Annual Report
2011

Pursuant to Public Authorities Law Section 2800
Metropolitan Transportation Authority
Consolidated Financial Statements, Nine Month Ended September 30, 2011

Submitted as part of the MTA 2011 Annual Report
Pursuant to New York State Public Authorities Law Section 2800(1)(a)(2)(i), (ii), (iii) and (v)
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- Metro-North Railroad
- Bridges and Tunnels

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- Long Island Railroad
- Metro-North Railroad
- Bridges and Tunnels

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- Metro-North Railroad
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- Metro-North Railroad
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## New York City Transit (Subways)

- Major 2011 Commitments:
  - 7 Line Extension
  - Stations
  - Rolling Stock
  - Track and Switches
  - Signals, Electrical, and Communications
  - Shops, Line Structures, and Other Structures

- Major 2011 Completions:
  - Stations
  - Lines, Structures, and Other Right-of-Way Facilities
  - Signals, Electrical, and Communications
  - Rolling Stock Maintenance

## MTA Bus Operations (NYCT, MTA Bus)

- Major 2011 Commitments:
  - Depots
  - Rolling Stock

- Major 2011 Completions:
  - Depots
  - Rolling Stock

## Long Island Rail Road

- Major 2011 Commitments:
  - Stations
  - Tracks, Switches, Interlockings

- Major 2011 Completions:
  - Stations
  - Track
  - Line Structures
  - Shops and Yards
  - Power
  - Communications and Signals
  - East Side Access Readiness and Miscellaneous

## Metro-North Railroad

- Major 2011 Commitments:
  - Rolling Stock
  - Stations
  - Structures, Communications, and Other Projects

- Major 2011 Completions:
  - Stations
  - Structures, Communications, and Other Projects

## MTA Bridges and Tunnels

- Major 2011 Commitments:
  - Throgs Neck Bridge
  - Bronx Whitestone Bridge
  - Robert F. Kennedy (Triborough) Bridge
  - Verrazano-Narrows Bridge

- Major 2011 Completions:
  - Throgs Neck Bridge
  - Robert F. Kennedy (Triborough) Bridge

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- Fulton Street Transit Center
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The Following Reports Are Attached as Separate Documents

- Financial Reports
- All Agency and Board Codes of Ethics
- Asset and Service Report 2011
- Compensation Schedule and Biographical Information Reports
- Bond Rating Reports and Notices
- Annual Debt Report 2011
- Consolidated Financial Statements
- Governance Guidelines and By-Laws
- Grant Report 2011
- MTA Legislation
- Mission Statement, Measurements, and Performance Indicators Report
- Management Assessment of the Effectiveness of Internal Controls
- Real and Personnel Property Reports with Guidelines
- Board Self-Assessment Report
Performance

As part of its public transparency initiatives, the Metropolitan Transportation Authority (MTA) posts Performance Dashboards on its website at www.mta.info, under the heading “About the MTA,” allowing the public to track MTA performance by agency on a monthly basis. The Dashboards display key indicators for MTA New York City Transit (NYCT) subways, buses, and paratransit services; MTA Long Island Rail Road (LIRR); MTA Metro-North Railroad (Metro-North); MTA Bus; and MTA Bridges and Tunnels.¹ Performance in all categories is measured monthly and compared to published goals. This section of the Annual Report summarizes the performance measurement data as measured for the twelve-month period ending December 31, 2011. (See also, the “Mission Statement, Measurement, and Performance Indicator Report,” PAL Sections 1269-f and 2824-a.)

New York City Transit 2011 Performance

NYCT subways continued to experience strong ridership growth in 2011, surpassing the system’s peak ridership in the 1950s, with some lines nearing peak levels at all times of the day. At the same time, the car fleets on both the subway system and the Staten Island Railway increased their mean distance between failures (MDBF). NYCT Buses expanded Select Bus Service (bus rapid transit) to increase speed and capacity. After Tropical Storm Irene, NYCT Bus and MTA Bus implemented an emergency shuttle system that provided Metro-North’s Port Jervis Line riders with a transportation alternative until regular service could be restored. All NYCT divisions significantly expanded their customer communications using electronic, web, and digital media, in several cases through in-house IT development projects.

¹ Note that the Lease and Operating Agreement between Nassau County and MTA Long Island Bus was terminated effective December 31, 2011, and that Nassau County contracted with a private operator to provide bus and paratransit service in the county commencing January 1, 2012. Accordingly, performance data for Long Island Bus is no longer posted on the MTA website.
## New York City Transit

### Performance Key
- **Green**: At or above target
- **Black**: Below target by less than 5%
- **Red**: Below target by 5% or more

<table>
<thead>
<tr>
<th>Service Indicators</th>
<th>2011 Target</th>
<th>2011 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Time Performance - Subways</td>
<td>91.9%</td>
<td>85.4%</td>
<td>-6.50%</td>
</tr>
<tr>
<td>Wait Assessment - Subways</td>
<td>79.0%</td>
<td>78.8%</td>
<td>-.20%</td>
</tr>
<tr>
<td>Elevator Availability - Subways</td>
<td>96.5%</td>
<td>96.2%</td>
<td>-.30%</td>
</tr>
<tr>
<td>Escalator Availability - Subways</td>
<td>95.2%</td>
<td>93.5%</td>
<td>-1.70%</td>
</tr>
<tr>
<td>Total Ridership – Subways</td>
<td>1,619,445,000</td>
<td>1,640,327,810</td>
<td>1.29%</td>
</tr>
<tr>
<td>Mean Distance Between Failures - Subways</td>
<td>168,000</td>
<td>172,700</td>
<td>2.80%</td>
</tr>
<tr>
<td>Mean Distance Between Failures - Staten Island Railway</td>
<td>180,000</td>
<td>201,523</td>
<td>11.96%</td>
</tr>
<tr>
<td>On-Time Performance - Staten Island Railway</td>
<td>95.0%</td>
<td>95.1%</td>
<td>.10%</td>
</tr>
<tr>
<td>% of Completed Trips - NYCT Bus</td>
<td>99.36%</td>
<td>98.10%</td>
<td>-1.26%</td>
</tr>
<tr>
<td>Total Paratransit Ridership - NYCT Bus</td>
<td>N/A</td>
<td>8,947,191</td>
<td>-</td>
</tr>
<tr>
<td>Bus Passenger Wheelchair Lift Usage - NYCT Bus</td>
<td>N/A</td>
<td>1,280,678</td>
<td>-</td>
</tr>
<tr>
<td>Total Ridership - NYCT Bus</td>
<td>698,684,000</td>
<td>665,281,145</td>
<td>-4.78%</td>
</tr>
<tr>
<td>Mean Distance Between Failures - NYCT Bus</td>
<td>3,950</td>
<td>3,340</td>
<td>-15.44%</td>
</tr>
</tbody>
</table>

### Safety Indicators
- **Customer Injury Rate - Subways**: 2.98 vs. 2.91, change of -2.35%
- **Customer Accident Injury Rate - NYCT Bus**: .97 vs. 1.17, change of 20.61%
- **Collisions with Injury Rate - NYCT Bus**: 7.42 vs. 6.94, change of -6.47%
- **Employee Lost-Time and Restricted-Duty Rate**: 2.93 vs. 3.32, change of 13.31%
Long Island Rail Road 2011 Performance

The MTA Long Island Rail Road improved its train performance in 2011, with 93.71 percent of its trains operating on time (OTP). This represents nearly a full percentage point increase over 2010. The 2011 OTP improvements are attributed to better fleet maintenance, an aggressive track maintenance program, and the diligence of train crews helping to ensure customer safety while boarding and exiting. In 2011, the LIRR also achieved record levels of fleet reliability—as measured in mean distance between failures (MDBF)—by logging an all-time record 169,724 miles MDBF, on average, for the fleet and surpassing the LIRR’s goal of 150,000 miles. The newer M7 electric train cars, which comprise the majority of the LIRR’s fleet, rode in at a record average 431,125 miles MDBF in 2011; and in the month of April, the M7s tallied almost a million miles between breakdowns (951,053 miles MDBF). All this translated into greater service reliability. During the year, the LIRR operated 52 rush hours at 100 percent OTP.

<table>
<thead>
<tr>
<th>Long Island Rail Road</th>
<th>Performance Key</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>At or above target</td>
</tr>
<tr>
<td>2011 Target</td>
<td>2011 Actual</td>
</tr>
<tr>
<td>Service Indicators</td>
<td></td>
</tr>
<tr>
<td>On-Time Performance</td>
<td>95.1%</td>
</tr>
<tr>
<td>Elevator Availability</td>
<td>95.0%</td>
</tr>
<tr>
<td>Escalator Availability</td>
<td>95.0%</td>
</tr>
<tr>
<td>Total Ridership</td>
<td>81,926,287</td>
</tr>
<tr>
<td>Mean Distance Between Failures</td>
<td>150,000</td>
</tr>
<tr>
<td>Safety Indicators</td>
<td></td>
</tr>
<tr>
<td>Customer Injury Rate</td>
<td>5.22</td>
</tr>
<tr>
<td>Employee Lost-Time and Restricted-Duty Rate</td>
<td>2.30</td>
</tr>
</tbody>
</table>
Metro-North Railroad 2011 Performance

In 2011 Metro-North received the “2011 Jury Prize for Overall Design Excellence” at the Brunel Awards in Washington, D.C., the first American railroad to win this prestigious international award in its 26-year history. In the course of the year, Metro-North provided over 82 million rides, up 1.4 percent over 2010, to become the nation’s busiest commuter railroad. In August of 2011, Tropical Storm Irene caused severe damage to a 14-mile stretch of the Port Jervis Line. While original estimates indicated at least a year of service loss and $60.0 million in repair costs and lost revenue, Metro-North crews managed to restore full Port Jervis train service by November, with loss estimates reduced to $30.0 million to $40.0 million.

<table>
<thead>
<tr>
<th>Metro-North Railroad</th>
<th>Performance Key</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>At or above target</td>
</tr>
<tr>
<td>2011 Target</td>
<td>2011 Actual</td>
</tr>
<tr>
<td>Service Indicators</td>
<td></td>
</tr>
<tr>
<td>On-Time Performance (East of Hudson)</td>
<td>97.8%</td>
</tr>
<tr>
<td>On-Time Performance (West of Hudson)</td>
<td>96.4%</td>
</tr>
<tr>
<td>Elevator Availability</td>
<td>97.0%</td>
</tr>
<tr>
<td>Escalator Availability</td>
<td>97.0%</td>
</tr>
<tr>
<td>Total Ridership</td>
<td>81,670,880</td>
</tr>
<tr>
<td>Mean Distance Between Failures</td>
<td>125,000</td>
</tr>
<tr>
<td>Safety Indicators</td>
<td></td>
</tr>
<tr>
<td>Customer Injury Rate</td>
<td>2.80</td>
</tr>
<tr>
<td>Employee Lost-Time and Restricted-Duty Rate</td>
<td>1.70</td>
</tr>
</tbody>
</table>
**Long Island Bus 2011 Performance**

<table>
<thead>
<tr>
<th>Service Indicators</th>
<th>2011 Target</th>
<th>2011 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Completed Trips</td>
<td>99.36%</td>
<td>97.43%</td>
<td>-1.93%</td>
</tr>
<tr>
<td>Total Paratransit Ridership</td>
<td>316,000</td>
<td>342,720</td>
<td>8.5%</td>
</tr>
<tr>
<td>Bus Passenger Wheelchair Lift Usage</td>
<td>4,812</td>
<td>5,910</td>
<td>22.82%</td>
</tr>
<tr>
<td>Total Ridership</td>
<td>30,581,000</td>
<td>30,327,226</td>
<td>-.83%</td>
</tr>
<tr>
<td>Mean Distance Between Failures</td>
<td>3,697</td>
<td>4,192</td>
<td>13.39%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Safety Indicators</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Accident Injury Rate</td>
<td>1.78</td>
<td>1.91</td>
<td>-7.3%</td>
</tr>
<tr>
<td>Collisions with Injury Rate</td>
<td>4.84</td>
<td>7.29</td>
<td>-50.6%</td>
</tr>
<tr>
<td>Employee Lost-Time Rate</td>
<td>3.06</td>
<td>3.04</td>
<td>-.7%</td>
</tr>
</tbody>
</table>

2See footnote 1 above.

**MTA Bus 2011 Performance**

In 2011, MTA Bus implemented a number of service changes to bus routes to provide better service for new and changing markets. Mean distance between failures (MDBF) showed improvement in the fourth quarter, concurrent with maintenance programs initiated in late 2011. After Tropical Storm Irene, MTA Bus and NYCT Bus implemented an emergency shuttle system that provided Metro-North’s Port Jervis Line riders with a transportation alternative until regular service could be restored.
## MTA Bus

### Service Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2011 Target</th>
<th>2011 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Completed Trips</td>
<td>99.36%</td>
<td>97.42%</td>
<td>-1.94%</td>
</tr>
<tr>
<td>Bus Passenger Wheelchair Lift Usage</td>
<td>N/A</td>
<td>42,935</td>
<td></td>
</tr>
<tr>
<td>Total Ridership</td>
<td>120,605,000</td>
<td>118,281,292</td>
<td>-1.93%</td>
</tr>
<tr>
<td>Mean Distance Between Failures</td>
<td>3,603</td>
<td>3,430</td>
<td>-4.80%</td>
</tr>
</tbody>
</table>

### Safety Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target</th>
<th>2011 Actual</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Accident Injury Rate</td>
<td>1.27</td>
<td>1.54</td>
<td>21.5%</td>
</tr>
<tr>
<td>Collisions with Injury Rate</td>
<td>5.78</td>
<td>4.72</td>
<td>-18.34%</td>
</tr>
<tr>
<td>Employee Lost-Time Rate</td>
<td>9.19</td>
<td>8.49</td>
<td>-7.62%</td>
</tr>
</tbody>
</table>

### Performance Key

- **Green**: At or above target
- **Black**: Below target by less than 5%
- **Red**: Below target by 5% or more

### Bridges and Tunnels 2011 Performance

In 2011 Bridges and Tunnels set a new record for E-ZPass sales and usage, which now accounts for 80 percent of daily crossings. In November, the agency recorded its 3 billionth E-ZPass transaction. The agency also introduced successful pilot projects to increase average crossing speeds through the use of gateless tolling, the first phase of a transition to All-Electronic-Tolling (AET). The agency’s new real-time signs and web tools earned it the 2011 “Smart Solution Spotlight” award from the Intelligent Transportation Society of America, the nation’s largest transportation technology organization. The year also marked the 75th anniversary of the Robert F. Kennedy (Triborough) Bridge.
### Bridges and Tunnels

**Performance Key**
- Green: At or above target
- Black: Below target by less than 5%
- Red: Below target by 5% or more

<table>
<thead>
<tr>
<th>Service Indicators</th>
<th>Year to Date Target</th>
<th>Year-to-Date Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Traffic</td>
<td>286,764,002</td>
<td>283,470,727</td>
<td>-1.15%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Safety Indicators</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Collisions with Injury Rate</td>
<td>.85</td>
<td>.88</td>
<td>3.53%</td>
</tr>
<tr>
<td>Employee Lost-Time Rate</td>
<td>4.10</td>
<td>5.40</td>
<td>31.71%</td>
</tr>
</tbody>
</table>
Customer Service Initiatives

Interagency—Customer Service Initiatives

- Upgraded the MTA website at www.mta.info with many new customer features, including new service alerts, eFIX for MetroCard and other self-service functions, rotating news stories, and an enhanced Trip Planner feature that now includes the entire MTA service area.
- Produced a new online Weekender map, with phone app to follow, identifying weekend service changes due to subway maintenance, construction, or other schedule changes.
- Expanded customer information and press announcements at all agencies through the use of social media, including Facebook, Twitter, and YouTube.
- Initiated the MTA App Quest contest, with private funding, to promote the entrepreneurial development of transit-related apps using MTA open source data, resulting in 42 new transit apps to web and mobile devices. (See also, Operations/Technology Initiatives.)
- Installed pilot versions of “On the Go” at Bowling Green, Atlantic Avenue-Pacific Street, Jackson Heights-Roosevelt Avenue (NYCT), Grand Central Terminal (Metro-North), and Penn Station (LIRR). These interactive, touch-screen devices provide real-time travel information.
- Continued the highly popular MTA Arts for Transit programs, with 18 art installations across all agencies; three original arts posters and two art cards; and a roster of more than 300 performers giving nearly 7,000 performances in the Music Under New York program. High points for 2011 included participation in the Apollo
Theater festival and restoration of the Marine Grill Tiles at the new Fulton Street Transit Center.

- Launched an ongoing "Improving, Non-Stop" campaign on MTA subways, buses and commuter rail trains to educate customers about MTA investments in new technologies, service enhancements, and capital projects that impact their riding experience.

**NYC Transit (Subways)—Customer Service Initiatives**

- Opened a new free transfer passageway between the Court Square EGM complex and the Court Square 7 line station. Reopened the downtown platform at the Cortland Street R line station after a six-year closure to accommodate World Trade Center reconstruction.
- Launched a concentrated effort to reduce delays on the heavily trafficked Flushing line, including repair and replacement of signals and steps to prevent water leakages.
- Expanded the number of Public Address/Customer Information Screens (PA/CIS) or “Countdown Clocks” to a total of 153 stations.
- Installed several pilot projects for new customer service technologies, including “Help Points” emergency communications systems (19 locations), “On the Go” touch-screen information kiosks (5 stations), and Station Advisory Information Displays (3 stations) providing electronic train status information prior to station entry. (See also, Safety/Security Initiatives.)
- Expanded station cleaning and maintenance through a number of programs, including the Station Initiative program (42 subway stations), concentrated clean-up program at Staten Island Railway (5 stations), the Community Service Program, and dedicated crews to address peeling paint.
- Reinstated the Work Experience Program (WEP), which assigns employable public assistance recipients to supplement station and terminal cleaning systemwide, while gaining practical work experience.
- Introduced several initiatives to improve refuse collection, reducing the frequency and duration of customers’ exposure to trash bags. Also introduced new rodent control programs.
- Inaugurated wireless communications access through commercial carriers in six stations, with plans to expand access to all 277 underground stations by 2017.
- Added extra rush hour service on the J and M subway lines.
- Installed 435 out of a planned 453 “induction loop systems” to assist hearing impaired customers with T-coil hearing aids in communicating with station agents.

**MTA Bus Operations (NYCT, MTA Bus, Long Island Bus)—Customer Service Initiatives**

- Deployed “Bus Time” pilot on the B63 route, enabling customers to track bus locations in real time via the web, mobile web, quick-response codes, and short message service (SMS) text interfaces.
- Expanded Select Bus Service (SBS), bus rapid transit, to provide faster crosstown service on the relabeled M34 and M34A routes.
- Completed a successful “proof-of-concept” of the Bus Lane Enforcement System by outfitting six M15 SBS buses with a mobile camera system that captures SBS lane violators, resulting in 2,000 violations issued to date.
- Restored, extended, or revised a number of NYCT Bus routes affected by earlier service reductions, including the Bx4, Bx8, and Bx24 in the Bronx; the X37 and X38 between Brooklyn and Manhattan; the M50 in Manhattan; and several Staten Island routes.
- Implemented a number of service changes to MTA Bus routes to better service new and changing markets, including service revisions/ improvements on the Q45, Q47, Q37, QM16, QM24, BxM2, Q113, Q10, QM10, QM11, and Q49 routes.
- Implemented the Paratransit Automated Notification System (PANS) to send phone notifications to all customers or selected recipients. Notifications may include service disruptions due to weather, outreach for pilot or test programs, excessive missed trip activity, reminders of policies, holiday schedule notifications for subscription customers, eligibility expirations, and assessment appointment reminders. Also conducted automated customer surveys on the quality of car services. (See also, Operations/Technology Initiatives and Cost Savings/Revenue Initiatives.)
Long Island Rail Road—Customer Service Initiatives

- Achieved record levels of fleet reliability as measured in mean distance between failures (MDBF), with an overall fleet average of 169,724 miles between breakdowns, nearly a 20,000 mile improvement over 2010.
- Increased on-time performance by a full percentage point to 93.71 percent on-time arrivals in 2011.
- Improved and centralized customer communications through an expanded Public Information Office (PIO), which coordinates service information through emails alerts, messaging signs, the MTA website, the MTA Press Office, and other outlets.
- Implemented a new smoking ban on LIRR station platforms, ticketing areas, and boarding areas.
- Expanded weekend discount “CityTickets” to include travel to the Mets-Willets Point Station.
- Restored daily service to Belmont Park through a partnership with the New York Racing Association (NYRA), doubling ridership to about 40,000 customers.
- Introduced a “quiet car” pilot program on the Far Rockaway Branch, with customer seating away from cell phones, electronic devices, loud conversations, and other noises.
- Revamped the LIRR Customer Assistance Program (CAP) to deploy specially trained management teams to assist customers during service disruptions.
- Launched a pilot program for credit card ticket sales onboard, utilizing iPhone technology with an in-house ticketing application.
- Introduced “Time Train,” a pilot program that provides customers with real-time train status, arrivals, and other information delivered to mobile devices or desktop computers.

Metro-North Railroad—Customer Service Initiatives

- Consolidated a range of customer and information services into a new Customer Communications Center to deliver 24-hour, real-time information through electronic station signage, “Train Time,” email and text alerts, the web, social media, and other outlets.
- Launched a “quiet car” pilot program on select peak hour trains, providing a commuting environment free of cell phones, loud conversations, and other noises.
- Opened the newly constructed Fairfield Metro Station on New Haven Line, with 1,400 parking spaces and thoroughly up-to-date customer amenities. (See also, Operations/Technology.)
- Enhanced Metro-North “Train Time,” a program for real-time train status via computer and smart phones. The new enhancement provides track assignments, allowing more time for customers to switch platforms.
- Began posting real-time NYCT subway service status at the upper and lower information booths and departure boards in Grand Central, helping customers make faster connections.
- Upgraded key customer communications, including real-time service status on station signage and ticketing machines; LCD monitors in the Croton-Harmon, Poughkeepsie, and Stamford stations; and participation in NYCT’s “On the Go” pilot program for touch-screen information kiosks.
- Added new categories to the “Customer Complaint Index,” which measures complaints per million customers, resulting in more accurate data assessments and better identification of customer service problems.
- Continued to upgrade the Hudson Rail Link bus fleet, adding two new 30-seat buses to the four already in operation.
- Provided Metro-North customers with linking service to Newark Airport via a package with Newark Airport Express bus service departing from 41st Street near Grand Central.

**Bridges and Tunnels—Customer Service Initiatives**

- Increased the E-ZPass market share by 3.1 points to a record 80 percent of crossings.
- Introduced gateless E-ZPass lanes in a pilot project on the Henry Hudson Bridge, boosting peak hour capacity by some 20 percent, from about 800 vehicles per hour to about 1000 vehicles per hour. This is the first step towards a pilot of nonstop All Electronic Toll (AET) collections.
- Offered cash customers E-ZPass “On the Go” pre-paid tag sales in cash lanes at the Henry Hudson Bridge, resulting in sales of more than 8,000 additional E-ZPass tags.
• Debuted the MTA Reload Card, which makes it easier to put cash on an E-ZPass account at thousands of locations of the Visa ReadyLink system.
• Introduced a Spanish language version of the E-ZPass application, interactive website, and the customer service voice response system.
• Exchanged approximately 700,000 E-ZPass tags nearing the end of their battery life for new tags through a customer-outreach prepaid mail program.

Operations/Technology Initiatives

Interagency—Operations/Technology Initiatives

• Completed an agency-wide consolidation of MTA telephone help lines, reducing 117 public phones numbers to a single 511 portal with an Interactive Voice Response (IVR) system for all customer service and travel information.
• Expanded the “Developers Resource” at the MTA website, with open source code and data to encourage the private development of MTA-related apps for web and smart phones, resulting in over 190 apps by the end of 2011.
• Completed Phase I of the migration of all financial and procurement systems from NYCT to the Business Service Center (BSC) as part of the ongoing consolidation of business operations across the MTA. Phase II, NYCT human resources and payroll, is scheduled for completion in mid-2012.
• Continued a five-year project to consolidate IT services across the agencies, creating seven IT streams (data center/server, security, application, email, WAN, voice, help desk/desktop support) to identify, implement, and track efficiencies across the MTA. (See also, Interagency Cost-Saving/Revenue Initiatives.)
• Developed agency-based versions of a single intranet newsletter, “MTA Today,” to circulate employee information on daily basis, reduce mass emails, and serve as the basic web portal for employees at all agencies.
NYC Transit (Subways)—Operations/Technology Initiatives

- Completed planning for the FASTRACK program, which schedules nighttime shutdowns on subway line segments for faster, safer comprehensive repairs and maintenance. The program commenced in January 2012.
- Developed a new “Plan 5” for winter operations, with full contingency planning for winter storm emergencies, communications, shutdowns, and rescues. (See also, Safety/Security Initiatives.)
- Equipped track inspection cars with highly sensitive video equipment to identify defects, create a controlled inspection process, and reduce personnel exposure during walking inspections. (See also, Safety/Security Initiatives.)
- Created a new Electrical and Electronic Maintenance Division at Staten Island Railway to develop new technology initiatives and oversee the implementation, maintenance, use, and sustainability of technology.
- Overhauled 871 subways cars at Coney Island and 207th Street shops to maintain fleets in a “state of good repair,” increasing safety and mean distance between failures.
- Replaced signal components and circuitry following water damage at nine signal locations in the Steinway Tube, significantly reducing delays on the Flushing line.
- Rehabilitated ten fan plants along the Archer Avenue line in Queens, the first fan plants that can be operated remotely from the Rail Command Center (RCC) using SONET/ATM network and computers.
- Began the installation of a new Communications-Based Train Control (CBTC) systems to increase reliability and capacity on the Flushing line. (See also, NYCT Subways, Capital Project Commitments/Completions.)
- Completed substantial rehabilitations of five stations on the Pelham line in the Bronx, five stations on the Brighton line in Brooklyn, the 59th Street station complex at Columbus Circle, and the Jay Street Station in Brooklyn. (See also, NYCT Subways, Capital Project Commitments/Completions.)
- Completed flood mitigation programs to protect the subway system during heavy rains at eight locations in Brooklyn and Queens and two locations in Manhattan.
- Rehabilitated eight deepwell pump locations in Brooklyn to lower the water table and reduce tunnel inflows.

**MTA Bus Operations (NYCT, MTA Bus, Long Island Bus)—Operations/Technology Initiatives**

- Established a professional development program for newly hired or promoted front-line operating maintenance and transportation managers.
- Implemented a strategic management initiative with web-based tools to assist operating managers in proactively evaluating operating performance data and applying strategies for improvement.
- Established MDBF task force to audit specific criteria pertaining to procedures and issues that affect vehicle reliability goals (as measured by MDBF) and preventive maintenance programs at selected bus depots.
- Launched “Project Scorpio” to improve performance and maintenance cost efficiency at the MTA’s bus operations through root-cause failure analysis. The initial focus is the Orion VII NG Hybrid fleet.
- Expanded the “intelligent vehicle network” (IVN) project, which uses wireless technology to monitor bus components and identify potential failures at the bus depots. The IVN system has been installed on a total of 1,268 buses and in 20 depots.
- Implemented the Paratransit Automated Notification System (PANS) to automate phone notifications to all paratransit customers or selected sets of customers. Notifications relate to service disruptions, weather, holiday service, outreach for pilot or test programs, excessive missed trip activity, reminders of policies, eligibility expirations, and more. (See also, Customer Service Initiatives and Cost Savings/Revenue Initiatives.)
- Implemented Intermodal Trip Planner in the reservations and scheduling system to integrate fixed-route service into paratransit trip itineraries. (See also, Customer Service Initiatives and Cost Savings/Revenue Initiatives.)
Long Island Rail Road—Operations/Technology Initiatives

- Replaced the entire Hill Station Road railroad bridge within 100 days following severe structural damage caused by a truck accident.
- Completed installation of a network-connected Audio Visual Public Address Systems at all 121 passenger stations. (See also, Capital Project Commitments/Completions.)
- Entered into a joint agreement with the New York State Energy Research and Development Authority (NYSERDA) and the New York Power Authority (NYPA) to fund an “ultra-capacitor wayside” energy storage system based on capacitor storage properties. Contracted the design and manufacture of a demonstration system for energy storage.
- Participated in a statewide small-business mentoring program to help small contractors develop the skills, resources, and requirements they need to bid on LIRR projects.
- Carried out Phase 5 of the Fiber Optic Network Expansion Project, which included installation of 146,256 feet of cable and hardware-software configurations at 104 LIRR passenger stations.
- Designed and constructed the Farmingdale Backup Center, which provides a back-up system outside of the Jamaica Station for electrical power and control data in the event of disruptions.
- Utilized new tools and techniques for installing communications poles, minimizing the impacts to rail operations and resulting in a record number of pole installations.
- Enhanced security, fire-protection, and back-up systems at the Hillside facility, which houses a critical IT and security data center. (See also, Safety/Security Initiatives.)

Metro-North Railroad—Operations/Technology Initiatives

- Installed wireless access points in the railroad’s emergency situation rooms, providing employees on emergency duty with wireless access to the corporate data network.
- Opened a 24/7 monitoring center to proactively manage Metro-North’s systems and infrastructure, optimizing operations and minimizing the risk of system downtime.
Began placing new M8 rail cars into service on the New Haven Line, with 60 cars conditionally accepted for service by year’s end. (See also, Metro-North Capital Project Commitments/Completions.)

Added 25 new “single-car” M8’s to the original 380 M8 cars ordered as “married pairs.” The singles provided greater flexibility in matching train capacities to ridership growth.

Completed the overhaul of 22 Genesis Dual-Mode locomotives, significantly exceeding the MDBF reliability goals. Continued to overhaul eight F40 locomotives, improving fuel capacity and reducing emissions. (See also, Metro-North Capital Project Commitments/Completions.)

Restructured the New Haven Line catenary program (with the Connecticut Department of Transportation) to increase program efficiency and set a new completion date of 2017.

Carried out East-of-Hudson cyclical track maintenance, surfacing 157.2 miles of track and installing 36,639 new wood ties, 17,025 concrete ties, 19,971 feet of welded rail, and 44 switches.

Opened a new 28,000-square-foot crew facility in Grand Central Terminal for Metro-North engineers, conductors, fire crews, and other employees, with fifty bunk rooms, six break areas, eight locker rooms and bathrooms, and three “quiet” areas. The facility features water-saving fixtures and energy saving lighting.

Began train service to the new Fairfield Metro Station, which features 1,400 parking spaces to accommodate local commuters between the Fairfield and Bridgeport stations, ADA-accessible elevators, high-level platforms with full-length canopies, and recycling centers. (See also, Customer Service Initiatives.)

**Bridges and Tunnels—Operations/Technology Initiatives**

- Completed implementation of a network infrastructure to host the gateless and All Electronic Tolling (AET) system for a pilot project at the Henry Hudson Bridge.
- Upgraded the Weather Recording System to allow the Operations Control and Command Center to access a single website for current weather conditions, historical data, and other operational information at all facilities.
Demolished and replaced the Harlem River Drive southbound entrance ramp to the RFK Bridge ahead of schedule under the agency’s first design-build contract for infrastructure.

Carried out a number of improvements at the Verrazano Narrows Bridge toll plaza and the approach ramps at the Staten Island Expressway.

### Sustainability/Transit Oriented Development (TOD) Initiatives

#### Interagency—Sustainability/TOD Initiatives

- Introduced office policies to remove dispersed printers and centralize two-sided office printing, reducing paper, toner, and disposals.
- Provided support for public service marketing and social media to help promote conservation and community initiatives, including the ”NY Cares” winter coat drive, Earth Day, and outreach messages from the NYC Department of Homeless Services.

#### NYC Transit (Subways)—Sustainability/TOD Initiatives

- Awarded a $16.5 million contract to replace 317 subway car airbrake compressors with oil-free, energy-efficient compressors, with 163 compressors delivered and 115 installed in 2011. (See also, Cost Saving/Revenue Initiatives.)
- Continued to monitor and improve agency-wide programs for energy efficiency, materials recycling, pollution control, water conservation, and other sustainability efforts according to ISO 14001 certified Environmental Management System (EMS) under the direction of NYCT’s Department of Capital Program Management (CPM).
- Initiated construction of the new Church Avenue Relay Room, which is designed as a “green” facility, with recycled materials and a minimum 14 percent reduction in energy use.
- Continued CPM’s construction and demolition debris recycling program, which recycles over 90 percent of debris away from landfills to productive reuse.
MTA Bus Operations (NYCT, MTA Bus, Long Island Bus)—Sustainability/TOD Initiatives

- Initiated construction of the new Mother Clara Hale Bus Depot, designed as an LEED-certifiable facility for diesel-fueled buses, with state-of-the-art “green” features, including a solar wall, heat recovery units (HRU), a water reclamation system, a reflective roof, and more.

Long Island Rail Road—Sustainability/TOD Initiatives

- Entered into planning agreements with the Town of Babylon relating to the “Wyandanch Rising” project, a transit-friendly downtown revitalization plan around the LIRR’s Wyandanch Station, which has been awarded state and federal grants.
- Worked with the towns of Brookhaven and Islip on the “Ronkonkoma Hub Project,” a TOD and area revitalization plan centered around the LIRR’s Ronkonkoma station.
- Completed extensive site drainage investigations and flow diagrams for nine petroleum bulk storage (PBS) facilities and 1,683 drainage structures to help protect the surrounding environment.
- Hazard Abatements: Many projects were progressed by Safety’s Hazard Abatement Group in support of Department of Project Management, Engineering, B&B, Greater Jamaica Project and East Side Access (ESA). The projects included asbestos surveys (12), asbestos abatements (12), lead surveys (13), and biological clean-ups (5).

Metro-North Railroad—Sustainability/TOD Initiatives

- Continued energy efficiency projects with the New York Power Authority at the North White Plains and Brewster yards, including energy efficient lighting, occupancy detectors, and heating and ventilation systems.
- Continued the “greening” of Grand Central Terminal, installing more energy efficient lighting and upgrading the terminal’s metering, motors, and compressed air systems.
- Installed new energy-efficient lighting at the New Hamburg and Beacon stations, with installations continuing at the Garrison, Cortlandt, and Cold Spring stations.
- Expanded “green” features at Metro-North’s Harmon and Brewster yards, including roof replacement to incorporate “daylighting,” water-saving fixtures, and more.
- Issued a solicitation for a Transit-Oriented Development (TOD) at the Harrison Station, to include mixed-use and community development around a new parking structure. The project is intended as a catalyst for downtown revitalization in Harrison and has received a Smart Growth Grant from New York State.

**Bridges and Tunnels—Sustainability/TOD Initiatives**

- Replaced 190 old “necklace” light fixtures on the RFK Bridge and 118 old roadway light fixtures on the Throgs Neck Bridge with new energy efficient LED’s, resulting in an energy reduction of nearly 70 percent.
- Dispensed more than 77,000 gallons of Ethanol 85 fuel in 2011, accounting for more than 30 percent of the fuel used by the agency’s cars and police patrol vehicles. In addition to the fuel reductions realized by reducing the fleet, about 88 percent of the agency’s light-duty fleet now use either E85 or electric/hybrid power.

**Safety/Security Initiatives**

**Interagency: MTA Police Department—Safety/Security Initiatives**

<table>
<thead>
<tr>
<th>Crime Statistics (Number of reported crimes at Long Island Rail Road, Metro-North Railroad, and Staten Island Railway)</th>
<th>2010</th>
<th>2011</th>
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</thead>
<tbody>
<tr>
<td>Murder</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rape</td>
<td>0</td>
<td>2</td>
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<tr>
<td>Robbery</td>
<td>55</td>
<td>74</td>
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<tr>
<td>Felony Assault</td>
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<td>42</td>
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<tr>
<td>Burglary</td>
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<td>7</td>
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<tr>
<td>Grand Larcenies</td>
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<td>241</td>
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<tr>
<td>G.L.A.</td>
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<td>10</td>
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<tr>
<td>Total</td>
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<td>376</td>
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NYC Transit (Subways)—Safety/Security Initiatives

<table>
<thead>
<tr>
<th>Crime Statistics</th>
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<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Murder</td>
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<td>1</td>
</tr>
<tr>
<td>Rape</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Robbery</td>
<td>713</td>
<td>787</td>
</tr>
<tr>
<td>Felony Assault</td>
<td>192</td>
<td>200</td>
</tr>
<tr>
<td>Burglary</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Grand Larcenies</td>
<td>1282</td>
<td>1542</td>
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<tr>
<td>Total</td>
<td>2193</td>
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</tr>
</tbody>
</table>

- Implemented new safety objectives for employees, including new safety communications, safety audits, training, and accident investigations.
- Formed a new “Safety Culture Task Force” charged with evaluating the ways in which organizational culture impacts employee and customer safety.
- Introduced new video-equipped track inspection cars to better identify track defects and reduce the exposure of personnel during walking inspections. (See also, Operations/Technology Initiatives.)
- Planned the 2012 introduction of the new FASTRACK program, which creates a safer working environment for maintenance and repair crews. (See also, Operations/Technology Initiatives.)
- Established the Safety Culture Observation Team (SCOT) at Staten Island Railway, through which a team composed of railway management, employees, and union representatives can observe and assess the safety of common tasks at various work locations.
- Carried out systemwide safety protocols and activated the Incident Command Center in response to Tropical Storm Irene.
- Implemented an access control and intrusion detection system to control access to 229 communication rooms via electronic locks, card readers, key pads, and motion detection alarms.
- Installed fire suppression systems at 20 signal equipment locations in, Manhattan, Queens, and the Bronx.
- Expanded CCTV coverage of NYCT properties, including a shared system with NYPD at major subway stations and CCTV systems at the Coney Island/Stillwell and 20th Street yards.
- Developed a new “Plan 5” for winter storm emergencies, including public communications, rescue trains and procedures, shutdown alerts, and more. (See also, Operations/Technology Initiatives.)
- Constructed a remote-controlled ventilation plant at Jackson Ave. in Queens, which will serve the Astoria, Queens Boulevard, and Crosstown lines. The new fan plant brings this section of subway tunnel up to current fire standards.
- Introduced high capacity ventilation units at the East New York Maintenance Shop, where temperatures had reached up to 115 degrees in summer months.

MTA Bus Operations (NYCT, MTA Bus, Long Island Bus)—Safety/Security Initiatives
- Installed bus operator shields designed to protect drivers from assault on 366 buses. Installations are ongoing.
- Continued and enhanced a wide range of training and public awareness initiatives to help prevent bus operator assaults.
- Continued the labor-management partnership on employee and customer safety through the Bus Operator Action Committee.
- Installed bus camera security systems on 225 buses out of an initial contracted total of 426 buses. The contract has an option for installation on an additional 1,150 buses.
- Implemented several training and scheduling initiatives that helped reduce the rate of paratransit collisions by approximately 17 percent from the previous year’s level.
- Revised agency storm and emergency management plans to improve procedures for operations, public communications, and more.
- Carried out emergency response plans during Tropical Storm Irene, including centralized communications, public alerts, fleet security, and emergency evacuations.
Long Island Rail Road—Safety/Security Initiatives

- Completed two new MTA Police facilities near LIRR’s Central Islip station and in the former LIRR Merrick Station building. (See also, Capital Project Completions.)
- Reduced gap accidents by 21 percent through public awareness programs and modifications to train cars.
- Reduced fire-related incidents by 26 percent, with the greatest reduction of incidents on the railroad’s right of way.
- Expanded security of LIRR properties, with installation of electronic gates, CCTV, and 200 new access control devices on agency facilities.
- Carried out emergency operations in coordination with a number of outside agencies during Tropical Storm Irene and severe winter storms.
- Completed part of the Jamaica Station “hardening” initiative to protect LIRR’s central hub against possible terrorist threats.

Metro-North Railroad—Safety/Security Initiatives

- Expanded the agency’s Local Safety Committee network, in which employees perform area inspections, yard walks, and peer-to-peer identification of unsafe behaviors.
- Extended training of Metro-North’s “first responders” with a full-scale emergency preparedness exercise in the town of New Canaan, CT.
- Continued the community Safety Awareness Program, which includes presentations to younger audiences about the dangers of trespassing on railroad property.
- Initiated design projects for vehicle access control systems and perimeter security at the Stamford and Bridgeport yards, which will include staffed guardhouses, video surveillance, electronic access control, fencing, and vehicle barriers.
- Worked with MTA Capital Construction on the final stages of the All Agency Electronic Security Program, including the installation of advanced electronic security systems in Grand Central Terminal, the Park Avenue tunnel, and the Harlem River lift bridge.
Commenced fully staffed operation of Metro-North’s Security Command Center, which manages and monitors security systems under the All Agency Electronic Security Program.

**Bridges and Tunnels—Safety/Security Initiatives**

- Maintained traffic safety on and around facilities, as Bridge and Tunnel officers made 317 arrests for DWI and issued 1,916 truck violations, including 268 for overweight vehicles.
- Completed implementation of a technology infrastructure to host the new Electronic Security System (ESS) at the Brooklyn Battery Tunnel and Throgs Neck Bridge. Upgraded existing security systems at the Queens Midtown Tunnel, Verrazano Narrows Bridge, and Randall’s Island.
- Upgraded the weather recording system to allow the Operations Control and Command Center and Facility Operations to access a single weather website covering all facilities, check past data, and assist with operational decisions relating to weather conditions.

**Cost Cutting /Revenue Initiatives**

**Interagency—Cost Cutting/Revenue Initiatives**

- Announced a major MTA Real Estate initiative to relocate the MTA headquarters to the 2 Broadway office, which will allow the MTA to realize the property value of its Midtown locations and several other properties.
- Streamlined employee technology costs by reducing the number of distributed laptops, smart phones, and office printers.
- Introduced an e-Procurement pilot program, using a form of real-time online “reverse auctions,” to reduce the cost of office supplies, paper, and toner by 17.5 percent, a $4.0 million anticipated saving over five years.
- Integrated IT Systems across agencies into seven streams under NYCT Technology and Information Services (TIS), decommissioning six staffed systems and generating...
an anticipated savings of $67.0 million over five years. (See also, Interagency Operations/Technology Initiatives.)

- Increased MTA trademark licensing revenues to $520,000, began soliciting sponsorships for the Grand Central Terminal centennial, and generated $225,000 in new, non-farebox revenues in the first year of advertising on the MTA website.
- Developed new software for paratransit Modal Trip Planning (MTP), saving nearly $40.0 million in the NYCT paratransit operating budget.

**NYC Transit (Subways)—Cost Cutting/Revenue Initiatives**

- Began a pilot program to convert mobile wash vehicles from a single-pump, single-wand wash unit to a multiple-pump, multiple-wand wash unit in an effort to reduce the number of vehicles required to wash stations.
- Tested and installed a new type of solid cast polymer (SCP) as a replacement for wooden track ties along roughly 550 track feet on selected lines, reducing work time, labor, and materials costs by about $3.2 million.
- Awarded a $16.5 million contract to replace 317 subway car airbrake compressors with oil-free, energy-efficient compressors, reducing energy, maintenance, and disposal costs. (See also, Sustainability/TOD Initiatives.)
- Introduced new track switch battery replacements at two central instrument locations on the Staten Island Railway, eliminating the 10-year replacement cycle and saving $12,000 per location.
- Developed several initiatives with Capital Program Management (CPM) to reduce in-house costs and to increase work site availability, including easier access to track sites and use of barriers during construction, thereby decreasing the number of construction flaggers.
- Prepared installation of the system’s first Machine-Room-Less (MRL) elevator at the Utica Ave. Station. Expanded use of MRL elevators will produce considerable savings in both capital and operating costs.
- Implemented a number of additional cost-saving operations, including more efficient coverage of B Division tower operations and lower-cost, land-based disposal of R44 cars.
MTA Bus Operations (NYC Transit; MTA Bus; Long Island Bus)—Cost Cutting/Revenue Initiatives

- Reduced and pooled the fleet of nonrevenue support vehicles, resulting in savings of $1.6 million in 2011.
- Expanded on-site capabilities for mandatory random drug testing, which reduces the costs of employee travel to test locations and related job absences.
- Tested the use of prepaid taxi debit cards and brokered car service for eligible paratransit riders. In addition, increased the number of trip authorizations for taxi and car services under contract with NYCT Paratransit. All combined, these steps resulted in a savings of approximately $13.3 million in 2011 over regular paratransit door-to-door service.
- Implemented the Paratransit Automated Notification System (PANS) to automate phone notifications to all paratransit customers or selected sets of customers, resulting in more cost-efficient communications, while reducing costs related to scheduling, policy violations, canceled trips, noneligibility, and more. (See also, Customer Service Initiatives and Operations/Technology Initiatives.)
- Implemented Intermodal Trip Planner in the reservations and scheduling system to integrate fixed-route service into paratransit trip itineraries. (See also, Customer Service Initiatives and Operations/Technology Initiatives.)

Long Island Rail Road—Cost Cutting/Revenue Initiatives

- Installed an Address Verification System (AVS) on LIRR ticket machines to protect against credit card fraud, resulting in revenue security worth an estimated $6.0 million.
- Participated in a “Recruitment Roundtable” to identify job fairs that are of mutual benefit to more than one agency, allowing agencies to pool and reduce fees.
- Implemented recommendations of the agency’s new Inventory Task Force, to ensure timely materials delivery while avoiding excess inventory, resulting in inventory reductions of $7.6 million over the previous year and scrap sales of $2.0 million in obsolete inventory.
Metro-North Railroad—Cost Cutting/Revenue Initiatives

- Instituted new policies to reduce overtime while maintaining service reliability, including the readjustment of employee shifts, resources, and vacations schedules.
- Implemented procurement and inventory strategies to safely minimize inventory levels, review purchases, and better integrate maintenance programs and materials management.
- Reduced reimbursable administrative workforce by 15 percent with an elimination of 23 positions and a new overhead recovery of $2.5 million.
- Expanded installation of the Kronos timekeeping system to all facilities, improving the tracking and reporting of personnel costs.
- Generated new revenues through new multiple-advertiser digital displays and additional ad spaces at Grand Central Terminal, producing approximately $12.0 million from advertising in 2011.
- Increased revenues through a number of marketing initiatives, including system-wide vending machines, corporate sponsorship of “portable commissary” sales carts, and a 300 percent growth in Grand Central Terminal self-guided audio tours.
- Used in-house staff rather than vendors to upgrade the Wayside Monitoring and Diagnostic System (WMDS) for the M7 fleet upgrade, savings approximately $200,000.

Bridges and Tunnels—Cost Cutting/Revenue Initiatives

- Achieved $260 million savings in contract bids by taking advantage of an aggressive bidding market with planned and accelerated bids for future projects.
- Reduced E-ZPass tag costs by an estimated $14.8 million through 2015 under new E-ZPass contracts.
- Reduced the agency’s nonrevenue fleet by 85 vehicles, or 20 percent, and switching out 15 SUVs for sedans, resulting in a total savings of $1.6 million in 2011.
- Held down the overtime costs needed to staff 24-hour facilities to the lowest level in five years.
- Continued to work with other MTA agencies in streamlining and consolidating multiple IT functions, reducing company cell phones, laptops, and printers for a savings of $97,000.
In 2010, in the midst of the worst economic downturn in decades, the MTA reduced its original proposed 2010-2014 Capital Program by $1.82 billion by making every dollar count. The revised Capital Program retained those commitments deemed necessary to meet future demand, support the regional economy, and improve customer service at the lowest possible cost. The result was a 2010-2014 Capital Program of $26.3 billion over five years and a commitment to continually review the program to identify further cost savings. In that vein, MTA intends to reduce the program’s cost by another $2 billion by applying further efficiency initiatives to the last three years of the program. These include eliminating 15 percent of administrative staff, improving the productivity of work along the right-of-way, maximizing component replacement over full asset renewal, and reviewing every project as it moves into implementation to ensure that it is designed for the least cost to deliver the intended benefit. Efforts in 2011 resulted in $4.7 billion in capital funds committed during the year and a total of $2.8 billion in capital projects completed. For maximum transparency, the status of all capital projects is updated regularly on the Capital Program Dashboard under the heading “About the MTA” on the MTA website at www.mta.info. All costs shown below are in millions unless otherwise indicated.
## Capital Program Progress

### Funding Received Through December 31, 2011

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<tr>
<td>Federal grants</td>
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<td>State appropriations</td>
<td>623</td>
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<td>City appropriations</td>
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<td>MTA bonds</td>
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<td>Lessor equity/Asset sales/Leasing</td>
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<td>Investment Income</td>
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<td>Capital-operating transfer/Pay-as-you-go</td>
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<tr>
<td>Other</td>
<td>1,337</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>73,379</strong></td>
<td><strong>4,189</strong></td>
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3 Funding for MTA Bridges and Tunnels Capital Programs not included.

### Capital Program Progress, 1982-2011

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<th></th>
<th>Commitments</th>
<th>Expenditures</th>
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<tr>
<td>New York City Transit</td>
<td>48,529.9</td>
<td>44,553.0</td>
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<tr>
<td>Long Island Rail Road</td>
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<tr>
<td>Metro-North Railroad</td>
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<td>Commuter Rolling Stock</td>
<td>1,912.8</td>
<td>1,911.2</td>
<td>1,895.4</td>
</tr>
<tr>
<td>Other4</td>
<td>521.0</td>
<td>475.8</td>
<td>318.1</td>
</tr>
<tr>
<td><strong>MTA Total</strong></td>
<td><strong>82,580.4</strong></td>
<td><strong>72,604.3</strong></td>
<td><strong>60,372.3</strong></td>
</tr>
</tbody>
</table>

4 Includes funds for World Trade Center recovery, planning and customer service projects, interagency projects, MTA Police, and unassigned commuter rail projects that benefited both LIRR and Metro-North in the 1982-91 Capital Program. Note: Numbers may not total due to rounding.
## Capital Program Progress, 2011

<table>
<thead>
<tr>
<th>($ millions)</th>
<th>Commitments</th>
<th>Expenditures</th>
<th>Completions</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York City Transit</td>
<td>1,818.9</td>
<td>1,835.9</td>
<td>1,793.5</td>
</tr>
<tr>
<td>Long Island Rail Road</td>
<td>183.0</td>
<td>241.8</td>
<td>336.7</td>
</tr>
<tr>
<td>Metro-North Railroad</td>
<td>398.8</td>
<td>150.9</td>
<td>138.1</td>
</tr>
<tr>
<td>Bridges and Tunnels</td>
<td>366.8</td>
<td>162.2</td>
<td>108.5</td>
</tr>
<tr>
<td>Capital Construction</td>
<td>1,844.1</td>
<td>1,692.4</td>
<td>387.0</td>
</tr>
<tr>
<td>MTA Bus</td>
<td>113.3</td>
<td>43.2</td>
<td>7.5</td>
</tr>
<tr>
<td>Other&lt;sup&gt;5&lt;/sup&gt;</td>
<td>1.3</td>
<td>9.8</td>
<td>12.6</td>
</tr>
<tr>
<td><strong>MTA Total</strong></td>
<td><strong>4,726.2</strong></td>
<td><strong>4,136.2</strong></td>
<td><strong>2,783.9</strong></td>
</tr>
</tbody>
</table>

<sup>5</sup> Includes funds for planning and customer service projects, interagency projects, and MTA Police. Note: Numbers may not total due to rounding.

## New York City Transit (Subways)

### Major 2011 Commitments

#### 7 Line Extension

- Awarded the fifth of six contracts for the 7 Line Extension Project, which will complete most of the construction work. ($579.1, funded by City of New York) (See also, MTA Capital Construction, Capital Project Completions.)

#### Stations

- Began structural repairs at eight stations along the Staten Island Railway. ($11.5)

#### Rolling Stock

- Issued an option contract to purchase 103 new R188 railcars and convert 370 R142A railcars for service growth on the Broadway 7th Avenue line and growth related to
the 7 Line Extension Project and installation of the Communications-Based Train Control (CBTC) system. ($497.2)

- Awarded purchase contract for eight auger-type snowthrowers to clear mainline tracks. ($8.1)
- Awarded the purchase of two Ballast Regulators. The Ballast Regulators evenly sweep and distributed ballast, remove excess ballast, and provide ballast on new tracks where ballast has been dropped from hopper cars. ($7.0)

**Track and Switches**

- Initiated the agency’s mainline and yard switch and track replacement program for 2011. ($272.1)

**Signals, Electrical, and Communications**

- Awarded a project to build an integrated test facility for safety certification for the CBTC system. This test track will allow the agency to ensure that CBTC equipment purchased from different vendors are interoperable and allow NYCT to issue independent safety certifications. ($97.6)
- Began design on a modernized interlocking system for the Staten Island Railway’s main terminal at the St. George Ferry. ($1.23, design cost)
- Began replacement of obsolete 110V AC line control relays with low voltage DC Biased Neutral Plug, which will extend the cable life for up to 10 years pending a full signal modernization. ($9.6)

**Shops, Line Structures, and Other Structures**

- Began rehabilitation of eight bridges along a six-mile segment of the Staten Island Railway. ($18.4)
- Began design of improvements to the Staten Island Railway’s Lemon Creek culvert and right-of-way that also protects nearby wetlands. ($0.7, design cost)
Major 2011 Completions

Stations

- Rehabilitated five stations on the Pelham line in the Bronx, at Whitlock Avenue, Elder Avenue, Morrison Avenue-Soundview, Saint Lawrence Avenue, and Parkchester. ($130.5)
- Rehabilitated five stations on the Brighton line in Brooklyn, at Kings Highway, Avenue M, Avenue J, Avenue H, and Newkirk Avenue. ($215.3)
- Completed an extensive rehabilitation of the Jay Street-Metro Tech Station in Brooklyn, along with a new passenger transfer between the Jay Street and Lawrence Street stations. ($154.9)
- Completed rehabilitation of the Columbus Circle Complex, including both the 7th Avenue and 8th Avenue stations, as well as the Broadway island and landmark station entrances. ($120.6)

Lines, Structures, and Other Right-of-Way Facilities

- Continued rehabilitation of the Culver Viaduct. Awarded in 2009, the project includes rehab of the deck and new waterproofing; new track, switches, and signals; improvement of the power system and modernization of the 4th Avenue interlocking. Extensive piggybacked work includes work at two stations, one substation tunnel lighting; also included are control and battery cable installation and routine track maintenance. ($394.0, project total)
- Completed rehabilitation of ventilation facilities at eight locations on the Archer Avenue line. ($67.8)

Signals, Electrical, and Communications

- Completed Phase 3 of the signal control modernization program. ($35.2)
- Completed 15 percent of project value for the installation of a Communications-Based Train Control (CBTC) system that will increase capacity on the Flushing line. ($550.0)
- Completed modernization of the East 180th Street interlocking system on the White Plains Road line. ($304.8)
Rolling Stock Maintenance

- Replaced heavy shop equipment which has reached the end of its useful life, resulting in a safer work environment, reduced downtime, improved worker productivity, and an increased capability to support SMS and non-SMS railcar maintenance activities. ($11.2)
- Received AC/DC traction motor dynamometer. The dynamometer will test both AC and DC traction motors under full load, no load, and, static conditions, with a rating up to 200 HP to support the R160 new car procurement program. ($1.3)

MTA Bus Operations (NYC Transit, MTA Bus)

Major 2011 Commitments

Depots

- Awarded contract to replace the existing roof at the JFK depot (MTA Bus, $9.5).
- Awarded contract to install fire protection at the JFK depot (MTA Bus, $4.0) and at the LaGuardia and Baisley Park depots. (MTA Bus, $4.6)
- Awarded contract to expand storeroom and replace existing boiler at Jamaica depot. (NYCT, $4.1 Million)

Rolling Stock

- Committed to the purchase of 328 articulated buses (NYCT, $251.9); 171 standard CNG buses (NYCT, $87.1); 90 express buses (NYCT, $55.5); 74 standard CNG buses (MTA Bus, $46.3); 90 standard diesel buses, Daimler pilot (NYCT, $44.8); 90 standard diesel buses, New Flyer pilot (NYCT, $44.2); and 79 standard CNG buses (MTA Bus, $40.2).
- Purchased 15 CNG-powered MV-1 purpose-built “accessible” vehicles for paratransit. (NYCT, $0.93)
Major 2011 Completions

Depots
- Achieved substantial completion of the new Charleston Bus Annex on Staten Island, with numerous “green” building features and a 200-bus capacity. (NYCT, $146.9)

Rolling Stock
- Took delivery of 90 standard diesel buses, Nova pilot. (NYCT, $45.3)

Long Island Rail Road

Major 2011 Commitments

Stations
- Completed design and awarded construction contract for two new elevators and related improvements at the Queens Village station. ($8.5)
- Awarded the design contract for the replacement of a 12-car elevated center-island platform at Massapequa Station. ($20.3, total project budget)
- Solicited designs for phase one of Jamaica Station improvements, which includes platform design and realignment of infrastructure.

Tracks, Switches, and Interlockings
- Awarded the design contract for a new 12-car stub-ended electrified and interlocked pocket track in the Massapequa vicinity. ($19.6, total project budget)
- Began an environmental review of the proposed replacement of the Colonial Road Bridge in Great Neck and extension of an existing pocket track on the Port Washington Branch. ($36.0, proposed budget)
- Continued to gather state and public support for a proposed second track on the main line between Farmingdale and Ronkonkoma.
Major 2011 Completions

Stations

 Completed the replacement of the escalators, along with related improvements at Merrick, Bellmore, and Massapequa Park stations. ($5.8)
 Completed the design for a new ADA-compliant elevator at Atlantic Terminal.
 Completed paving of the parking lots at Kew Gardens and Stony Brook. ($0.5)
 Completed the design for the rehabilitation of the historic Jamaica Station building. ($0.4)

Track

 Completed replacement of the existing Direct Fixation Track Fastening System at Amityville, Copiague, and Lindenhurst. ($53.5)
 Completed cyclical replacement of track structure assets based on track inspections and the lifecycles of the components. ($55.1)

Line Structures

 Completed Phase B2 rehabilitation of the Atlantic Avenue Viaduct between Jamaica Station and Atlantic Terminal in Brooklyn. ($46.8 out of a total budget of $217.0)
 Completed the rehabilitation of six bridge abutments and a pedestrian underpass on the Port Washington Branch at Elmhurst and Corona in Queens. ($30.2)
 Completed the above-deck repair work on the 10-span Queens Blvd. Bridge in Woodhaven. ($11.3)
 Completed the open bridge painting contract, which included 10 bridges. ($5.0)

Shops and Yards

 Completed the rehabilitation and replacement of selected rolling stock support equipment at LIRR’s major shops and yards. ($8.0)

Power

 Activated the new Bellaire substation, the fifth facility completed in a project that includes six state-of-the-art power substations. ($61.3, total project budget)
 Installed a new motor generator at the Grumman substation. ($2.2)
Communications and Signals
- Completed the installation of new “event recorders” at 104 locations. ($6.3)
- Completed the installation and cutover of a microprocessor based signal system at Wantagh and Amityville interlockings as part of the Babylon Branch signal improvement project. ($23.6, total budget project)
- Completed the installation of audio visual paging systems (AVPS) in the remaining 80 of 121 passenger stations. ($31.9)

East Side Access Readiness and Miscellaneous
- Continued a number of activities for East Side Access, including planning and review, track realignments, delivery of the Point Central Instrument Location (CIL), installation of GO2 substation, and construction support for tunneling operations. (See also, MTA Capital Construction, Capital Project Commitments/Completions.)
- Completed a feasibility study of proposed projects to increase future peak capacity through Jamaica Station. ($7.2, total project budget)
- Completed Stage 2 of the four-phase Atlantic Yard project, excavating the north yard and installing utilities.
- Participated in a statewide mentoring program designed to assist small businesses in qualifying for and bidding on MTA contracts. ($3.4, value of LIRR contracts awarded to participants)

Metro-North Railroad

Major 2011 Commitments
Rolling Stock
- Exercised options to order 105 additional M-8 railcars, bringing the total of M-8’s ordered to 405, with 60 cars accepted for service. ($1.0 billion, total project budget, shared with Connecticut DOT)
Continued to upgrade and overhaul eight F40PH-2 locomotives for West of Hudson service, with two locomotives delivered in 2010, three in 2011, and three in 2012. ($11.8, total project budget).

Stations
- Continued Tarrytown station improvements, with completion anticipated in the second quarter of 2012. ($36.5, total project budget, ARRA funded)
- Continued New Haven Line station improvements, completing Phase I rehabilitations at Port Chester and Rye in 2011. ($22.2, total project budget for Phase I & II design and Phase I construction). Will award Phase II contracts second quarter 2012 for rehabilitation of six stations at Harrison, Mamaroneck, Larchmont, New Rochelle, Pelham and Mt. Vernon East. ($34.9, total Phase II project budget)
- Continued rehabilitations of the Croton-Harmon and Peekskill Upper Hudson Line stations, with completions scheduled for third quarter 2012. ($15.4 total project budget)
- Continued design of station capacity improvements at Fordham station in the Bronx, with the completed design due in third quarter 2012. ($3.1, design budget)
- Finalized parking expansion and access improvements at Cortlandt station on the Hudson Line, with completion in first quarter 2012. ($34.8, total project budget)

Structures, Communications, and Other Projects
- Received completed design for the CP109 interlocking in the Bronx, providing five crossovers between the Fordham and Botanical Gardens stations. Construction to commence second quarter 2012. ($1.46 assigned in 2011; $27.6, total project budget)
- Performed designs and surveys for the Positive Train Control System (PTC), to be fully implemented by 2015 in accordance with the Rail Safety Improvement Act of 2008. ($11.9 assigned in 2011; $206.2, Metro-North’s share of total project budget.)
- Continued replacement and repair of under-grade bridges East of Hudson, with work completed at Willet Ave. and Croton River bridges and work ongoing at Saw Mill River, the Harlem River Lift Bridge walkways, Sunnyside Ave., and Hamilton Ave. ($26.4 total project budget)
Continued repairs and replacement to select overhead bridges located East of Hudson. ($6.0, total Metro-North project budget share)

East of Hudson, the replacement/repair of undergrade bridges continued in the current Program, with design award anticipated second quarter of 2012; bridge painting award anticipated first quarter of 2012; and repair of select bridges to commence second quarter of 2012. ($3.6 assigned in 2011; $36.5, total project budget)

Neared completion of a contract to perform inspections and design of replacement wire ropes for the Harlem River Lift Bridge. The project will be combined with another project to replace the bridge’s electrical lift controls. ($24.1, total combined project budget)

Continued design work for a new retaining wall at the Hudson River, with completion of a field investigation in 2011. ($1.1 assigned in 2011; $5.0, total project budget)

Continued inspection and load rating of select under-grade bridges on the Port Jervis Line, with the first phase completed in 2011. ($1.8 assigned in 2011; $11.9 total project budget)

Continued repairs on two viaducts on the Port Jervis Line, completing 50 percent of the Moodna Viaduct repairs, with the Woodbury Viaduct to follow in third quarter 2012. ($5.9 assigned in 2011; $10.0, total project budget)

Neared completion of design for replacement of the New Haven Line power supply station at Bridge 23, with construction due to begin second quarter of 2012. ($10.7 assigned in 2011; $49.3 total project budget)

Awarded construction contract to replace the roofs of the Harmon Shop-Facility and Yard and Harmon Material Distribution Center as part of Phase IV, Stage 1. Preliminary design for Harmon Phase V (new consist tracks) to commence in the fourth quarter of 2012. ($14.6 assigned in 2011; $23.5, total project budget for both phases)
Major 2011 Completions

Stations

- Completed rehabilitation of historic buildings at Port Chester, Tarrytown, Mamaroneck, and Fordham. ($11.3, total project budget)
- Completed Poughkeepsie station building improvements, which included work assigned through the Small Business Mentoring Project. ($18.0, total project budget)
- Completed Port Jervis station improvements. ($2.0, project budget)
- Completed construction of the first phase of the drainage improvements project along the Harlem Line. ($8.7, total project budget)
- Completed superstructure replacement and substructure rehabilitation of the Park Avenue Bridge in Mt. Vernon. ($7.5, total project budget, ARRA funded, administered by NYSDOT, and managed by Metro-North)
- Completed rehabilitation and upgrade of ten passenger elevators in Grand Central Terminal to meet current safety and ADA codes and ADA Requirements. ($7.7, ARRA funded)

Structures, Communications, and Other Projects

- Completed the construction of Phases III and IV at Metro-North's new employee facility at 525 North Broadway, North White Plains, which also houses the new Customer Communications Center. ($32.8, total project and CDOT share of funds)
- Completed employee facilities in Grand Central Terminal. ($25.5, ARRA funded)

MTA Bridges and Tunnels

Major 2011 Commitments

Throgs Neck Bridge

- Awarded repair of suspended spans, including both construction and painting. ($21.2)
• Awarded reconstruction and painting of the Queens approach spans and rehabilitation the orthotropic deck. ($56.8)

**Bronx Whitestone Bridge**
• Awarded deck replacement on the elevated and on-grade Queens approach. ($134.6)

**Robert F. Kennedy (Triborough) Bridge**
• Awarded replacement of roadway wearing surface. ($11.8)
• Awarded reconstruction of the Harlem River Drive ramp to the RFK Bridge, the agency’s first contracted design/build project. ($11.7)
• Awarded deck replacement on the Bronx/Manhattan ramps and relocation of the toll Plaza utility. ($14.0)
• Awarded design phase of the Bronx/Manhattan ramps and toll plaza. ($15.1)

**Verrazano-Narrows Bridge**
• Awarded improvements on the toll plaza and the eastbound and westbound ramps. ($59.6)

**Major 2011 Completions**

**Throgs Neck Bridge**
• Replaced concrete deck, rehabilitated the abutment and retaining walls, and replaced the catwalk at the Queens approach. ($76.7)

**Robert F. Kennedy (Triborough) Bridge**
• Replaced roadway wearing surface. ($12.6)
• Reconstructed the Harlem River Drive ramp. ($11.7)
Fulton Street Transit Center

As of December 2011, $1.321 billion has been committed to the Fulton Street Transit Center, out of a current project total budget of $1.400 billion, of which federal funding accounts for $1.270 billion. All contracts for the FSTC project have been awarded and major projects are underway. Two customer benefit milestones were achieved in 2011: the reopening of the Cortlandt Street R southbound platform and the opening of the new 135 William Street Entrance. Work continues on the reconfiguration of the A/C mezzanine, construction of the Transit Center Building, rehabilitation of the 4/5 Station, finishes for the Dey Street Concourse and R Underpass, and restoration of the Corbin Building. The anticipated completion date for the Transit Center Building itself and the entire project is June 2014.

Second Avenue Subway

As of December 2011, $3.016 billion has been committed to the Second Avenue Subway Phase 1 project, out of a current budget of $4.451 billion for the entire project, of which federal funding is expected to total $1.374 billion. Progress on the major contracts continues. The contract for the excavation and utility relocation in advance of the major excavation and structural work on the 86th Street Station was completed November 2011. The tunnel boring machine contract constructing the two running tunnels between 92nd Street and 63rd Street is expected to be completed in March 2012. One tunnel was connected to the existing 63rd Street station in September 2011. The other tunnel will be connected to the station in early 2012. The contract for track, signals, power, and communications systems was awarded in January 2012. The finishes contract for 96th Street Station is expected to be awarded in 2012. The anticipated revenue service date for the Second Avenue Subway Line is December 2016.
7 Line Extension

- As of December 2011, $2.223 billion has been committed to the 7 Line Extension Project, out of a total project estimate of $2.420 billion, of which the City of New York funding accounts for $2.367 billion. Construction contracts awarded in 2011 include work on vent buildings, construction of City-sponsored development site foundations, reconstruction of the City-sponsored 11th Viaduct, and fit out of the overall systems and finishes. The systems and finishes contract needed to provide revenue service will be complete in June 2014, at which time revenue service will commence. One additional contract, building the secondary entrance, will still be underway at that time.

East Side Access

- As of December 2011, $4.911 billion has been committed to the East Side Access project, out of a current estimate of $7.328 billion for the entire project, plus a rolling stock reserve of $463 million. Federal funding for the project is expected to total $2.699 billion. Two major contracts awarded in 2011 include construction of the Plaza Substation and early finishes work on the new concourse at Grand Central Terminal (GCT). Ongoing construction activities include all tunnels in Manhattan and Queens; station caverns excavation and structural work under GCT; escalator and elevator wells excavation and structural work to connect GCT to the new station caverns; ventilation facilities in Manhattan; a new entrance at 245 Park Avenue; and major infrastructure work within Harold Interlocking and Amtrak’s Sunnyside Yard.

MTA Police Department

Major 2011 Completions

- Opened the new MTA Police Station west of the LIRR’s Central Islip Station, providing a base of operations for the MTA Police Eastern Region District 1 Command. The 16,000-square-foot facility houses 40 patrol officers, detectives, and administrative staff, including the MTA Police K-9 unit and facilities for the Joint Terrorist Task Force. The building also contains space for training and a motor pool.
for the maintenance and repair of the department's emergency response vehicles. ($11.5)

- Completed a new 2,000-square-foot MTA Police Facility in the former Merrick Station building. ($1.5)
The Metropolitan Transportation Authority ("MTA"), a public benefit corporation of the State of New York (the "State"), has the responsibility for developing and implementing a unified mass transportation policy for The City of New York (the "City") and Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties (collectively with the City, the "MTA Commuter Transportation District").

MTA, which had 1,721 employees as of December 31, 2011, carries out these responsibilities directly and through its subsidiaries and affiliates, which are also public benefit corporations. The following entities, listed by their legal names and number of employees as of December 31, 2011, are subsidiaries of MTA:

<table>
<thead>
<tr>
<th>Legal Name</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Long Island Rail Road Company</td>
<td>6,416 employees</td>
</tr>
<tr>
<td>Metro-North Commuter Railroad Company</td>
<td>6,058 employees</td>
</tr>
<tr>
<td>Staten Island Rapid Transit Operating Authority</td>
<td>267 employees</td>
</tr>
<tr>
<td>Metropolitan Suburban Bus Authority</td>
<td>0 employees</td>
</tr>
<tr>
<td>MTA Bus Company</td>
<td>3,306 employees</td>
</tr>
<tr>
<td>MTA Capital Construction Company</td>
<td>Staffed by other MTA agency employees</td>
</tr>
</tbody>
</table>

6As of January 1, 2012, the Metropolitan Suburban Bus Authority (Long Island Bus) ceased operations and had no employees, due to the termination of the Lease and Operating Agreement with the County of Nassau, effective December 31, 2011.

The following entities, listed by their legal names, are affiliates of MTA:

<table>
<thead>
<tr>
<th>Legal Name</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Triborough Bridge and Tunnel Authority</td>
<td>1,798 employees</td>
</tr>
<tr>
<td>New York City Transit Authority, and its subsidiary, the Manhattan and Bronx Surface Transit Operating Authority</td>
<td>46,150 employees</td>
</tr>
</tbody>
</table>
MTA and the foregoing subsidiaries and affiliates are collectively referred to herein, from time to time, as the “Related Entities.” Throughout this section of the Annual Report, the Related Entities are referred to by their popular names, as indicated below.

Certain insurance coverage for the Related Entities is provided by a New York State-licensed captive insurance public benefit corporation subsidiary of MTA, First Mutual Transportation Assurance Company (“FMTAC”).

MTA and its subsidiaries are generally governed by the Metropolitan Transportation Authority Act, being Title 11 of Article 5 of the New York Public Authorities Law, as from time to time amended (the “MTA Act”).

Triborough Bridge and Tunnel Authority is generally governed by the Triborough Bridge and Tunnel Authority Act, being Title 3 of Article 3 of the New York Public Authorities Law, as from time to time amended (the “MTA Bridges and Tunnels Act”).

The New York City Transit Authority and its subsidiary are generally governed by the New York City Transit Authority Act, being Title 9 of Article 5 of the New York Public Authorities Law, as from time to time amended (the “MTA New York City Transit Act”).

Due to the continuing business interrelationship of the Related Entities and their common governance and funding, there are provisions of each of these three acts (the MTA Act, the MTA Bridges and Tunnels Act, and the MTA New York City Transit Act) that affect some or all of the other Related Entities in various ways.

Basic Organizational Structure for MTA Operations

MTA Headquarters (Including the Business Service Center)
MTA Headquarters includes the executive staff of MTA, as well as a number of departments that perform largely all-agency functions, including audit, budget and financial management, capital programs management, finance, governmental relations,
insurance and risk management, legal, planning, procurement, real estate, corporate compliance and ethics, and treasury. In addition, MTA maintains its own Police Department with non-exclusive jurisdiction over all facilities of the Related Entities.

**Transit System**

MTA New York City Transit and its subsidiary MaBSTOA operate all subway transportation and most of the public bus transportation provided within the City (the “Transit System”).

**Commuter System**

MTA Long Island Rail Road and MTA Metro-North Railroad operate commuter rail services in the MTA Commuter Transportation District (the “Commuter System”).

- MTA Long Island Rail Road operates commuter rail service between the City and Long Island and within Long Island.
- MTA Metro-North Railroad operates commuter rail service between the City and the northern suburban counties of Westchester, Putnam, and Dutchess; from the City through the southern portion of the State of Connecticut; through an arrangement with New Jersey Transit, the Port Jervis and Pascack Valley commuter rail services to Orange and Rockland Counties; and within such counties and the State of Connecticut.

**MTA Bus**

MTA Bus operates certain bus routes in the City formerly served by seven private bus operators pursuant to franchises granted by the City (the “MTA Bus System”).

**MTA Long Island Bus**

Pursuant to a lease and operating agreement with the County of Nassau (“the County”), MTA Long Island Bus formerly operated bus service in the County. MTA Long Island Bus operations ceased as of December 31, 2011, the date the lease and operating agreement terminated.
MTA Staten Island Railway
Staten Island Railway operates a single rapid transit line extending from the Staten Island ferry terminal at St. George to the southern tip of Staten Island.

MTA Bridges and Tunnels
MTA Bridges and Tunnels operates all nine of the intra-State toll bridges and tunnels in the City.

MTA Capital Construction
MTA Capital Construction is responsible for the planning, design, and construction of current and future major MTA system expansion projects for the other Related Entities, including East Side Access (bringing MTA Long Island Rail Road into Grand Central Terminal), extension of the No. 7 subway line from Times Square south to 34th Street and Eleventh Avenue in Manhattan, the Lower Manhattan Fulton Street Transit Center, system-wide capital security projects, and the Second Avenue Subway.

The legal and popular names of the Related Entities are as follows:

<table>
<thead>
<tr>
<th>Legal Name</th>
<th>Popular Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metropolitan Transportation Authority</td>
<td>MTA</td>
</tr>
<tr>
<td>New York City Transit Authority</td>
<td>MTA New York City Transit</td>
</tr>
<tr>
<td>Manhattan and Bronx Surface Transit Operating Authority</td>
<td>MaBSTOA</td>
</tr>
<tr>
<td>Staten Island Rapid Transit Operating Authority</td>
<td>MTA Staten Island Railway</td>
</tr>
<tr>
<td>MTA Bus Company</td>
<td>MTA Bus</td>
</tr>
<tr>
<td>Metropolitan Suburban Bus Authority</td>
<td>MTA Long Island Bus</td>
</tr>
<tr>
<td>The Long Island Rail Road Company</td>
<td>MTA Long Island Rail Road</td>
</tr>
<tr>
<td>Metro-North Commuter Railroad Company</td>
<td>MTA Metro-North Railroad</td>
</tr>
<tr>
<td>MTA Capital Construction Company</td>
<td>MTA Capital Construction</td>
</tr>
<tr>
<td>Triborough Bridge and Tunnel Authority</td>
<td>MTA Bridges and Tunnels</td>
</tr>
</tbody>
</table>
Governance of the MTA

Pursuant to statute, MTA’s Board consists of a Chairman and 16 other voting Members, two non-voting Members and four alternate non-voting Members, all of whom are appointed by the Governor with the advice and consent of the State Senate. The four voting Members required to be residents of the counties of Dutchess, Orange, Putnam, and Rockland, respectively, cast only one collective vote. The other voting Members, including the Chairman, cast one vote each (except that in the event of a tie vote, the Chairman shall cast one additional vote). Members of MTA are, ex officio, the Members or Directors of the other Related Entities and FMTAC. In accordance with legislative amendments enacted in 2009, the Chairman is also the Chief Executive Officer of MTA and is responsible for the discharge of the executive and administrative functions and powers of the Related Entities. The Chief Executive Officer of MTA is, ex officio, the Chairman and Chief Executive Officer of the other Related Entities.

As of December 31, 2011, the following Committees of the Board assist the Chairman and the Board in discharging their responsibilities: (1) the Audit Committee; (2) the Finance Committee; (3) the Committee on Operations of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority and the Staten Island Rapid Transit Operating Authority; (4) the Committee on Operations of the Metro-North Commuter Railroad; (5) the Committee on Operations of the Long Island Railroad and the Metropolitan Suburban Bus Authority; (6) the Committee on Operations of the Triborough Bridge and Tunnel Authority; (7) the Capital Program Oversight Committee; (8) the Committee on Operations of the Bus Division of New York City Transit Authority, MTA Bus Company, Metropolitan Suburban Bus Authority and Manhattan and Bronx Surface Transit Operating Authority; (9) the Security Committee; (10) the Diversity Committee; and (11) the Corporate Governance Committee.

Board Members are assigned by the Chairman to serve as chairperson or as a member of several committees. The following chart sets forth the Committee Assignments for each MTA Board Member on December 31, 2011.
<table>
<thead>
<tr>
<th>Board Members</th>
<th>Committees</th>
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<tbody>
<tr>
<td>Andrew M. Saul, (Acting Chairman and Chief Executive Officer and Vice Chairman)</td>
<td>AC AC AC AC AC AC</td>
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<tr>
<td>Andrew Albert</td>
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<tr>
<td>Jonathan A. Ballan</td>
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<td>John H. Banks III</td>
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<td>Robert C. Bickford</td>
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<td>James F. Blair</td>
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<td>Norman E. Brown</td>
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<td>Allen P. Cappelli</td>
<td>AC</td>
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<tr>
<td>Fernando Ferrer</td>
<td>AC</td>
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<td>Patrick J. Foye</td>
<td>AC</td>
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<tr>
<td>Ira R. Greenberg</td>
<td>AC</td>
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<tr>
<td>Jeffrey A. Kay</td>
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<tr>
<td>Mark D. Lebow</td>
<td>AC</td>
</tr>
<tr>
<td>Susan G. Metzger</td>
<td>AC</td>
</tr>
<tr>
<td>Charles G. Moerdler</td>
<td>AC</td>
</tr>
<tr>
<td>Mark Page</td>
<td>AC</td>
</tr>
<tr>
<td>Mitchell H. Pally</td>
<td>AC</td>
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<tr>
<td>James L. Sedore Jr.</td>
<td>AC</td>
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<tr>
<td>Nancy Shevell</td>
<td>AC</td>
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<tr>
<td>Vincent Tessitore, Jr.</td>
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<tr>
<td>Ed Watt</td>
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<tr>
<td>Carl V. Wortendyke</td>
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</tbody>
</table>

† C = Committee Chairperson  † CC = Committee Co-Chairperson  † AC = Acting Chairperson  † = Committee Member

7 Joseph J. Lhota is the Chairman and Chief Executive Officer of the MTA, effective January 9, 2012. In 2011, from January 1 until his resignation on October 20, Jay H. Walder served as Chairman and Chief Executive Officer. Andrew M. Saul served as Acting Chairman and Chief Executive Officer from October 21, 2011 until January 9, 2012, the date the New York State Senate confirmed Governor Cuomo’s appointment of Joseph J. Lhota as Chairman and Chief Executive Officer. Joseph J. Lhota served as Executive Director from November 16, 2011 until his Senate confirmation on January 9, 2012.
The MTA Board held eleven (11) meetings in 2011. The following chart sets forth the meetings of the MTA Board and the attendance of each Board Member at those meetings.

<table>
<thead>
<tr>
<th>Board Members</th>
<th>Meeting Dates</th>
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<tr>
<td>------------------------------------</td>
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</tr>
<tr>
<td>Jay H. Walder, Former Chairman</td>
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<tr>
<td>Andrew Saul (Acting Chairman and Chief Executive Officer and Vice Chairman) ³</td>
<td>x</td>
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<tr>
<td>Andrew Albert *</td>
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<tr>
<td>Jonathan A. Ballan</td>
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<tr>
<td>John H. Banks III</td>
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<td>Robert C. Bickford (1/4)</td>
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<td>James F. Blair *</td>
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<td>Norman E. Brown *</td>
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<td>Allen P. Cappelli</td>
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<td>Donald Cecil</td>
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<td>Patrick J. Foye</td>
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<td>Doreen M. Frasca</td>
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<td>Ira R. Greenberg*</td>
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<td>Jeffrey A. Kay</td>
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<td>Carl V. Wortendyke (1/4)</td>
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</tr>
</tbody>
</table>

1/4 = Casts one collective vote  
* = A non-voting Member  
= Period during which not a Board Member  
= Absent from meeting

³ See footnote 7 above.
General Note
The MTA and its affiliates and subsidiaries maintain extensive property, liability, force account, construction and other insurance, which is described in Appendix A to the MTA’s Combined Continuing Disclosure Filings. Monetary claims described below may be covered in whole or in part by insurance, subject to the individual retentions associated with such insurance.

The MTA
Mobility Tax Litigation
The MTA, along with the State of New York and various officials of the State of New York (the “State Defendants”), has been defending several actions commenced in New York State Supreme Court challenging the constitutionality of the legislation that enacted the payroll mobility tax (Chapter 25 of the Laws of 2009). Chapter 25 of the Laws of 2009, among other things, imposes a tax on payrolls (the Mobility Tax) and certain other taxes and fees within the Metropolitan Commuter Transportation District, to provide funding supporting mass transportation to the MTA. The plaintiffs include five counties - Suffolk, Nassau, Westchester, Rockland, and Putnam - a number of towns and villages, a public school district, and certain private plaintiffs. The actions (listed by abbreviated caption) are: Hampton Transportation Ventures, Inc. v. Silver; Town of Southampton and Town of Southold v. Silver; Town of Brookhaven v. Silver; Town of Huntington v. Silver; William Floyd Union Free School District v. State of New York; Mangano and County of Nassau v. Silver; Vanderhoef and County of Rockland v. Silver; and Town of Smithtown v. Silver.

On September 15, 2011, summary judgments were granted to MTA and the State Defendants, who are represented by the State Attorney General, ordering dismissal of the
lawsuits in three of the proceedings: *Town of Brookhaven v. Silver; Town of Huntington v. Silver;* and *Town of Southampton and Town of Southold v. Silver.* In addition, stipulations to discontinue their actions with prejudice were signed by the plaintiffs in the *Hampton Transportation Ventures* action on October 21, 2011 and in the *William Floyd Union Free School District* action on January 19, 2012. The Towns of Brookhaven and Huntington are appealing the orders dismissing their lawsuits; the Towns of Southampton and Southold are not. Summary judgment motions have also been submitted by the MTA and the State Defendants in the *Vanderhoef/County of Rockland* action; those motions are pending. In the remaining two actions (commenced by the County of Nassau and the Town of Smithtown), which were consolidated, the MTA and the State Defendants have appealed the Court’s denial of motions to change the venue of the action from Nassau County to Albany County. In March 2012, Nassau County and other plaintiffs served motions for summary judgment returnable in Supreme Court, Nassau County on April 4, 2012. The MTA intends to oppose those motions and to cross-move for summary judgment against all plaintiffs.

The MTA, based upon its review of the claims asserted, believes all of these noted lawsuits challenging the constitutionality and legality of Chapter 25 of the Laws of 2009 lack merit, and the MTA intends to continue to defend vigorously in the remaining actions, the outcomes of which must await further determinations by the courts.

*County of Nassau v. MTA, Long Island Rail Road, and MTA Long Island Bus*

MTA moved successfully for summary judgment in this state court action commenced by Nassau County, which sought to declare illegal, void, and unenforceable two capital funding agreements Nassau County entered into in 1996 and 1999 with MTA, MTA Long Island Rail Road, and MTA Long Island Bus. An order and judgment dismissing Nassau County’s complaint and awarding MTA judgment on its counterclaims in the amount of $18.666 million were entered on March 8, 2011. Nassau County has appealed both the judgment and the denial of its subsequent motion for leave to renew and reargue. On Nassau County’s motion, those appeals have been consolidated and Nassau County has perfected its appeal. MTA cannot determine the final outcome of the matter at this time.
Lockheed Martin Transportation Security Solutions v. MTA Capital Construction and MTA

The MTA is a defendant, along with MTA Capital Construction, in an action brought in April 2009 by Lockheed Martin Transportation Security Solutions (Lockheed) in federal district court in Manhattan. Lockheed initially sought judgment declaring that MTA and MTA Capital Construction were in breach of its contract for furnishing and installing an integrated electronic security (IESS) program, and an order terminating Lockheed’s obligations. Following MTA’s termination of its contract, Lockheed amended its complaint to seek damages for delay and disputed work items ($80 million and later revised to $93 million) or, alternatively, for the alleged “reasonable value of work performed” by Lockheed ($137 million, later revised to $149 million) based on its claim that MTA wrongfully terminated the contract. MTA and MTA Capital Construction are vigorously contesting Lockheed’s claims for money damages and have counterclaimed, alleging that Lockheed materially breached the contract and seeking damages which are estimated to exceed $141 million. Discovery in this lawsuit is scheduled for completion in late April, 2012, with motion requests and/or pre-trial submissions to follow. MTA cannot determine the final outcome of the litigation at this time.

In July 2009, Lockheed’s performance bond sureties on the contract commenced a related action in federal district court in Manhattan against Lockheed and the MTA defendants, alleging that they are unable to conclude that the conditions to their obligations under the bond have been satisfied. They seek a declaration of the rights and obligations of the parties under the bond. (Travelers Casualty and Surety Company, et. al v. MTA, MTA Capital Construction, New York City Transit, et. al.) MTA and MTA Capital Construction answered and counterclaimed against the sureties, seeking damages in connection with the sureties’ violation of their bond obligations in an amount to be determined at trial. The matter has been consolidated with the Lockheed action and is in the discovery stage. MTA cannot determine the outcome of the litigation at this time.
Actions for Personal Injuries/Property Damage/Workers’ Compensations
As of December 31, 2011, there were approximately 37 actions pending against the MTA claiming damages for personal injuries sustained while on duty, including actions under the Federal Employers’ Liability Act (FELA), no-fault cases, and other torts. Also as of that date, there were approximately 241 pending Workers’ Compensation cases.

Transit System
Actions for Personal Injuries/Property Damage
As of December 31, 2011, MTA NYC Transit and MaBSTOA had an active inventory of approximately 8740 personal injury claims and lawsuits and approximately 2100 property damage matters arising out of the operation and administration of the Transit System. In addition, with respect to the Access-A-Ride (Paratransit) program, as of December 31, 2011, there was an active inventory of approximately 977 personal injury cases and approximately 153 property damage cases arising out of the operation of vehicles leased to outside vendors that provide Access-A-Ride service. Access-A-Ride claims are covered by a commercial policy which in 2011 had policy limits of $3 million per occurrence, subject to a $1 million deductible.

As of December 31, 2011, the Staten Island Rapid Transit Operating Authority (“SIRTOA”), had a pending inventory of 31 claims and lawsuits relating to personal injury and property damage arising from the operations of SIRTOA.

Workers’ Compensation and No-Fault
As of December 31, 2011, MTA New York City Transit and MaBSTOA had an active inventory of approximately 12,784 Workers’ Compensation cases and approximately 4,171 no-fault cases. As of December 31, 2011, there were 13 Workers’ Compensation cases for SIRTOA employees that had been classified as permanently disabled, entitling the claimants to continuing monthly benefits and payment of future related medical expenses, as well as two death cases.
Actions Relating to the Transit Capital Program

MTA New York City Transit has received claims from several contractors engaged in work on various Capital Program projects. The aggregate amount demanded by all such claimants, if recovered in full, could result in an increase in the cost of the capital projects that are the subject of such disputes. The capital program contemplates the payment of such claims from project-specific and general program contingency funds, as well as other available monies pledged for capital purposes.

Commuter System

Actions for Personal Injuries/Property Damage

As of December 31, 2011, MTA Metro-North Railroad had an active inventory of approximately 461 personal injury claims and lawsuits arising out of the operation and administration of the MTA Metro-North Railroad, of which 218 were the result of claims filed by employees pursuant to the Federal Employers’ Liability Act (FELA), and approximately 243 were claims filed by third parties. Also, as of that date, there were 8 pending property damage cases.

As of December 31, 2011, MTA Long Island Rail Road had an active inventory of approximately 1731 personal injury claims and lawsuits arising out of the operation and administration of the MTA Long Island Rail Road, of which 1069 were the result of claims filed by employees pursuant to FELA, and approximately 662 were claims filed by third parties. Also, there were approximately 199 pending property damage matters.

Actions Relating to the Commuter Capital Program

From time to time, MTA Long Island Rail Road and MTA Metro-North Railroad receive claims relating to various Capital Program projects. In general, the aggregate amount demanded by all such claimants, if recovered in full, could result in a material increase in the cost of the capital projects that are the subject of such disputes. The capital program contemplates the payment of such claims from project-specific and general program contingency funds, as well as other available moneys pledged for capital purposes.
MTA Bridges and Tunnels


This class action was filed in the United States District Court for the Southern District of New York in February 2006, alleging unequal treatment by the MTA and MTA Bridges and Tunnels as a result of toll collection policy at the Verrazano-Narrows Bridge, Cross Bay Veterans Memorial Bridge, and Marine Parkway-Gil Hodges Memorial Bridge. The complaint alleges that the toll collection policy, which allows discounts for Staten Island and Broad Channel and Rockaway peninsula residents by statute and decision of the Board, unfairly discriminates against out-of-state residents and New Yorkers who do not live in those geographic areas. The complaint alleges violations of the Commerce, Privileges and Immunities, and Equal Protection Clauses of the U.S. Constitution, as well as the Equal Protection Clause of the New York State Constitution. The complaint seeks relief which includes: certification of the class of plaintiffs; a judgment declaring the toll collection policy unconstitutional; a preliminary and permanent injunction; restitution to the class of plaintiffs; and attorney’s fees. Plaintiffs’ motion for class certification was decided by Judge Jones in a memorandum and order filed on October 5, 2011, which bifurcated the action into “liability” and “damages” phases; certified a class seeking only injunctive and declaratory relief for purposes of the liability phase; and deferred decision on whether, if plaintiffs succeed in the liability phase, a class could be certified for purposes of claims seeking damages. By opinion and order dated January 23, 2012, Judge Engelmayer, to whom the case has been transferred, granted defendants’ motion for reconsideration of the certified class to exclude persons who lack standing to sue including current residents of Staten Island, the Rockaway Peninsula, and Broad Channel, persons who no longer have a driver’s license, and persons who have not crossed any of the bridges at issue within the two years preceding October 5, 2011. Pursuant to an amended scheduling order, any dispositive motion by plaintiffs is due within 255 days of the January 31, 2012 deadline for completion of defendants’ document production with defendants’ response and any cross motion due 285 days after such deadline.

The authorities believe that the challenged toll discounts are constitutional. The toll discounts are, with minor exceptions, mandated by sections 553-f, 553-h and 553-i of the Public Authorities Law, which require substantial discounts and exemptions from the
regular tolls for residents of these communities. In the authorities’ view, the Legislature’s decision to grant residents of these communities relief from the full impact of the toll structure, and certain related decisions by the authorities’ Board, represent appropriate transportation policy and do not involve any unconstitutional discrimination. The final outcome of the matter cannot be determined at this time.

This putative class action was commenced in January 2011 in the United States District Court for the Southern District of New York. The complaint alleges that MTA Bridges and Tunnels is charging purportedly excessive and unreasonable tolls on its facilities and that various provisions of the United States Constitution and the common law of New York State are violated by the transfer of toll revenue to the MTA and MTA New York City Transit because the subsidized transit services are not functionally related to MTA Bridges and Tunnels’ facilities for motor vehicles. The defendants’ answer, filed on April 18, 2011, denies the material allegations and asserts various defenses. In August 2011, the court established a one-year discovery period. Defendants intend to continue to vigorously defend the action. These surplus fund transfers are mandated by sections 569-c and 1219-a of the Public Authorities Law. In defendants’ view, the Legislature’s decision represents a lawful and appropriate transportation policy. The final outcome of this matter cannot be determined at this time.

Actions for Personal Injuries/Property Damage
As of December 31, 2011, MTA Bridges and Tunnels had an active inventory of approximately 100 personal injury claims and lawsuits (including intentional torts such as false arrest) and approximately 5 property damage matters arising out of the operation and administration of the MTA Bridges and Tunnels facilities (including construction).

Workers’ Compensation and No-Fault
As of December 31, 2011, MTA Bridges and Tunnels had an active inventory of approximately 400 Workers’ Compensation cases and approximately 3 no-fault cases.
Actions Relating to MTA Bridges and Tunnels’ Capital Program
From time to time, MTA Bridges and Tunnels receives claims relating to various Capital Program projects. In general, the aggregate amount demanded by all such claimants, if recovered in full, could result in a material increase in the cost of the capital projects that are the subject of such disputes. The capital program contemplates the payment of such claims from project-specific and general program contingency funds, as well as other available moneys pledged for capital purposes.

MTA Bus
As of December 31, 2011, MTA Bus had an active inventory of approximately 721 personal injury claims and lawsuits, approximately 1425 property damage matters, approximately 634 no-fault cases arising out of the operation and administration of the MTA Bus System, and approximately 467 Workers’ Compensation cases.

MTA Long Island Bus
Actions for Personal Injuries/Property Damage
As of December 31, 2011, MTA Long Island Bus had an active inventory of 398 personal injury claims and lawsuits, 101 property damage matters, and 36 open no-fault claims arising out of the operation and administration of the LI Bus System.

Workers’ Compensation and No-Fault
As of December 31, 2011, MTA Long Island Bus had approximately 259 Workers’ Compensation cases.