23 2010 to 2014 plan. But at the end of 2014, the end
24 of that plan they had only committed \$16 billion of
25 the \$22 billion, and you see the same pattern in

2 subsequent years. And, in fact, in 2014, they were
3 actually still spending money that had been committed
4 as far back as the 1992 to 1998 plan, and so the—it
5 takes a long time for these projects to actually get
6 through, and we're going to have to-- You know, the
7 MTA hopefully will find ways, and they spoke this
8 morning about trying to—to come up with new
9 approaches to managing your projects, but, you know,
10 at the moment their—their past track record has not
11 been very good on that. So, you know, the—you know,
12 I guess the precedent—if the past is any precedent,
13 we may have to wait a long time to see the benefits
14 of some of these investments. Thank you.

15 CHAIRPERSON RODRIGUEZ: [off mic] Thank
16 you.

17 GEORGE SWEETING: Uh-hm.

18 CHAIRPERSON RODRIGUEZ: We have to be
19 sure that those members of the public are not here.
20 Kate Lane, Nicholas De Puente, Veronica Vanderpol
21 (sp?), Jackie Cohen, William Bensteran (sp?) and
22 Thomas DeVanzi (sp?) Did I call you? [background
23 comments] Michael Zerafo (sp?)

24 JESSIE COHEN: Hi. Good afternoon
25 Chairman Rodriguez. My name is Jessie Cohen and I'm

2 the Campaign Coordinator for the NYPIRG Straphangers
3 Campaign, a transit riders advocacy group. For over
4 35 years we've been a leading voice on behalf of the
5 riders of New York City subways and buses and
6 recently joined forces with the Access-A-Ride Reform
7 Group to drastically improve the MTA shockingly poor
8 paratransit service. We're here today to address our
9 city's growing transit crisis, which applies not only
10 to our suffering subway system but extend to poor bus
11 and paratransit services as well. I'd first like to
12 focus on the MTA's use of performance measures.
13 These key statistics are or should be an early alert
14 of how well or poorly the MTA's subway, bus and
15 paratransit systems are working. For years, the
16 Authority has reassured the riding public that it was
17 effectively prioritizing its capital funds to move
18 the system to a stat of good repair. Thus the MTA
19 says that it was caught flat footed with the
20 widespread problems they began to face in 2017.
21 Thus, the subsequent dramatic downturn in service
22 took an almost mythical quality. But now we know
23 better. The MTA took specific steps that have gone
24 and that's where we are today. Let's take the drive
25 up C Line whose journey emblematic of the system as a

2 whole. Without sufficient funds to replace trans that
3 have gone well past their useful life, about 45,
4 years. C Trains have the worst mean distance between
5 failure or breakdown rate in the system with
6 mechanical failures every 51,000 miles or so.
7 Transit managers have made things worse by reducing
8 the cycle of standard maintenance on subway cars on
9 the line. During the summer months they require
10 older cars to on the C Line to be taken out of hot
11 tunnels and run on the surface so that they don't
12 badly overheat such as one poorly defined measures as
13 delays to two meaningless calculations based on
14 headways or subway lines that come with great
15 frequency. In addition to revamping its performance
16 measures, the agency needs to consider far more
17 rigorous analysis and reporting on agency progress to
18 a state of good repair. When it comes to other modes
19 of transportation, however, the issue not the need
20 for early signs [bell] of-early warning signs of
21 trouble. Transit officials have know for years that
22 paratransit service doesn't work, and that New York
23 City's buses are some of the slowest and least
24 reliable in the country. What is needed is repair
25 and reform. For example bus speeds on many of our

2 city's routes are slower than the average walking
3 pace, and the MTA's own data on bus reliability has
4 proven that overall bus reliability continues to
5 worse. Meaning that all too often bunches—buses come
6 bunched together leaving riders frustrate and the
7 often seeking alternative modes of transportation if
8 possible. The success of the joint MTA and New York
9 City Department of Transportation Select Bus Service
10 program has overcome some of these trends, but only
11 on 13 corridors while many more routes within the bus
12 network continue to operate excruciatingly low—slow
13 and unreliable service. What our bus network needs is
14 an overhaul. Luckily, we know what solutions will
15 work like the redesign of city streets and needs the
16 transit priorities that will allow buses to travel
17 more easily. And additionally, data about bus
18 performance need to be presented in a way that riders
19 can easily understand as it's critical for the riding
20 public to able to comprehend the city' current state
21 of bus service to better hold the MTA and New York
22 City Department of Transportation accountable. And
23 reform and repair, too, are needed to tackle the
24 problems facing the MTA's Access-A-Ride program,
25 which has a near toxic reputation among its riders.

2 Vehicles often arrive late or not at all. Riders are
3 taken on unnecessary detours, and there is now way
4 for a rider to predict or anticipate when they will
5 arrive at their destination. Access-A-Ride service
6 or the lack thereof contributes to 29% of employment
7 rate among people with disabilities in New York City.
8 The good news is that MTA managers have begun to
9 explore innovative ideas including real time on-
10 demand service to bring Access-A-Ride into the 21st
11 Century, but these changes will take time and
12 ultimately the Access-A-Ride program requires a major
13 improvement in the way it collects data to accurately
14 understand why quality of service is often so poor to
15 begin with. As the MTA prepared for significant
16 reform, what's needed from our elected leaders is
17 greater funding, transparency and oversight.

18 CHAIRPERSON RODRIGUEZ: Please wrap up.

19 (sic)

20 JESSIE COHEN: The MTA needs—sorry. It
21 falls under, yeah. The MTA needs funding now to face
22 many of the system's immediate needs, but a long term
23 [bell] sustainable funding mechanism must be put into
24 place to ensure that large scale transit—another
25 large scale transit crisis such as the one we find

2 ourselves in now is prevented in the future. Thank
3 you.

4 BILL HENDERSON: I'm just gong to
5 summarize my remarks here for the written-written
6 record record. I'm Bill Henderson. I'm the
7 Executive Director of the Citizens Advisory Committee
8 to the MTA. Thank you for holding the hearing and
9 for giving us the opportunity to testify. The-the
10 thing that gets the-gets the headlines are the-are
11 they derailments, the track fires, the other big-big
12 crises, but the real story I think-I think is in the
13 slow degradation of riders' experience. We see this
14 in-in a number of subway delays doubling-doubling
15 since 2012, more than doubling. Indicators like mean
16 distance between failures going down and down and
17 down. Fewer train-fewer trains out there making more
18 crowding, which makes slow-slower movement through
19 the system, which then, you know, has a feedback loop
20 on its-on itself. The system is severely stresses,
21 and there's a reason-there's a good reason for that.
22 Ridership has almost doubled in the last 40 years,
23 and-and the fiscal crisis of- of 2008, 2007/2008, we
24 lost-we lost a lot of money in the system. Some of
25 that money got-got put back. Some of the-the cuts

2 that were made in 2010 got put back, but many of the-
3 many of the workers that were-that were displaced or-
4 or mover to other-to other functions never came back.
5 And that's-that's the root of our-that's the root of
6 our problem right now. There's real economic and-and
7 human costs to delays. So, as Scott Stringer's
8 report that he just released says, and I think he
9 says it better than I can. We think that the-that
10 the things that the NYC transit is doing are steps in
11 the right direction like Fast Track like Rapid
12 Response teams. It's just that they're not going to
13 reverse the unacceptable trends in the subway
14 performance all by themselves. We need a
15 concentrated effort to restore the subway system, and
16 to deal with the demands that are being placed on it.
17 We need to do some expansion to take the pressure
18 off-to take the pressure off and to provide for
19 future population growth. And-and we need to do
20 something new in the way we-in the way we do work in
21 the system. In terms of-in terms of funding, there's
22 a lot of-there's a lot of good-a lot of good
23 proposals out there. They've been discussed today.
24 I'd like to also point out that we might want to
25 revisit some of the-some of the places where the city

2 participates with the MTA in fund-in funding
3 responsibilities like paratransit, like people
4 transportation that haven't been addressed in a
5 number of years and have gone-have gone to a point
6 where they are less favorable for the MTA-for the
7 MTA. We might want to look at a more equitable-more
8 equitable funding in those-in those areas. We look
9 forward to participating in a vigorous discussion of--
10 of all these possibilities and thank you again for--

11 CHAIRPERSON RODRIGUEZ: Thank you. The
12 next panel, Liz Prentiss, Michael Schu (sp?), Leo Le
13 Olla (sp?). If I call you've got to join us. Steven
14 Bowman, Deborah Holtz, Jason Anthony Pinot (sp?).
15 Please join the table. Everyone has to take a chair,
16 please. I just called it also. Reverend Joe Paris
17 and Rigley Moore. If I-I hope that I-would like to
18 say I didn't see you. You're supposed to-- Jose,
19 also. But if they will fill out one of the cards, as
20 he will sit on the table, too. Okay, you can take a
21 chair and then-- [background comments, pause] Joe
22 Perez, if you don't mind, sergeant [off mic] [on
23 mic] Thank you, I just want to be sure that I didn't
24 leave any members of the public out of this panel.
25 Thank you. You're ready. [off mic]

2 LIZ PRENTISS: Okay. Hi. My name is—is it
3 on? Okay.

4 CHAIRPERSON RODRIGUEZ: [off mic]

5 LIZ PRENTISS: Okay, my name is Liz
6 Prentiss I am the Vice President of Public
7 Legislation to Disabled Action. I'd also like to say
8 a few words as the Chair of the Taxi Wheelchair
9 (sic) Campaign. I am very frustrated that we have
10 been discussing having a hearing for quite a while
11 about wheelchair accessible taxis, and we haven't and
12 now we've managed to get subways done in like, you
13 know, two seconds. We'll leave it at that. It was
14 very frustrating to listen both Ronnie Hakim and
15 Polly Trottenberg talk about issues of accessibility
16 and Ronnie says, Oh, but we're doing so much for
17 buses. The buses totally suck. Let's be honest
18 people. You know, I mean it's really lots of fun to
19 have to be sitting in a bus that's so crowded people
20 are falling on top of you. Al the related that don't
21 fall the large grocery baskets crashing into you and
22 on some buses, buses that don't fold up the seats
23 sufficiently. So, I was in one in Brooklyn the other
24 day in which I measured it. My wheelchair extended
25 eight inches beyond the seat area, which means you

2 had like no from for people to go up and down the
3 aisle. That's a problem. Polly was mentioning the
4 city bus, and a proposed plan for car share, which,
5 of course, will be inaccessible. Let's be honest.
6 There are cities, as I've testified in the past, that
7 have accessible bike share programs. Not in New York
8 City. It's very frustrating to see more and more
9 programs being developed without the inclusion of
10 accessibility. We believe that accessibility should
11 be included earlier in the process, and I would like
12 to point out that your train-your-your-your tour the
13 other day could not have been taken by individuals
14 who need to use elevators. And I really hope that
15 you all kept track of how many elevators that you did
16 see that were not in working order, and number two
17 that were there. I question when the MTA says fully
18 ADA accessible stations. An elevator does not make a
19 station fully ADA accessible. Loops, tactile,
20 Braille signage, the little thing with the blue light
21 on the top, the information kiosk has no—they've
22 never put the closed circuit cameras on them. So,
23 they are useless to anyone who is deaf. Hey, but it
24 was chosen to be in the design of the—I think it was
25 the Museum of Modern Art as a design feature. A

2 number of years ago, the MTA came in and told us
3 about this at an ADA CCC meeting, which is the
4 compliance committee, and it was going to be
5 resolved. It is now many years later and we have no
6 resolution. The biggest problem with the MTA for
7 people with disabilities is its failure to keep its
8 promises, and the fact that no one holds their feet
9 to the fire. Thank you very much.

10 MICHAEL SCHU: Good afternoon, Chairman.
11 My name is Michael Schu. I'm a 36-year-old residing
12 in Bensonhurst, Brooklyn. On June 5th I was a
13 passenger on an F Train traveling southbound shortly
14 after it left the Westport Street Station where we
15 got stopped in a tunnel and it lost its power. As a
16 result, approximately 1,600 passengers were trapped
17 with no light or air conditioning in what felt like
18 100 degrees-120 degrees with limited untruthful
19 communication from the crew about what had actually
20 occurred. The crew insisted that there was simply
21 train traffic of us. We had no way to escape the
22 near deadly conditions and began to suffocate in the
23 dangerous temperatures with no way to open the doors
24 for ventilation and no way to communicate to the
25 conductor as to what was happening inside those cars.

2 It is a miracle that we all made it off of that train
3 alive that day. As soon as we were able to escape
4 that train, I posted an account on my Facebook page
5 of the experience which we had which included vivid
6 details from the account. My post quickly began to
7 go viral and was eventually covered by almost every
8 local and national mainstream media organization that
9 day. Here is the full Facebook post that I posted
10 after that train ride. I just had a very memorable
11 yet not so fun experience on the train ride home. I
12 was taking a packed F Train that had no working AC
13 when we abruptly stopped in the tunnel. The engine
14 shut down, lights went off and with no exaggeration
15 we were stuck for 51 minutes for what felt like 120
16 degree heat. First we were told it was train traffic
17 ahead of. As we waited with no further
18 communication, people started getting very worried.
19 Almost everyone began fanning themselves with paper
20 as if it felt it was getting warmer in water like a-a
21 greenhouse effect. Beads of sweat began rolling down
22 people's faces. We started to tell everyone to open
23 the side windows and opened the doors three inches we
24 could pry them open to with books or altoids or
25 umbrellas so that we could get some cross ventilation

2 from the passing trains. Coats started getting
3 removed and then people were sweating so much from
4 standing that people started take off their shirts
5 and their pants on the subway. Some people started
6 getting faint and we started to try and see if we
7 could find any elderly or pregnant people who needed
8 help or water. Claustrophobia, panic and the heat
9 exhaustion began to set in. At this point the
10 windows started getting steamed up. After about 30
11 minutes of heightened anxiety, they told us the
12 truth. We had experienced a severe maintenance
13 malfunction and the train was unable to move. At
14 this point we decided to discuss how we were going to
15 evacuate this train since we did not have direction
16 from the crew. Suddenly we felt the train jerk oddly
17 forward and backward, which didn't feel right. It
18 turned out there was another train behind us, which
19 started to push our train into the next station at
20 about one mile an hour. But once we pulled into the
21 station there was a lot of people standing on the
22 platform waiting for us, which left no room for us to
23 get off. We had to wait another ten minutes sweating
24 in the dark before we could get off while the people
25 on the platform took pictures of us dripping sweat as

2 we tried to claw the doors open. People started to
3 yell things like: *Please get me out, and I feel*
4 *sick.* Finally, they had cleared the people of the
5 platform and opened the doors for us to get off. The
6 feeling of remotely cooler air felt amazing compared
7 to how it felt in the train. I never enjoyed the
8 dank smelly aroma of a train station more in my life.
9 It was a terrible experience to endure, but I'm
10 grateful that it wasn't something like a terrorist
11 attack. I will wrap up my brief conversation here.
12 In the three subsequent weeks I conducted my own
13 citizen safety investigation. I've compiled my
14 findings and analysis and given it to you today. I
15 then sent letters to nine different government
16 officials including you and the Governor and the MTA
17 Chairman who did not respond. I demanded specific
18 protocols be put in place for evacuating--evacuation
19 and emergency procedures. The morning I sent my
20 letter the Daily News ran an exclusive story and I
21 held a major press conference. The next morning I
22 was on Good Day New York calling for the--

23 CHAIRPERSON RODRIGUEZ: Summarize now.

24 MICHAEL SCHU: I'm sorry, and less than
25 two hours after that live interview was broadcast we

2 had a train derailment proving my point that we do
3 need to have the public aware of the campaign. Just
4 to wrap it up, I caught up with you last Thursday on
5 the 59th Street Subway platform and showed you my
6 analysis. You invited me to come here today to
7 explain to you. I explained to you how riders cannot
8 free themselves from the inside of a train car, and
9 do not know how to navigate tunnels safely, and do
10 not know how to find the nearest emergency exit.

11 CHAIRPERSON RODRIGUEZ: Thank you, sir.

12 MICHAEL SCHU: This has been--

13 CHAIRPERSON RODRIGUEZ: [interposing]

14 Sorry, sir.

15 MICHAEL SCHU: I'm sorry, but I'm sorry.

16 CHAIRPERSON RODRIGUEZ: I get it.

17 MICHAEL SCHU: In Washington, D.C. they

18 have-

19 CHAIRPERSON RODRIGUEZ: [interposing]

20 Sorry, sorry.

21 MICHAEL SCHU: Sir, I am going to finish
22 my--you invited me here.

23 CHAIRPERSON RODRIGUEZ: And everyone-

24 MICHAEL SCHU: [interposing] Just ten
25 more seconds and I'll be done.

2 CHAIRPERSON RODRIGUEZ: One more second.

3 MICHAEL SCHU: Yeah. So, this is what
4 they posted in the Washington, D.C. Metro. We need
5 something like this in New York City. Will you and
6 this body craft a legislation to make it so that the
7 MTA informs the public about emergency evacuation
8 procedures to find safety.

9 CHAIRPERSON RODRIGUEZ: Okay.

10 MICHAEL SCHU: Is that something you will
11 do?

12 CHAIRPERSON RODRIGUEZ: Thank you, sir,
13 and—and I will first of all turn over the microphone.
14 Thank you, and as you know the Council we don't have
15 power to legislate those--

16 MICHAEL SCHU: You can't--

17 CHAIRPERSON RODRIGUEZ: [interposing]
18 Excuse me.

19 MICHAEL SCHU: --you can't write
20 legislation?

21 CHAIRPERSON RODRIGUEZ: You asked me the
22 question and I'm not even getting to one and one
23 right now.

24 MICHAEL SCHU: Was that a no? Will you
25 not take up legislation for this?

2 CHAIRPERSON RODRIGUEZ: Do me a favor.
3 Turn off your microphone and go to the next one
4 because this conversation that we're having with you,
5 you know, one even in starting off at the 59th
6 Street. We do invite everyone to come here and
7 testify. The Council doesn't have any power to
8 legislate and make a new law related to the MTA.
9 What the Council has the authority to do is what
10 we're doing today, bringing to the--to MTA to address
11 any questions, and we are committed and this is very
12 important personally for me because I think that you
13 have very good suggestions for the MTA as we are
14 putting together a new system to be sure that there's
15 an exit plan in case that there's fire, in case that
16 there is a wreck (sic). So we share that same
17 concern.

18 MICHAEL SCHU: Thank you.

19 CHAIRPERSON RODRIGUEZ: Thank you.

20 MICHAEL SCHU: I will follow up with you
21 on that. Thank you.

22 CHAIRPERSON RODRIGUEZ: Thank you.

23 JASON ANTHONY PINOT: Good afternoon,
24 Chairman Rodriguez. Jason Anthony Pinot for the
25 record. I'm an independent transit advocate. [pause]

2 I'm a transit-independent transit advocate born in
3 the Bronx but living in Brooklyn. It is a disgrace
4 hearing this morning Ronnie Hakim and Polly
5 Trottenberg speaking about the state of the MTA and
6 focusing on quote "Underground stations" but being
7 aware that that I have done them, and this is for
8 record venials of almost 472 subway stations for the
9 past two years now you see litter on the tracks not
10 only in underground stations, but our great stations
11 and even elevator stations all over the Bronx,
12 Manhattan, Brooklyn and Queens, and the MTA saying
13 focusing on underground stations, it is not fair.
14 And especially like Edith and myself that are having
15 now physical impairments. We're facing that
16 elevators are functioning but abnormally-abnormally
17 and not complying with the ADA Act. That is
18 offensive to people with disabilities. The MTA
19 should spend the money wisely, and the Governor
20 should not approve or in other words build the
21 Airtrain LaGuardia, and having a person like Patrick
22 Foye that was recently appointed as the COO of the
23 MTA and him when he was in a port-unauthorized like I
24 call it, he approved a \$26 million-billion dollar
25 capital plan that includes the Airtrain to LaGuardia

2 Airport that doesn't—not even benefit those commuters
3 that live in the five boroughs. It only benefits,
4 for record, those who live on the North Shore of Long
5 Island, but obviously the city needs to be—to do its
6 part, and I will thank you for inviting me to speak,
7 but not only the city has to its part, but not 50/50
8 like some say. I divide the pie on three to sum up.
9 There is for the—the federal government 33% to the
10 state and 33% the city. So, something has to be done
11 and it has to be done now.

12 CHAIRPERSON RODRIGUEZ: Thank you. Jose
13 speaking not only on his behalf that he was one of
14 those that together with the young person, and more
15 than 25 volunteers. They were now collecting the
16 survey for close to 2,000 New Yorkers as we did the
17 tour for those 24 hours.

18 JOSE: (coughs) Thank you, Council
19 Member. It's an hour to be here and thank you for
20 inviting me. I'll keep it very brief. I had four
21 points to sum up the survey experience from the other
22 day. To begin with, there is a complete consensus
23 across the board where is the biggest issue that most
24 people had. It was an issue that everybody had, and
25 it was the time delays. Every person had suffered

2 the consequences of time delays at one measure of
3 another. Secondly, lack of information whether it be
4 about time delays, whether it be about stations
5 closing down or service changes that affected pretty
6 much everyone across the board. Those were the two
7 things that I saw in in the survey that pretty much
8 affected everyone across the board. Two things
9 outside of the survey that I noticed that were
10 relevant and they pretty much echo here what many
11 council members have said, and you Council Member
12 yourself have said is that the quality of some of the
13 stations was quite shocking truly. Some of the
14 stations in the Bronx compared to something of the
15 things, you know, maybe like Grand Central or even
16 Times Square, the cleanliness, the—the—simply the
17 sanitation of these two stations was completely an
18 example of why we still have or how still rampant
19 inequality in the city. And—and I know it's an issue
20 the you're very much concerned with, and to close it
21 off, and I think this is something that was touched
22 upon earlier, the—the division between state and the
23 MTA and Governor Cuomo and Mayor de Blasio and how
24 many people don't actually quite care who has the
25 purse or who has the power of the purse. They just

2 want to see an effective ending to this and-and I
3 want to echo that sentiment because that's something
4 that I heard all across when I was doing the surveys
5 on those 24 hours with you. Again, thank you very
6 much for--for doing this survey for putting leadership
7 on this and for inviting me here today.

8 CHAIRPERSON RODRIGUEZ: Great.

9 MALE SPEAKER: Thank you, Council Member.
10 I want to raise three points, which may not seem
11 obvious from my background as an engineer. First,
12 ridership record--the record ridership is--is the
13 primary cause of the problems. That's not true
14 because it's not correct because of the following:
15 What's relevant is the ridership during the peak
16 period not the daily or yearly totals. If the MTA
17 operates a sufficient number for the--to meet the peak
18 demand then they're operating--operating the same
19 number of trains were more than the off peak demands.
20 The chart over here shows the yearly variations for
21 the in-bound and that for three time periods. The
22 peak hour from 8:00 to 9:00 from 7:00 t 10:00 and the
23 24 hour totals. The numbers for all three time
24 periods are normalized back to 1963. As you can see
25 from the chart, all three tracked together until

1985. After 1985, the peak hour and peak demand periods continue to decline whereas the day-all day demand started to increase. By 19-by 2015, the peak hour demand stands at 66% of what it was in '63, the peak period the 7:00 to 10:00 stands at 75%, but the all-day demands stands at 115%. You have record numbers, but they are not where it's—but you have decreased numbers where they count at the peak period. This suggest that providing good service should have been getting easier not more difficult. Two, it's not possible to increase service levels because the system is maxed out. The table show on the following page compares the numbers of trains that operate on various lines and to the CBD that are scheduled today versus what was scheduled in '49-1949 and 54. Today's total is only 77% of the 1949-1954 average when the Third Avenue L was not included. It's possible to operate—it is possible to operate more trains during that period, 50 years-56 years ago using the same 1930s signal system. As Council Member Carlos said earlier, CBC is not necessarily for increase service levels. Lying the sort of—and I show that the service level capacity is based on emergency braking rate train length, service braking

2 rate, service acceleration and station dwell time and
3 system operator reaction time. On the last component
4 depends upon the system. The signal reaction time is
5 only five seconds compared to only five seconds to
6 headway. Typically for New York City that would mean
7 a service level of 42 to 45 trains per hour. If you
8 had no reaction time, you could only raise it to 44
9 to 48 hours. That's only a 10% increase. What you
10 have--however, right now you're running only about
11 23%--23% lower than your capacity

12 CHAIRPERSON RODRIGUEZ: Sorry, can you
13 just summarize?

14 MALE SPEAKER: The summary is the
15 following: In the history New York City ha had the
16 experience of operating the Flushing Line operates at
17 36 lanes per hour. It's now down to 28. The Third
18 Avenue had 42 trains per hour, and Moscow operates at
19 43 trains per hour with a consistent block system
20 similar to what we have. The MTA should reach out to
21 the Moscow Subway system [bell] to find out how it's
22 done, and by the way, it is not because they don't
23 run during the evening hours, during the night time
24 hours. There are secretes to what they do, and we
25 don't use them. Given that the peak hour demand is-is

2 decreasing it's like that such service levels will be
3 sufficient for the next 20 years.

4 CHAIRPERSON RODRIGUEZ: Thank you. [off
5 mic] [background comments] [pause]

6 JOSEPH PARISH: Hello, Chair Rodriguez my
7 name is Joseph Parish. I'm a Episcopal Priest and
8 also a disaster Chaplain called out when there's
9 injuries or deaths in the city, and I work with the
10 Medical Examiner group in death notifications. So, I
11 see when people die I see, you know, the faces or
12 their pictures. I'm also a member of the
13 Transportation Committee of Manhattan Community Board
14 6, and we had a contract, which has been approved by
15 our Community Board to improve the safety in the
16 subway line between 42nd Street and 33rd Street. The
17 Lexington Subway Line is the most used subway
18 probably in the United States. It's—just Lexington
19 alone 1.3 million people a week use that. Hundreds
20 of thousands everyday, and it's larger than the
21 entire Metro Washington Subway. It's probably is
22 larger than Chicago, Boston, and San Francisco added
23 together. It is a major transportation of millions
24 of people. Between 42nd and 33rd Street there are no
25 exits. There is no way to get people out safely .

2 There's no fire suppression system. The tunnels are
3 too-too small, too narrow. You can't leave the
4 train, and if you're stuck in the subway between 42nd
5 and 33rd Street, you have no hope unless somebody
6 comes in and saves you or they pull the trains out.
7 In case of a fire or smoke there is no hope. We had
8 a contractor who was to bring a ventilation system.
9 To bring it in it was \$55 million. The Governor at
10 the last minute cancelled it, and put it in some
11 other project of his own and so were left without any
12 safety improvement at all on this major subway in
13 Manhattan. So, we are urging the MTA to consider
14 putting that back in, or to do shorter, more simple-
15 just have an exit at every block. The trains are two
16 blocks long, and there's an exit and escape route at
17 every block. That would at least allow us to
18 evacuate people, and the fire suppression would be
19 needed, too. So that would be less. Probably only
20 \$20 million. It would take some money, but it would
21 save potentially hundreds or thousands of lives.
22 Than you.

23 CHAIRPERSON RODRIGUEZ: [off mic] [pause]

24 MALE SPEAKER: It's on? Yeah, here we
25 go. Thank you for having me her today, and I was one

2 of the tour people, the volunteers along with Jose
3 and I alone did get a lot of people who said the time
4 delays and the real time information were off. And
5 with a few people I got a few concerns for the
6 disabled about the elevators and escalators not
7 working, and with that in mind, if the MTA follows
8 like with the contractors the electricians and
9 whatever to improve, there should be no problem, but
10 I had a lot of people tell me well who weren't
11 concerned about the disabled. For those who were,
12 they said as long as the things work, the—as long as
13 the subways are moving, that in—that's all they can
14 take because they will still get to work, and still
15 leaving out the disabled. The disabled I've seen
16 people on canes struggling to get down the now
17 working escalators of the normal cement stairs, and
18 it's a huge problem. And then concerning the garbage
19 I had a lot of people tell that the garbage is a
20 serious problem and I believe that if the MTA and the
21 Council are successful in placing authorities or some
22 sort of authority in the subway station that it
23 should discourage people from littering right there
24 inside the subways stations. And to add on [pause]—
25 Ah, I lost my train of thought.

2 CHAIRPERSON RODRIGUEZ: Okay.

3 MALE SPEAKER: Thank you.

4 LEO: Hello. Alright, good afternoon.

5 My Leo and I was also a volunteer with the Riders
6 Alliance Transit Tour. I'd like to thank Council
7 Member Rodriguez for the kind invitation to this
8 hearing , and now as a participant in the Transit
9 Tour, I got to list first hand to the profound
10 effects of an aging and declining transit system.
11 The most frequent response to one of the questions
12 on the survey: What is your biggest issue with the
13 subway system? That was a question, and the most
14 frequent response to that was time delays, right and
15 this issue noticeably affected all riders who stated
16 that they rode the train most days of the week. On
17 may accounts I heard riders telling me that they
18 waited 30 plus minutes for a train. However, casual
19 riders who rode one to two times a week were not
20 affected by this issue as much. Not surprisingly
21 during the Riders Alliance Transit Tour our team
22 experienced delays while conducting the survey on the
23 N Line from Kings Highway to Coney Island. We were
24 approximately 45 minutes behind schedule. So, that
25 was a testimony the delays, you know, while we were

2 conducting a survey on delays. And a complaint that
3 I received about a dozen times, which Council Member
4 Gibson, who is not here any more, also cited was that
5 riders are always notified about a service change
6 once they are already in the train and unable to take
7 action. Another issue that peopled expressed was
8 unclear announcements on the train. The PSA
9 announcements are very unclear sometimes, and the
10 speakers often emit a low and muffled sound, which is
11 inappropriate and insufficient for the crucial
12 information that is being announced on the train.
13 Hopefully, these issues can be ameliorated by the
14 Modernization Plan proposed by Director Hakim and the
15 rest of the MTA staff. Is that my time? Thank you.

16 CHAIRPERSON RODRIGUEZ: That was, yeah.
17 Sorry, and before-- Yeah, so--so before we read the
18 other institutions and individuals testimony, I would
19 like to, you know, even if you bring a voice of not
20 only, you know, New Yorkers or brothers and sisters,
21 you know, who are in the, you know in a wheelchair,
22 but the vote for all New Yorkers. So, we really
23 appreciate and respect, you know, your level of
24 advocacy, and on--on the important cause. One of the
25 reasons as I said before of why I decided to start

2 the tour of Van Cortlandt and 242nd Street was
3 because like a few months ago I was going down in
4 that area and I saw this gentlemen probably like in
5 his 90s and it took him probably like half hour for
6 him to start on the first fare to go up and take the
7 train. So, that's someone who, you know, have to
8 walk to--to a high level of stairs to the 242nd 1
9 Train. There is not even choices for someone in a
10 wheelchair because there is no elevator there. When
11 we talk about like park that is largest than Central
12 Park. It's a beautiful green area, and we are
13 blocking people in wheelchairs not to have access to
14 go use the train to go there. So, I just wanted to
15 highlight, you know, the challenges that we face, and
16 even in that lane, the one lane. As you know, it was
17 not so hard (sic) to bring elevator on that 1 Train.
18 At the beginning of the renovation of that station,
19 there was not an elevator included in that plan. And
20 you were there one who fought together with the
21 advocates to get an elevator, that is only for those
22 going downtown. There's no elevator of the Dyckman 1
23 Train for individuals going up. The next stop that
24 has elevators are 230--

25 FEMALE SPEAKER: [off mic] 231.

2 CHAIRPERSON RODRIGUEZ: 231 and for
3 someone that live in Dyckman and, you know, works
4 here and have to take elevator in Dyckman, what was
5 does it take for that person to be able to go to the
6 231? Where do they have to go downtown in order go
7 up, take a train, and change to another train and be
8 able to 231?

9 FEMALE SPEAKER: [off mic] The problem
10 with that--

11 CHAIRPERSON RODRIGUEZ: [interposing] Can
12 you take the microphone?

13 LIZ PRENTISS: [background comments] You
14 know, I mean and the problem is that you can't get
15 uptown. You actually have to go down to 96th Street.

16 CHAIRPERSON RODRIGUEZ: That's my
17 question.

18 LIZ PRENTISS: Right. You would have to
19 get on the train at Dyckman, go to 96th Street, turn
20 around and go uptown to 231st. At this point because
21 they're rerouted the M100, it-it-it you can go around
22 and you can get to in front of the Allen Hospital at
23 218th Street and get on the M7, but the-I mean. We
24 were thinking this is the BX7, it's the 7. You know,
25 the problem is that when--

2 CHAIRPERSON RODRIGUEZ: [interposing] But
3 going—like I said, but going by train a person with a
4 wheelchair--

5 LIZ PRENTISS: Go to 96 to go back up.

6 CHAIRPERSON RODRIGUEZ: To 231.

7 LIZ PRENTISS: I mean one—one of the
8 things that they really, you know, I think they need
9 to do, and I going to have to talk to you about is if
10 you have done all of them (coughs) one of the
11 problems is they don't have information. I mean I
12 was 45 minutes stuck this morning coming down because
13 of elevators out and that the booth couldn't give me
14 information. So, I'm saying to the booth, you know,
15 I'm on this train, I'm at this elevator what will be
16 the elevator going south. Well, this is sort failing
17 and I think it was somewhere in Brooklyn, and, you
18 know, if the booth can't tell you, the MTA cannot
19 tell you where there's a—a train station that you
20 can just go across the platform from an uptown to an
21 downtown train. So, if your—if your station, you
22 know, the elevator is out, and if you can go to the
23 next station and go—wheel across the platform and get
24 back on the other train that's going north where
25 hopefully the elevator will be working, that's—that's

2 some very basic information that the MTA doesn't seem
3 to be able to give us, and that would help people who
4 need not to be rescued. I mean I don't want to be
5 carried out by the Fire Department ever again. You
6 know, and there--there is all this information that
7 Transit could develop, and doesn't and don't seem to
8 understand the need for that we really do need to get
9 on their case more about.

10 CHAIRPERSON RODRIGUEZ: [off mic] So with
11 that [on mic] now we're going to read the testimony
12 or our partners. (sic)

13 LEGAL COUNSEL: The following testimony
14 was submitted for the record: Transportation
15 Alternative, Citizens Budget Commission, Brooklyn
16 Borough President Eric Adams, Streets Pac, Assembly
17 Woman Stacey Pheffer, Manhattan Borough President,
18 oh, Partnership for NYC, TWU, Riders Alliance and
19 Transit Center.

20 CHAIRPERSON RODRIGUEZ: So, with that,
21 we're coming to the conclusion to the hearing that is
22 not only an effort to take our transportation system,
23 our train system to the 21st Century for our
24 generation, but this is also for our children's
25

1 COMMITTEE ON TRANSPORTATION

280

2 generation. So, with that, this hearing is

3 adjourned. [gavel]

4 LIZ PRENTISS: Yes.

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date August 14, 2017