### Section 1—Operations and Performance

**Performance**

NYC Transit (Subways and Buses) ■ Long Island Rail Road ■ Metro-North Railroad ■ MTA Bus Company ■ Bridges and Tunnels

### Section 2—Accomplishments and Initiatives

**Customer Service Initiatives**

Interagency ■ NYC Transit (Subways) ■ MTA Bus Operations (NYCT Department of Buses, MTA Bus Company) ■ Long Island Rail Road ■ Metro-North Railroad ■ Bridges and Tunnels

**Operations/Technology Initiatives**

Interagency ■ NYC Transit (Subways) ■ MTA Bus Operations (NYCT Department of Buses, MTA Bus Company) ■ Long Island Rail Road ■ Metro-North Railroad ■ Bridges and Tunnels

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

Interagency ■ NYC Transit (Subways) ■ MTA Bus Operations (NYCT Department of Buses, MTA Bus Company) ■ Long Island Rail Road ■ Metro-North Railroad ■ Bridges and Tunnels

**Safety/Security Initiatives**

Interagency: MTA Police Department ■ NYC Transit (Subways) ■ MTA Bus Operations (NYCT Department of Buses, MTA Bus Company) ■ Long Island Rail Road ■ Metro-North Railroad ■ Bridges and Tunnels

**Cost Cutting/Revenue Initiatives**

Interagency ■ NYC Transit (Subways) ■ MTA Bus Operations (NYCT Department of Buses, MTA Bus Company) ■ Long Island Rail Road ■ Metro-North Railroad ■ Bridges and Tunnels
Section 3—Capital Projects Commitments/Completions

2010-2014 Capital Program  49

Capital Program Progress  50
Funding Received Through December 31, 2014 ▪ Capital Program Progress, 1982-2014 ▪ Capital Program Progress, 2014

New York City Transit (Subways)  52
Major 2014 Commitments ▪ Major 2014 Completions

MTA Bus Operations (NYCT Dept. of Buses, MTA Bus Company)  57
Major 2014 Commitments ▪ Major 2014 Completions

Long Island Rail Road  58
Major 2014 Commitments ▪ Major 2014 Completions

Metro-North Railroad  64
Major 2014 Commitments ▪ Major 2014 Completions

MTA Bridges and Tunnels  69
Major 2014 Commitments ▪ Major 2014 Completions

MTA Capital Construction  71
Fulton Center ▪ Second Avenue Subway ▪ 7 Line Extension ▪ East Side Access

Section 4—Description of the MTA and the MTA Board Structure  73

Description of the MTA and the MTA Board Structure
Numbers of Employees ▪ Basic Organizational Structure of MTA Operations ▪ Governance of the MTA ▪ Board Members and Committee Assignments ▪ Board Members’ Attendance

Section 5—Material Pending Litigation Report  80

Material Pending Litigation Report
General Note ▪ The MTA ▪ Transit System ▪ Commuter System ▪ MTA Bridges and Tunnels ▪ MTA Bus ▪ MTA Long Island Bus
The Following Reports Are Attached

- Financial Reports
- All Agency and Board Codes of Ethics
- Asset and Service Report 2014
- Compensation Schedule and Biographical Information Reports
- Bond Rating Reports
- Consolidated Financial Statements
- Governance Principles and By-Laws
- Grant Report 2014
- MTA Legislation
- Mission Statement and Measurement Report
- Management Assessment of the Effectiveness of Internal Controls
- Real and Personal Property Reports with Guidelines
- Board Self-Assessment Report
This section of the Annual Report summarizes ridership and other performance data for the twelve-month period ending December 31, 2014. (See also, the “Mission Statement, Measurement, and Performance Indicator Report,” Public Authorities Law Sections 1269-f and 2824-a.) Overall ridership on the subways, buses, and railroads operated by the Metropolitan Transportation Authority (MTA) rose in 2014 to a record 2.72 billion trips for customers throughout the downstate region, a 1.5-percent increase over 2013. At 1.75 billion rides, NYCT Subway saw its highest ridership levels since 1948. Traffic on MTA Bridges and Tunnels rose 0.7 percent in 2014 to a record 286.4 million crossings.

In addition to regular operations and 2014 initiatives, covered in Section 2 of this report, the MTA undertook a number of steps during the year to address critical issues in the coming decades. In July 2014, Governor Andrew Cuomo asked the MTA to convene a blue-ribbon panel to review the MTA’s most pressing future challenges. The MTA created the Transportation Reinvention Commission (TRC), a panel of 24 experts in transportation, planning, finance, and other disciplines, to examine major challenges facing the MTA, including record ridership growth, demographic shifts, funding issues, and climate change. The panel solicited public input at a three-day conference and through online media, generating nearly one million online impressions. The commission’s final report is available at www.mta.info.

On September 24, 2014, the proposed MTA 2015-2019 Capital Plan was approved by the MTA Board. The plan was vetoed without prejudice by the Capital Program Review Board (CPRB) on October 2, 2014. At the time of this report, efforts continue to advance the 2015-2019 Capital Program. The current status of MTA agency projects and MTA megaprojects under the MTA

---

Because of the timing of the “Mission Statement,” the performance data in that report are subject to subsequent reconciliation and adjustment as data is finalized by each agency over the course of the year. For that reason, some of the data reported in the “Mission Statement” have been adjusted in this report to reflect the most recent 2014 performance data, as of March 15, 2015.
2010-2014 Capital Plan, which includes the largest system expansions in over 60 years, is covered in Section 3 of this report. All agencies continued to carry out longterm repairs and flood–mitigation projects stemming from Superstorm Sandy in 2012, which are listed as amendments to the 2010-2014 Capital Plan.

Also in 2014, the MTA undertook a number of major safety initiatives following a series of rail incidents in 2013 and 2014. These included extensive, point-by-point responses to directives from state and federal agencies, as well as recommendations of the MTA Blue Ribbon Panel on Safety. In addition to the Safety/Security Initiatives listed by agency in Section 2 of this report, the MTA created and filled the new position of MTA Chief Safety Officer reporting directly to the MTA Chairman and CEO.

Reported in Section 1 below are the 2014 performance measurement results for each of the principal MTA agencies providing subway, bus, commuter rail, and bridge-and-tunnel crossing services. Please note that as part of its public transparency initiatives, the MTA regularly updates Performance Dashboards posted 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 Company (MTA Bus); and MTA Bridges and Tunnels. Performance in all categories is measured monthly and compared to published goals.
New York City Transit—2014 Performance

Ridership on NYCT Subways surpassed last year’s record by 43.7 million rides, reaching over 1.75 billion rides in 2014, with several lines running near “rush hour” levels throughout much of the day. On 29 individual weekdays in 2014 the average subway ridership exceeded 6 million. This represents the highest annual subway ridership in New York City since 1948.

NYCT Subways made significant progress in 2014 on recovery and mitigation projects related to Superstorm Sandy. These include the reconstruction of two under-river tunnels damaged in the storm: the Montague Street Tunnel (R Line) between Brooklyn and lower Manhattan and the Greenpoint Tunnel (G Line) between Brooklyn and Queens. Also in 2014, NYCT Subways continued implementation of its highly effective FASTRACK program, which schedules nighttime shutdowns on subway line segments for faster, safer, and more comprehensive repairs and maintenance.

NYCT Bus ridership was negatively affected by severe winter weather in January and February 2014, but remained close to 2013 levels for the rest of the year. Total bus ridership decreased 1.6 percent in 2014 from the previous year. NYCT Bus continued the successful implementation of “MTA Bus Time,” which provides customers with real-time bus status on web and mobile devices. With the final rollout of the system in Queens and Brooklyn in April 2014, “MTA Bus Time” is now fully operational on all bus lines. In addition, a new in-house adaptation of the program, “MTA Bus Trek” is now being used by dispatchers to coordinate bus operations in real-time for more efficient routing and service.
**New York City Transit**

<table>
<thead>
<tr>
<th>Performance Key</th>
<th>At or above target</th>
<th>Below target by less than 5%</th>
<th>Below target by 5% or more</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Service Indicators</th>
<th>2014 Target</th>
<th>2014 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Time Performance - Subways</td>
<td>91.9%</td>
<td>74.0%</td>
<td>-17.9%</td>
</tr>
<tr>
<td>Wait Assessment - Subways</td>
<td>80.7%</td>
<td>78.8%</td>
<td>-1.9%</td>
</tr>
<tr>
<td>Elevator Availability - Subways</td>
<td>96.5%</td>
<td>96.5%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Escalator Availability - Subways</td>
<td>95.2%</td>
<td>95.1%</td>
<td>-0.1%</td>
</tr>
<tr>
<td>Total Ridership – Subways</td>
<td>1,735,591,000</td>
<td>1,751,287,621</td>
<td>0.9%</td>
</tr>
<tr>
<td>Mean Distance Between Failures – Subways (miles)</td>
<td>166,000</td>
<td>141,202</td>
<td>-14.9%</td>
</tr>
<tr>
<td>Mean Distance Between Failures - Staten Island Railway (miles)</td>
<td>180,000</td>
<td>74,358</td>
<td>-58.7%</td>
</tr>
<tr>
<td>On-Time Performance - Staten Island Railway</td>
<td>95.0%</td>
<td>91.4%</td>
<td>-3.6%</td>
</tr>
<tr>
<td>% of Completed Trips - NYCT Bus</td>
<td>99.4%</td>
<td>99.0%</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Total Paratransit Ridership - NYCT Bus</td>
<td>10,155,000</td>
<td>8,884,282</td>
<td>-12.5%</td>
</tr>
<tr>
<td>Bus Passenger Wheelchair Lift Usage - NYCT Bus</td>
<td>1,446,813</td>
<td>1,463,940</td>
<td>1.2%</td>
</tr>
<tr>
<td>Total Ridership - NYCT Bus</td>
<td>688,985,000</td>
<td>667,051,170</td>
<td>-3.2%</td>
</tr>
<tr>
<td>Mean Distance Between Failures - NYCT Bus (miles)</td>
<td>4,808</td>
<td>4,221</td>
<td>-12.2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Safety Indicators</th>
<th>2014 Target</th>
<th>2014 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Injury Rate – Subways (per million)</td>
<td>2.45</td>
<td>2.64</td>
<td>7.7%</td>
</tr>
<tr>
<td>Customer Accident Injury Rate - NYCT Bus (per million)</td>
<td>1.11</td>
<td>1.16</td>
<td>4.7%</td>
</tr>
<tr>
<td>Collisions with Injury Rate - NYCT Bus (per million miles)</td>
<td>7.33</td>
<td>6.50</td>
<td>-11.3%</td>
</tr>
<tr>
<td>Employee Lost-Time and Restricted-Duty Rate (per 100 employees)</td>
<td>3.20</td>
<td>3.38</td>
<td>5.6%</td>
</tr>
</tbody>
</table>

Note: MTA performance data are subject to periodic adjustment. Some data may have been updated subsequent to the 2014 “Mission Statements” PAL §1269-f report and earlier documents.
Long Island Rail Road—2014 Performance

The LIRR experienced strong ridership growth in 2014 for the third consecutive year, finishing the year with 85.9 million passengers, a 3.0-percent increase over the previous year. A steadily improving economy and popular service to Barclays Center in Brooklyn contributed to the increase. While commuter travel remained strong, weekend and other “leisure-market” ridership grew dramatically by 14.0 percent. The year kicked off with an early ridership boost spurred by Superbowl XLVIII events. In June, LIRR saw major ridership gains at Belmont Park, carrying 76,000 customers to and from the 2014 Belmont Stakes, a 112-percent increase over 2013. In November, the LIRR restored weekend and holiday service on the West Hempstead Branch for the first time since 2010.

In July, Governor Andrew Cuomo and MTA Chairman and CEO Thomas Prendergast announced a new six-and-a-half-year contract for eight LIRR unions, settling a four-year-old contract dispute and averting a strike that would have inconvenienced thousands of Long Islanders. The agreement provided the 17.0-percent wage increase recommended by the Presidential Emergency Board and included the first-ever healthcare contributions from the 5,400 workers that make up the eight unions, helping to secure MTA’s long-term financial stability and commuter services.

The LIRR earned national recognition from the federal Transportation Security Administration (TSA), winning the 2014 “Gold Standard Award,” the TSA’s highest security rating. Issued annually to only five U.S. transit agencies, the award is based on the TSA’s evaluation of security protocols, including employee training procedures, emergency drills with fire and rescue units, public outreach efforts, and programs for employee background checks. The LIRR also received the award in 2010.
## Long Island Rail Road

<table>
<thead>
<tr>
<th>Service Indicators</th>
<th>2014 Target</th>
<th>2014 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Time Performance</td>
<td>95.1%</td>
<td>92.0%</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Elevator Availability</td>
<td>96.0%</td>
<td>98.3%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Escalator Availability</td>
<td>95.0%</td>
<td>97.3%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Total Ridership</td>
<td>84,271,552</td>
<td>85,868,246</td>
<td>1.9%</td>
</tr>
<tr>
<td>Mean Distance Between Failures (miles)</td>
<td>150,000</td>
<td>206,226</td>
<td>37.5%</td>
</tr>
</tbody>
</table>

## Safety Indicators

<table>
<thead>
<tr>
<th>Safety Indicators</th>
<th>2014 Target</th>
<th>2014 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Injury Rate (per million)</td>
<td>5.49</td>
<td>6.28</td>
<td>14.4%</td>
</tr>
<tr>
<td>Employee Lost-Time and Restricted-Duty Rate (per 200,000 worker hours)</td>
<td>2.60</td>
<td>3.79</td>
<td>45.8%</td>
</tr>
</tbody>
</table>

**Note:** MTA performance data are subject to periodic adjustment. Some data may have been updated subsequent to the 2014 “Mission Statements” PAL §1269-f report and earlier documents.
Metro-North—2014 Performance

Early in 2014, Metro-North established a “100-Day Action Plan” in response to a series of derailments and incidents in 2013. Developed with input from the Federal Railroad Administration (FRA), the National Transportation Safety Board (NTSB), the MTA Blue Ribbon Panel on Safety, elected officials, and other key parties, the plan set forth 32 initiatives, all of which Metro-North either completed or began within the 100-day timeframe. Metro-North is fully committed to carrying out these initiatives, while maintaining a relentless focus on the safety of customers, employees, and neighbors. With these and other measures, Metro-North has begun the work of returning the railroad to its “best-in-class” status. (See also, Metro-North Safety/Security Initiatives)

Metro-North’s total ridership of 85.2 million in 2014 was the highest in the railroad’s history. The East-of-Hudson ridership of 83 million surpassed the previous record of 81.8 million set in 2013. The Hudson Line was the fastest growing line with a 2.3-percent increase and a record 16.2 million customers. The New Haven Line was up 1.6 percent with 39.6 million riders, surpassing last year’s record by 0.6 million customers. The Harlem Line grew 0.7 percent with 27.1 million customers. Commutation ridership grew 0.5 percent, while non-commutation ridership increased 2.7 percent.

Combined ridership on the three Metro-North-operated connecting services (Haverstraw-Ossining Ferry, Newburgh-Beacon Ferry, and Hudson Rail Link) decreased by 1.2 percent in 2014 to just over 0.53 million riders, with increases on the rail link offset by decreases on both ferries. West-of-Hudson ridership rose by 6.8 percent to 1.7 million, with a 3.6-percent increase on the Port Jervis Line and a 12.2-percent surge on the Pascack Valley Line. The increases are attributable to reliable service, an improving economy, and customers returning after the disruptions of Superstorm Sandy and other weather events.

Metro-North’s systemwide “on-time performance” (OTP) for 2014 totaled 91.5 percent, down from 94.8 percent in 2013 and below the goal of 93 percent. The Harlem Line performed at 93.6 percent OTP, the Hudson Line at 91.8 percent OTP, and the New Haven Line at 89.7 percent
OTP. Factors contributing to the decrease included: Speed restrictions enacted by FRA Executive Order 29 following a December 1, 2013, derailment; extreme weather in the first quarter of 2014; aggressive track inspections and maintenance requiring temporary speed restrictions (See also, Safety/Security Initiatives); a fire that destroyed critical switch and signal equipment near Cos Cob, limiting peak-direction trains on the New Haven Line; and the repeated failure of the 118-year-old rotating Walk Bridge at Norwalk, CT. West-of-Hudson OTP totaled 95.4 percent, a slight decrease from 97.3 percent the previous year, due largely to the harsh weather in the first quarter of 2014.

<table>
<thead>
<tr>
<th>Performance Key</th>
</tr>
</thead>
<tbody>
<tr>
<td>■ At or above target</td>
</tr>
<tr>
<td>■ Below target by less than 5%</td>
</tr>
<tr>
<td>■ Below target by 5% or more</td>
</tr>
</tbody>
</table>

### Metro-North Railroad

<table>
<thead>
<tr>
<th>Service Indicators</th>
<th>2014 Target</th>
<th>2014 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Time Performance (East of Hudson)</td>
<td>93.0%</td>
<td>91.5%</td>
<td>-1.6%</td>
</tr>
<tr>
<td>On-Time Performance (West of Hudson)</td>
<td>97.0%</td>
<td>95.4%</td>
<td>-1.6%</td>
</tr>
<tr>
<td>Elevator Availability</td>
<td>98.0%</td>
<td>97.4%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Escalator Availability</td>
<td>93.0%</td>
<td>97.4%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Total Ridership</td>
<td>85,872,559</td>
<td>85,194,540</td>
<td>-0.8</td>
</tr>
<tr>
<td>Mean Distance Between Failures</td>
<td>160,000</td>
<td>147,063</td>
<td>-8.1%</td>
</tr>
</tbody>
</table>

### Safety Indicators

<table>
<thead>
<tr>
<th>Safety Indicators</th>
<th>2014 Target</th>
<th>2014 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Injury Rate (per million)</td>
<td>2.70</td>
<td>3.11</td>
<td>15.2%</td>
</tr>
<tr>
<td>Employee Lost-Time and Restricted-Duty Rate (per 200,000 worker hours)</td>
<td>1.75</td>
<td>2.46</td>
<td>40.6%</td>
</tr>
</tbody>
</table>

Note: MTA performance data are subject to periodic adjustment. Some data may have been updated subsequent to the 2014 “Mission Statements” PAL §1269-f report and earlier documents.
MTA Bus Company—2014 Performance

Total ridership on MTA Bus Company (MTA Bus) increased slightly by 0.5 percent in 2014, in keeping with a continued upward trend.

The bus fleet’s “mean distance between failures” (MDBF) was 5,366 miles in 2014, a decrease from the previous year, yet still among the highest levels of reliability the agency has experienced. MTA Bus continues to manage a population of significantly over-age buses that pose a challenge for operations. A large number of these buses will be replaced in 2015 and 2016 under the 2010-2014 Capital Program, and the remaining over-age fleet will be replaced after approval of the proposed 2015-2019 Capital Program. The “percentage of trips completed,” which depends on both vehicle and operator availability, decreased from 99.1 percent in 2013 to 98.2 percent in 2014, due largely to an aging fleet and severe winter weather during the first quarter of 2014.

The agency saw an increase in the “collisions with injury” rate in 2014. Throughout the year, MTA Bus continued to incorporate accident analysis into its safety and training initiatives. These focus on basic operating procedures in bus stop areas, including scanning mirrors, observing all sides of the bus, pulling into and out of bus stops properly, and positioning the bus correctly in the bus stop. In July, 2014, the Vision Zero’s “Eye on Safety” eight-hour bus operator training program was implemented for operators who are awaiting results of post-accident testing. The agency expects to see improved outcomes in 2015.

In a joint agreement with all represented labor unions, MTA Bus continues to emphasize a “zero-tolerance” policy banning cell phones and other electronic devices for bus operators on duty. In addition, the agency recently negotiated an “accident review system” (ARS) with the MTA Bus Transit Workers Union and intends to continue negotiating for ARS procedures with the remaining MTA labor unions.
MTA Bus Company

<table>
<thead>
<tr>
<th>Performance Key</th>
<th>At or above target</th>
<th>Below target by less than 5%</th>
<th>Below target by 5% or more</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Service Indicators</th>
<th>2014 Target</th>
<th>2014 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Completed Trips</td>
<td>99.4%</td>
<td>98.2%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Bus Passenger Wheelchair Lift Usage</td>
<td>67,424</td>
<td>65,101</td>
<td>-3.4%</td>
</tr>
<tr>
<td>Total Ridership</td>
<td>124,674,000</td>
<td>125,581,237</td>
<td>0.7%</td>
</tr>
<tr>
<td>Mean Distance Between Failures (miles)</td>
<td>5,755</td>
<td>5,366</td>
<td>-6.8%</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 (per million)</td>
<td>1.12</td>
<td>0.91</td>
<td>-18.8%</td>
</tr>
<tr>
<td>Collisions with Injury Rate (per million miles)</td>
<td>4.58</td>
<td>5.61</td>
<td>22.5%</td>
</tr>
<tr>
<td>Employee Lost-Time Rate (per 100 employees)</td>
<td>7.52</td>
<td>7.75</td>
<td>-3.1%</td>
</tr>
</tbody>
</table>

Note: MTA performance data are subject to periodic adjustment. Some data may have been updated subsequent to the 2014 “Mission Statements” PAL §1269-f report and earlier documents.
Bridges and Tunnels—2014 Performance

In 2014, Bridges and Tunnels achieved its highest-ever level of E-ZPass usage, with 84.7 percent of daily crossings now paid electronically. Since the November 2012 implementation of cashless tolling at the Henry Hudson Bridge, motorists have been able to drive through any of the bridge’s toll lanes without stopping. Cashless tolling enables drivers with E-ZPass to use higher speed gateless toll lanes. For drivers without E-ZPass, an image is taken of their vehicle’s license plate, and a Tolls by Mail invoice is mailed to the vehicle’s registered owner. In 2014, 93.8 percent of crossings at the Henry Hudson Bridge were processed through E-ZPass and 6.2 percent were Tolls by Mail transactions.

In December 2014, the agency proceeded with its plans to implement gantry-based Open Road Tolling (ORT) at the Henry Hudson Bridge. The ORT system will collect tolls in the same way as cashless tolling but in an open roadway environment. ORT will enable customers to cross the bridge and pay the toll without having to slow down for a toll plaza and then merge onto a roadway after it. Phase 1 of this project will eliminate separated toll plaza lanes at the bridge. Phase 2 will follow in 2016, and will reconstruct the bridge’s upper and lower roadways that support the existing toll plazas, eliminating the existing separated toll plaza lanes and support columns, enabling a free flow of traffic across the entire structure.

<table>
<thead>
<tr>
<th>Bridges and Tunnels</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Performance Key</strong></td>
</tr>
<tr>
<td>• At or above target</td>
</tr>
<tr>
<td>• Below target by less than 5%</td>
</tr>
<tr>
<td>• Below target by 5% or more</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2014 Target</th>
<th>2014 Actual</th>
<th>Change from Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Indicators</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Traffic</td>
<td>281,569,568</td>
<td>286,361,311</td>
<td>1.7%</td>
</tr>
<tr>
<td><strong>Safety Indicators</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collisions with Injury Rate (per million vehicles)</td>
<td>0.87</td>
<td>0.99</td>
<td>13.8%</td>
</tr>
<tr>
<td>Employee Lost-Time Rate (per 200,000 work hours)</td>
<td>5.70</td>
<td>6.50</td>
<td>14.0%</td>
</tr>
</tbody>
</table>

Note: MTA performance data are subject to periodic adjustment. Some data may have been updated subsequent to the 2014 “Mission Statements” PAL §1269-f report and earlier documents.
2014 ANNUAL REPORT—SECTION 2
Accomplishments and Initiatives

Customer Service Initiatives

Interagency—Customer Service Initiatives

- Continued to deliver 24/7 MTA news and information to customers, news organizations, and the general public through a wide variety of media, including press briefings, press releases, interviews, and press conferences; real-time feeds to social media such as Twitter, Tumblr, and Facebook; and the MTA’s YouTube Channel, which archives over 900 public videos and added 171 new videos in 2014, including MTA Board and public meetings. The channel has 5,841 subscribers and 4.8 million views.
- Unveiled a new name, look, and branding program for MTA Arts & Design (formerly MTA Arts for Transit). Developed in conjunction with the noted design firm Pentagram, the new identity program includes a new “MUSIC” logo and banners to create a cohesive, instantly recognizable look for MTA-selected music performances.
- Completed a number of major art installations, including the “Sky Reflector-Net” by James Carpenter Design Associates, Grimshaw Architects, and Arup, the centerpiece of the recently opened Fulton Center, and a major mosaic installation by Xenobia Bailey at the 34th Street-Hudson Yards Station. Another 10 art projects were installed and 12 were commissioned in 2014, while 50 art projects are in various stages of planning or fabrication.
- Curated a number of MTA Arts & Design events and exhibitions in 2014, including: “New York Minute” by Gabriel Barcia-Colombo at Fulton Center, using 52 large-format digital screens; two “Lightbox” photography exhibits by Portia Munson and Danny Lyons; and the first ever “Poetry in Motion Springfest” at Grand Central Terminal, a two-day program of installations and events hosted by MTA Arts & Design with the Poetry Society of America and the Poet Laureate of New York, Marie Howe.
Received critical and popular recognition for MTA Arts & Design initiatives in 2014, including: the publication of *New York’s Underground Art Museum: MTA Arts & Design* (Monacelli Press), cataloging 250 works with text and over 300 color images; a silver medal and additional citations for graphics works by the Society of Illustrators; and recognition for “best public art” by the Americans for the Arts’ “2014 Year in Review.” In addition, MTA Arts & Design continued to increase its social media presence, with over 206,000 “followers” across all major platforms in 2014.

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

- Restored R Line service to some 65,000 weekday riders between lower Manhattan and downtown Brooklyn through the Montague Tubes, which were massively damaged by flooding during Superstorm Sandy. After extensive reconstruction the tubes were officially reopened in September 2014, ahead of schedule and under budget. (See also, Operations/Technology Initiatives)
- Increased the level of station track cleaning in 2014. Two additional track cleaning crews were added to prevent build-up of track litter, which is the primary cause of track fires and related service delays. The number of station tracks cleaned increased by 11.2 percent over the previous year to 8,261 in 2014. (See also, Safety/Security Initiatives)
- Expanded the station cleaning program. The program, which began in 2009 to keep renovated stations in optimal shape, has since been expanded to add newly renovated stations and heavily used stations as well. Thirteen stations were added to the program in 2014, increasing the total to 73 stations. A total of 337 station washes were completed by early December 2014 and on target for the year’s scheduled 340 washes.
- Added 13 positions to the Rail Control Center (RCC) to improve “A” Division service, maximize Automated Train Supervision (ATS) functionality, and proactively address potential service delays. By staffing up the management and control functions and reducing the “span of control,” the number of subordinate supervisors, the RCC can ensure more evenly spaced train headways and reduced customer wait time. (See also, Operations/Technology Initiatives)
Improved access/egress at stations with significant traffic increases. Selected stations use one of two approaches. In the first, a remote gate control is installed where there is a staffed booth on one side and no crossover for passengers. In the second, station entrances are modified by adapting or replacing turnstiles and computerized end consoles. Ten sites were designated for modifications, four of which were completed in 2014. These were the Grand Avenue and Elmhurst Avenue stations in Queens, and the Clinton-Washington and 7th Avenue stations in Brooklyn. At the remaining six stations the DOS and the community boards had yet to agree on a plan.

Continued the installation of “Help Point” units at subway stations. The highly visible, “blue-lighted” units serve a dual role as emergency intercoms for passengers and customer information units, also providing a direct link to the Station Booth. The units include telecoil devices for the hearing impaired. (See also, Operations/Technology Initiatives; Safety/Security Initiatives)

Completed 26 FASTRACK maintenance programs in 2014. By reducing repair backlogs, producing visible station improvements, and reducing Maintenance-of-Way related delays, the FASTRACK strategy continued to earn positive customer feedback. (See also, Operations/Technology Initiatives; Safety/Security Initiatives)

Implemented recommendations from a comprehensive review of G Line service, which led to an array of improvements on that line in 2014, including relocating train stopping positions to improve passenger access, more directional signage, and scheduling additional weekday service.

Extended M Line service to Essex Street in Manhattan on weekends. Previously, the M train operated as a shuttle in Brooklyn and Queens on weekends.

Increased train service frequencies on several other subway lines to improve service quality and to meet MTA Board-adopted loading guidelines.

Installed 137 “On The Go” interactive information kiosks at 27 subway stations in 2014. Developed in partnership with the ad firm OutFront Media and the New York-based tech firm Control Group, the kiosks provide real-time customer information alongside commercial displays. The program was expanded in 2014 from the original 120 kiosks and will now extend to 145 screens, to be completed in first quarter 2015. Reaching an average 1.4 million riders daily, the program is one of the largest transit digital screen networks in the U.S. (See also, Operations/Technology Initiatives)
Expanded an agency-wide, Oracle-based Customer Relations Management (CRM) system, headed by NYCT in equal partnership with the other MTA transportation agencies. Using cloud-based tools, the CRM system reports, manages, tracks, and analyzes customer emails, phone calls, and correspondence within agencies and across the MTA system. The program improves the efficiency and consistency of paperless customer contacts, while also centralizing valuable data and information related to service, safety, incident reporting, and other public issues. (See also, Customer Service Initiatives)

MTA Bus Operations (NYCT Department of Buses, MTA Bus Company)—Customer Service Initiatives

- Completed systemwide rollout of “MTA Bus Time,” featuring real-time bus information for web and mobile devices. The final rollout, to all routes and divisions, was completed in Brooklyn and Queens in April of 2014. In addition, an MTA-branded iPhone app to supplement web and mobile access is planned for release in 2015.
- Expanded Select Bus Service (SBS) to provide faster service on the Bronx BX41 and Brooklyn B44 routes. Also, began work to extend the Traffic Signal Priority (TSP) project to four additional SBS routes. TSP signals real-time bus locations to the New York City Department of Transportation (NYCDOT) Traffic Management Center, which controls traffic lights along the M15 corridor, making bus service faster and more reliable.
- Restructured service on the busy Guy R. Brewer corridor in southeast Queens, between Far Rockaway and downtown Jamaica, to provide more limited-stop service for long-distance riders on the Q111, Q113, and Q114 routes.
- Introduced weekend service on the Q103 to serve the rapidly growing neighborhoods along the western Queens waterfront. Also, implemented a number of route changes to the Q8, Q19, Q39, Q102, QM2, and Bx23 bus routes to better serve new and changing markets.
- Continued to monitor and improve customer experience through the position of the MTA Bus “Customer Advocate,” whose function includes development of customer programs, onboard communications, public media programs, and interaction with advocacy groups.
- Implemented the third phase of the paratransit Interactive Voice Response (IVR) system, which now enables “Access-A-Ride” (AAR) customers to use self-service features through
the web app “Manage My Trips” (MMT). The first phase of this service integrated IVR with scheduling-dispatch and vehicle-monitoring software for outbound notification. The information is provided by telephone, text message, or email, as customers prefer. The IVR system provides important AAR information automatically, including: a reminder that trips are scheduled for the next day; an alert that the vehicle will arrive in about 15 minutes; an alert that the client’s eligibility will expire soon and needs to be renewed; and a reminder to subscription users to reserve trips for the holidays. The second phase added IVR self-help features. Customers can confirm or cancel trips and manage subscriptions by phone. The third phase adds MMT features not previously available on the IVR system. It provides customers with access from desktop computers and mobile devices, allowing them to manage trip and subscription requests, update contact information, and provide feedback through online surveys.

- Made further improvements to the AAR call-center operations. These included migrating operations to an experienced call-center management firm; integration of a telephonic system that provides language interpretation for over 100 languages; and expanding the feedback options available to paratransit customers by phone on the “customer comments” line.

- Extended the “Bus Trek” app used by dispatchers to monitor NYCT and MTA bus fleets. The program tracks the same GPS data used for the “Bus Time” app, but is designed for dispatchers and managers. The original version of Bus Trek provides real-time data and graphics through a secure browser and desktop application. The new extension works on tablet computers for use by dispatchers in the field. In 2014, the new software and tablets were fully deployed in the Bronx and partially deployed in Manhattan. (See also, Operations/Technology Initiatives)

Long Island Rail Road—Customer Service Initiatives

- Achieved record levels of fleet reliability for the third year in a row, as measured in mean distance between failures (MDBF), with an overall fleet average of 206,226 miles between breakdowns, a continued improvement of more than 300 miles MDBF over 2013.
Restored a number of services in 2014 that had been reduced by budget cuts since 2010. These included restoration of two evening rush-hour trains on the Babylon Branch, the return of two summer-only trains to/from Long Beach, restoration of weekend/holiday train service on the West Hempstead Branch, and the extension of seasonal weekend service on the Montauk Branch.

Introduced a simplified boarding plan for summer Hamptons Reserve service, in which one ticket covers the cost of both rail travel and a reserved seat aboard “The Cannonball,” the LIRR’s premium express train to/from the East End of Long Island. Previously, customers had to purchase separate tickets for rail fare and seat reservations.

Completed restroom renovations in time for summer passengers at the Long Beach Station, a popular destination for beachgoers. Restrooms were also renovated at the busy Babylon and Lynbrook stations during 2014.

Undertook special promotions for area sporting and entertainment events. These included extra service to/from Superbowl-related events in Manhattan; special promotions with the New York Islanders hockey team, the New York Cosmos soccer club, and the New York Lizards lacrosse team, as well as extra train service for a popular concert series at the recently reopened Forest Hills Stadium.

Achieved a customer satisfaction rating with an overall score of 84 percent, indicating that the majority of customers were satisfied with the LIRR. Train service received a score of 84 percent, while boarding stations received an 86-percent overall satisfaction rating. In spite of severe winter weather that adversely affected train service in 2014, the LIRR “Overall Customer Satisfaction” of 84 percent remained the same as in 2013 and was the highest among the five MTA agencies.

**Metro-North—Customer Service Initiatives**

Held a number of public forums to increase transparency and customer feedback. These included six informal outreach meetings at Grand Central and outlying stations, as well as forums at which Metro-North senior management elicited suggestions from customers, local mayors, and residents across the service area. The railroad has committed itself to ongoing public forums to maintain direct feedback and open dialogue with customers.
• Installed a total of 28 real-time cellular LCD monitors at 13 stations, including nine new station locations. Utilizing the “Train Time” system, developed in-house, the monitors provide real-time status and track information for the next nine trains at each station. Additional monitors will be installed at five to ten stations per year through 2019.

• Started remote operation of a new public-announcement and visual-display system at the New Haven, CT, and State Street, CT, from Metro-North’s Customer Communications Center in North White Plains, NY. Replacing the old Amtrak-operated system, the new system includes electronic platform signs, gate curtains, and arrival-departure monitors, which can also display real-time messaging.

• Continued development of Metro-North’s “Train Time” mobile app for smartphones, which has registered over 166,000 downloads since its release in December 2013. An enhanced version of the app, due for release in 2015, will include: new editing and “favorites” features; improved trip searching; new line-map zooms; faster loading speeds; and more.

• Introduced a pilot program on the Wassaic and Danbury branches to test new Ticket Issuing Machines (TIMs), an upgraded iPhone5-based system allowing onboard ticket sales and printed receipts for debit-credit cards. The upgrade will be rolled out systemwide in 2015.

• Increased ticket machine sales, including both Ticket Vending Machines (TVMs) and Ticket Office Machines, to 25.5 million in 2014, around 93 percent of all Metro-North ticket sales. TVMs were available for customer use 98.7 percent of the time.

• Continued Metro-North’s cyclical Station Enhancement Program, which includes inspections, painting, lighting, signage, seat replacement, and many other visible station improvements. In 2014, enhancements were completed at the Brewster, Hartsdale, and Goldens Bridge stations and initiated at the Scarsdale, Purdy’s, and Croton Falls stations.

• Progressed the construction of a new garage at the North White Plains Station, scheduled for completion in the third quarter of 2015. The garage will increase the number of parking spaces from just over 100 to over 400 spaces. It also includes two charging stations for electric vehicles, two real-time LCD kiosks, and a new “kiss-n-ride” intermodal area at the station entrance.

• Slashed parking fees at West-of-Hudson stations to make the railroad a more attractive commuting option from Orange and Rockland counties. The pilot program offers a 12-month parking permit for the price of one month, reducing annual parking costs from $235 to just $20. Daily parking meter fees were also reduced from $2.75 to $1.25 a day.
- Upgraded the visibility and accessibility of the "Contact Us" button on the Metro-North website as part of an ongoing effort to expand feedback from customers and other stakeholders, whether by email, phone, or mail.

**Bridges and Tunnels—Customer Service Initiatives**

Bridges and Tunnels serves its customers by improving its physical structures and facilitating movement through its tolling facilities. By steadily increasing the market share of E-ZPass users through a variety of programs, Bridges and Tunnels reduces congestion at toll plazas and improves overall traffic flow. In addition, the agency continues to add new services for motorists and to engage with local communities and their elected officials on capital projects, traffic issues, and other areas of concern. Major 2014 customer service initiatives include:

- Increased E-ZPass market share in 2014 by 0.8 percentage points to a record 84.7 percent of crossings.
- Maintained the highly popular sale of E-ZPass “On-the-Go” tags at all Bridges and Tunnels cash lanes to help customers more save time and money. Cash lane sales exceeded 171,000 tags in 2014.
- Increased the number of the MTA E-ZPass Reload Cards in circulation to more than 112,000. The Reload Card makes it easier for customers to manage their E-ZPass balances by enabling them to add cash to their accounts through the Visa ReadyLink system at thousands of retail locations across the country.
- Increased the number of accounts using the E-ZPass “Pay Per Trip” payment plan to more than 40,000 accounts, enabling customers to pay their tolls with an automatic checking account transaction without having to maintain a prepaid E-ZPass balance.
- Exchanged over 245,000 E-ZPass customer tags that had reached the end of their useful life through a prepaid mail program that ensures a continuous high level of E-ZPass tag performance.
- Completed Capital Program construction projects to enhance the customer experience at the Verrazano-Narrows Bridge, including building a new direct connector ramp to the bridge’s lower level, rehabilitating existing ramps, and widening the toll plaza.
- Completed the Capital Program rehabilitation of the deck sub-structure at the Throgs Neck Bridge to help provide safer travel for customers. Used Capital Program funding to install a new, wider deck on the Robert F. Kennedy Manhattan to Queens ramp to improve motorist safety.

- Consolidated lower-level Manhattan-bound lanes on the Henry Hudson Bridge toll plaza to improve the flow of non-stop traffic enabled by the cashless tolling system.

- Undertook public awareness programs related to major construction projects. These included outreach efforts to neighboring communities, community boards, and elected officials to provide project information and address any concerns.
Consolidated the MTA’s IT delivery model into a unified organizational structure that went live January 1, 2015. The plan improves security, control, and resource allocation by linking IT strategies with longterm corporate goals. Notable accomplishments in 2014 included: aligning core IT processes with new IT divisions in accordance with industry “best practices”; establishing an operations “roadmap” to prioritize critical activities (see below); communicating organizational goals and timeframes to the workforce; establishing necessary collective bargaining agreements with labor unions; and establishing unified IT governance procedures and controls across all MTA operations.

Began implementing an all-agency budgeting system using Oracle’s “Hyperion Planning and Budgeting” product, which had previously been installed at two MTA agencies, LIRR and Bridges and Tunnels. Initiatives completed in 2014 include: analysis and software design for NYCT, Metro-North, MTAHQ, and MTACC, covering web forms, business rules, calculation scripts, reporting, and security; consolidation of the reporting database for
the MTA Department of Management and Budget (DMB); completion of the data integrations between the DMB and other agencies; and establishment of disaster recovery options.

- Released two new “Train Time” mobile apps for Metro-North and LIRR, featuring real-time train arrival information at all stations. In conjunction with the release, the MTA made real-time arrival and departure information available online to encourage the development of customer-facing apps by external developers. (See also, Customer Service Initiatives)

- Completed the implementation of a “failover” site for the MTA’s Emergency Alert website www.alert.mta.info to provide for increased resiliency in the event of a disaster. The failover site, located in Oregon, is monitored along with the primary site 24/7 throughout the year. (See also, Safety/Security Initiatives)

- Began implementation of Phase I of the Oracle PeopleSoft 9.2 upgrade at the MTA Business Service Center (BSC). To be completed in 2015, this phase of the project covers the functionality associated with Human Capital Management (HCM), which includes Human Resources and Payroll, and Enterprise Learning Management (ELM). The upgrade will enable the MTA to reduce costs through more efficient processes and standardized operations across the organization and maintain Oracle technical support and provision of tax and regulatory updates.

**NYC Transit (Subways)—Operations/Technology Initiatives**

- Reopened the Montague Tubes, restoring R Line service between lower Manhattan and downtown Brooklyn. After massive flood damage during Superstorm Sandy, a complete reconstruction of the tubes and supporting infrastructure required 30,000 linear feet of new duct banks, over 78,000 feet of power cable, 11,000 feet of new track and related hardware, 1,300 new tunnel lights, new pumps, a new signal room, and 295,000 feet of signal cable with related signal equipment. Overcoming significant engineering and logistical challenges, the tubes reopened in September 2014, ahead of schedule and under budget. The official completion date under the amended 2010-2014 Capital Plan will be in March 2015. (See also, Customer Service Initiatives)
• Improved “A” Division service management at the Rail Control Center (RCC). Completed RCC staffing to reduce the console dispatcher’s “span of control,” the number of subordinate staff, to comply with original specifications of the Automatic Train Supervision ATS-A system. In addition, six of the dispatchers were needed to staff three additional consoles to incorporate the White Plains Road and Dyre Avenue corridors, as well as the reconfiguration of the East 180th Street Interlocking. The “span of control” changes were in effect by the end of July 2014, allowing better utilization of the RCC analytic systems to address potential delays and ensure more evenly spaced headways. (See also, Customer Service Initiatives)

• Continued the highly effective FASTRACK program, completing 26 programs in 2014. The program schedules nighttime shutdowns on subway line segments for faster, safer, comprehensive repairs and maintenance. (See also, Customer Service Initiatives; Safety/Security Initiatives)

• Implemented an “automated vehicle location system” (AVLS) using GPS technology in 107 NYCT maintenance support vehicles. The system, developed in-house by the Electronic Maintenance Department (EMD), enables managers to directly monitor vehicle movements and usage in real time. In addition to increasing employee safety and productivity, the new system allows managers to analyze data and improve maintenance response times, reducing equipment downtime and overall maintenance costs.

• Inaugurated Phase 1 of the “Intelliview Dashboard and Reporting” initiative. This in-house web app extends NYCT’s reporting and dashboard capabilities by allowing EMD personnel to connect to and report from multiple databases simultaneously. The Intelliview system also enables “automated fare collection” (AFC) staff to audit work orders for preventive maintenance. Phase 2 of the extension will allow EMD staff to capture and report real-time maintenance information from the field, linking it instantly to in-house production databases.

• Expanded the installation of “Help Point” units at subway stations. The highly visible, “blue-lighted” units serve as emergency intercoms and information units for passengers, maintenance personnel, or station agents. They connect directly through an IP network to the RCC and the station agent’s booth and include both telecoil devices for the hearing impaired and self-diagnostic features to automatically report any malfunctions or maintenance issues. (See also, Customer Service Initiatives, Safety/Security Initiatives)
- Initiated a project to install local area network (LAN) infrastructure in subway stations. The LAN will enable staff to access all Internet Protocol (IP) applications and equipment at the station, including fare-payment systems; “Help Point” emergency intercoms; workstations; and IP-linked station intercoms, phones, and cameras.

- Expanded interactive, real-time customer communications, including installation of 137 “On The Go” information kiosks at 27 subway stations in 2014. The kiosks provide public communications, commercial sponsorships, and real-time station information to customers, especially in locations where customers may have limited or no web access on phones and mobile devices. (See also, Customer Service Initiatives, Cost-Saving/Revenue Initiatives).

- Continued to roll out an Oracle-based Customer Relations Management (CRM) system, headed by NYCT in equal partnership with the other MTA transportation agencies. Using cloud-based tools, the CRM system reports, manages, tracks, and analyzes customer emails, phone calls, and correspondence within agencies and across the MTA system. Initial 2014 phases of the program included new “contact us” options though web and social media, new online screens for incident reports, new agency-to-agency integration, and more. (See also, Customer Service Initiatives)

---

**MTA Bus Operations (NYCT Department of Buses, MTA Bus Company)—Operations/Technology Initiatives**

- Expanded a workforce development program that addresses the specific training issues entailed in bus operations. The program provides customized, internally developed workshops and on-the-job tools designed to meet the rising demand for a competent, highly skilled workforce.

- Expanded MTA Bus Operations “Business Barometer” initiative to include maintenance facilities locations. This strategic management initiative provides web-based tools to help operating managers evaluate key indicators and performance data, then apply proactive strategies for improvement.

- Actively utilized the Hastus Automatic Time Processing (ATP) module that imports and assists in the analysis of Bus Time data by identifying inconsistencies and automatically adjusting schedule running times to generate more efficient and economical schedules.
- Extended the “Bus Trek” app used by bus dispatchers. The program tracks the same GPS data used in the “Bus Time” app for customers, but is designed specifically for MTA and NYCT bus dispatchers and managers. The new extension works on mobile tablet devices for dispatchers in the field. Tablets and software have been fully deployed in the Bronx and partially deployed in Manhattan. (See also, Customer Service Initiatives)

- Expanded the Intelligent Vehicle Network (IVN) project, which uses onboard computers with wireless links to depots to monitor bus components, identify and report potential failures, and provide information used in accident investigations. The IVN system has been installed on a total of 2,365 buses in 24 depots.

- Implemented new web access features for AAR customers, expanding a slate of 2013 improvements in phone and online services for paratransit customers. These included new phone options, vehicle monitoring, and automated alerts through the paratransit IVR system; an online reservations option; and expanded self-service features for the call center and the “customer comments” feedback line. (See also, Customer Service Initiatives)

**Long Island Rail Road—Operations/Technology Initiatives**

- Introduced a new version of the LIRR “Train Time” app developed with customer feedback. New features include an improved “station picker” screen, a better “arrival countdown” screen, enhanced “trip search” capability, and a new server that allows the LIRR to handle more than 2,000 Train Time requests per minute. The new app also retains basic train schedule information even when a customer can’t connect to cellular service.

- Introduced a prototype reservation system for the seasonal “Hamptons Reserve Cannonball” train from Penn Station to Montauk. The application contains an interactive seating chart which displays reserved and available seating for the 15-week season. Each Friday evening, two coaches are available for eastbound premium-priced reserved seating, while a single westbound return coach is booked for Sunday afternoon. This back-office system will serve as a model for future LIRR online reservation systems, with fully interactive scheduling, seating, payment, and ticket printing.

- Enhanced communications at the Atlantic Terminal with the installation of a new digital information screen, which features both train departure information and customer messaging on signage owned by CBS Outdoor Advertising, Inc.
- Continuing to upgrade customer information services. In 2014 the LIRR completed the reorganization and expansion of its 24/7 Public Information Office (PIO). With an even stronger focus on real-time service updates, the PIO achieved a 36-percent increase in customer messaging through email alerts, Facebook, and Twitter in 2014. The office also increased the number of service-related updates posted on the MTA website by 45 percent. In addition to customer information, the PIO also provides train conductors with coordinated real-time updates through text-messaging to LIRR-issued cell phones.

**Metro-North—Operations/Technology Initiatives**

- Metro-North implemented a "back to basics" plan to improve train reliability and the quality of train service delivery. Every aspect of the railroad’s operations from how Metro-North maintains infrastructure and railcars to how each train is operated will be reviewed and will have targets for improvement. (See also, Customer Service Initiatives)

- Conducted a detailed study of New Haven Line train performance and schedules to determine how to improve reliability. This in-depth review revealed a number of actions that could be taken to provide customers a train schedule that would meet their needs, and that could be operated safely and reliably without reducing the overall number of trains. Continually monitored its service, considering input from train crew observations, customer feedback, and actual customer counts to continue to improve schedules in phases. Changes were designed to reduce crowding and enhance connections. The last schedule change of the year on November 9 saw the introduction of new half-hourly service between New Haven and New York in the off-peaks and on weekends. Adjustments were also made on all three lines to improve reliability. (See also, Customer Service Initiatives)

- Continued roll-out of the new M8 fleet order of 405 cars, of which 380 cars (378 married and two single cars) had been conditionally accepted and placed into revenue service by the end of 2014. (See also, Capital Projects.)

- Carried out an aggressive track improvements program affecting all aspects of rail operations in 2014. This included replacing 42,500 crossties on all three rail lines, resurfacing 83 miles of track, installing two dozen new track switches, repairing under-grade bridges, and many other basic track improvements. (See also, Safety and Security Initiatives)
- Introduced a number of customer-focused IT initiatives, including: the new “real-time” LCD displays at the New Haven and State Street stations; a second-generation iPhone5-based handheld device for onboard ticketing; IT-enhanced applications for the Grand Central Terminal dioramas enabling customer-service messages in case of disruptions; and upgrades to Metro-North’s “Train Time” mobile application. (See also, Customer Service Initiatives.)

- Developed comprehensive IT-systems related to the relocation of Metro-North offices from the agency’s Madison Avenue buildings. These included corporate networking, WIFI access, secure printing, and video conferencing for some 800 employees and five floors of new office space, as well as the relocation to North White Plains of the entire IT infrastructure supporting all cash and credit transactions through Metro-North’s Ticket Selling System.

- Launched the Metro-North Electronic Hours of Service (EHOS) application, which allows train engineers and conductors to electronically record their hours worked in accord with the FRA’s Hours of Service Law. EHOS provides train service employees with a secure, web-based intranet system linked to other Metro-North systems work data.

- Implemented a number of IT initiatives relating to human resources and workplace efficiency, including: Workforce Certification 1.0 to determine employee qualifications on assigned jobs and notify management of expired qualifications; an Employee Relations Diversity application to store, track, and report information on EAP complaints; a modified employee sick-time tracking system; and an extensive upgrade of the Employee Information System, which provides critical information to employees from Metro-North Corporate and Public Affairs on digital displays throughout the railroad.

- Upgraded the Chief’s Log application, which is used by the Operations Control Center to log all incidents involving train movements and operational events as reported to the Chief of Rail Control. The application is now web-based and will archive incidents for historical reference and external reporting.

- Implemented an Efficiency Testing application, pursuant to an FRA audit, which electronically files results of FRA-mandated visual inspections and tests for operations employees. The system provides data on employee compliance to state and federal rules, identifying employees who require retraining.

- Completed a Payment Card Industry (PCI) compliance assessment by instituting a new in-house, self-service PCI compliance program, which scans all Metro-North e-commerce systems for vulnerabilities. This resulted in Metro-North achieving 2014 PCI compliance.
- Carried out an aggressive track improvements program affecting all aspects of rail operations in 2014. This included replacing 42,500 crossties on all three rail lines, resurfacing 83 miles of track, installing two dozen new track switches, repairing under-grade bridges, and many other basic track improvements. (See also, Safety and Security Initiatives)

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

Bridges and Tunnels continually upgrades its operational procedures and technology infrastructure to achieve cost savings in the workplace, improve communication with motorists, and enhance safety, traffic flow, and toll collections at the agency’s structures. Major 2014 operations/technology initiatives include:

- Utilized time and attendance information from the upgraded automated workforce timekeeping system to enable facility and senior management to reduce overtime and improve employee availability.
- Using a central notification unit, efficiently managed unscheduled employee absences on a real-time basis at all facilities to contain personnel and overtime costs.
- Enhanced communication to customers by replacing existing Variable Message Signs with new signs that display travel time as well as direct traffic at several facilities. All signs are integrated into the Advanced Traffic Management System, which enables facility operations to provide customers with real-time information on safety, traffic incidents, special events, weather, and travel time.
- Continued construction of a fiber-optic network at the Robert F. Kennedy Bridge that is scheduled to be completed in 2015. This network serves as the backbone of the agency’s communications infrastructure for critical operations, safety, security, and IT systems. It also provides links to regional transportation, law enforcement, and government partners.
Sustainability/Transit Oriented Development (TOD) Initiatives

Interagency—Sustainability/TOD Initiatives

- Continued systemwide energy efficiency programs in partnership with the New York Power Authority (NYPA). Projects of note in 2014 included the installation of four new cooling towers at the Grand Central Terminal, an infrared heating system at the Jamaica Train Yard, and Phase 4 of the installation of remote-control third-rail heaters in the open-cut portions of the New York City Transit subway system. Phase I of the comprehensive energy audits required by the Governor’s Executive Order 88 (EO 88) were completed, with Phase II scheduled for 2015/2016. In addition, metering surveys of the MTA’s EO 88 building portfolio were completed. These surveys are the first step in upgrading existing electricity, natural gas, and steam meters to a modern system capable of monitoring energy usage in near real-time.

- Completed study on environmental, economic, and social benefits of the MTA’s Capital Program. In addition to creating over 400,000 jobs throughout New York State, MTA capital projects add billions of dollars to New York real estate values. The MTA also generates unexpected social and health benefits. These include the ability of seniors to remain in their local communities as they age, thanks to accessible transit services, and the tendency of transit commuters to walk some 350 minutes per week on average, more than twice the federally recommended rate. The study also showed that the MTA helps make New York the most energy-efficient state in the country on a per-capita basis.

- Continued to report the MTA’s annual “Greenhouse Gas Emissions Inventory.” Between 2008 and 2013, the MTA’s overall emissions have declined by 8 percent and MTA’s emissions per passenger mile have declined by almost 15 percent.

- Successfully completed the pilot project for a solar-powered kiosk to provide real-time customer information at the Metro-North Woodlawn Station. The kiosk continued to function through the harsh winter of 2013 to 2014. Following the success of the pilot, use of the solar-powered kiosk at other MTA agencies is under consideration and will be managed by the agencies.

- Continued liaison with New York City Department of Health (NYCDOH) on rodent control. Coordinated and supported NYCT in the pilot programs for rodent reduction at the
NYCT stations refuse rooms, which successfully evolved into a systemwide program that is currently ongoing. In addition, a rodent-sterilization pilot project was successfully completed, resulting in a commercially viable, government-approved rodent control product.

- Continued participation in various city and state environmental and health programs, such as the Governor’s “Zero Emission Vehicle Task Force” and a “West Nile Virus” program with the NYCDOH.
- Continued coordinating the agency wide MTA “Climate Adaptation Task Force,” which was launched January 2014. The task force, which was one of the priorities identified in the “MTA Twenty-Years Capital Needs Assessment, 2015-2034,” is developing systemwide climate adaptation policies and standards to be incorporated into all regular MTA operations.
- Facilitated a transit-oriented-development (TOD) project adjacent the Metro-North station in Harrison, NY. The project, in partnership with a private developer, involves construction of 143 apartments, 27,000 square feet of retail space, and two pedestrian plazas. It will also add 218 commuter parking spaces at the developer’s expense in exchange for sale of the developed Metro-North property. (See also, Metro-North, Sustainability/TOD Initiatives)

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

- Launched or completed a number of projects relating to local flood mitigation and severe weather resiliency as phases of the Superstorm Sandy “Repair and Resiliency” program. They include the following:
  - Constructed a temporary perimeter floodwall surrounding the Coney Island Yard Complex built from portable sand-filled polypropylene bags.
  - Furnished and installed watertight manhole insert devices, watertight hatches, flood doors and watertight vent covers, and seal conduit duct penetrations at six lower Manhattan stations.
  - Installed short-term flood mitigation measures to protect South Ferry Terminal, including protection of entrances, hatches, ventilation louver, ventilation gratings, manholes, doors and elevator. Interior flood protection elements included back-flow preventers and a temporary pumping system.
Fabricated deployable stair covers at ten flood-vulnerable subway stairs at the Whitehall Street, Rector Street (IRT), Broad Street, and Bowling Green stations.

**MTA Bus Operations (NYCT Department of Buses, MTA Bus Company)—Sustainability/TOD Initiatives**

- Worked with Capital Program Management (CPM) to design the new Bus Command Center in Brooklyn as a “Leadership in Energy and Environmental Design” (LEED) facility. The center will incorporate energy-efficiency innovations, including natural lighting, a “greenroof,” and a rainwater-collection system to manage storm runoff. The contract for the new building will be awarded in 2015.

- Began implementing a comprehensive plan to comply with New York State Executive Order 88 (EO880), which mandates a 20-percent reduction of building energy consumption from 2010 levels by 2020. The order affects a total of 32 MTA and NYCT bus facilities. An aggressive schedule of five energy audits and five retro-commissionings was completed in 2014, with further compliance work ongoing.

- Continued energy-efficiency programs at bus facilities in conjunction with the New York Power Authority (NYPA). These include installation of energy-efficient lighting systems at several bus depots; installation of energy-efficient compressed air systems; and the development of comprehensive energy-efficiency upgrades for the MJ Quill, Grand Avenue, East New York, and Flatbush bus depots, as well as the bus Central Maintenance Facility. NYPA is also working with NYCT Buses to install a solar thermal system at the Jackie Gleason Bus Depot.

- Continued work on a roster of in-house energy upgrades, including: installation of LED lighting for depot parking lots and other locations; installation of heat timers on boilers; installation of occupancy sensors for lighting; repair of leaks in compressed-air and water pipes; maintenance of steam valves and traps; installation of double-glazed windows; closer monitoring of electrical, gas, and water utilities; and general upgrading of building envelopes.

- Continued evaluations of all-electric bus technologies. Activities in 2014 included road-testing electric buses in “shadow service”; discussions with manufacturers; review of performance data from other transit systems; discussions with potential funding partners.
regarding carbon-avoidance or carbon-offsets; and ongoing collaborations with NYPA, Con Ed, NYCDOT, and other major public entities. Also in 2014, MTA Bus Operations completed the technical specifications and commercial terms for a potential RFP to lease or buy a small fleet of all-electric buses and charging stations.

Long Island Rail Road—Sustainability/TOD Initiatives

- Continued the development of the “Wyandanch Rising” project, a transit-friendly downtown revitalization plan centered around the LIRR’s Wyandanch Station in the Town of Babylon. The centerpiece of the project, which has received state and federal funding, is the ongoing construction of a new station parking facility to accommodate increased ridership on LIRR’s Main Line, including planned service to Grand Central Terminal.
- Partnered 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. The project aims to create a community of retail spaces, offices, restaurants, and affordable housing.
- Participated with the Town of Oyster Bay and the Hicksville Chamber of Commerce on a revitalization initiative for downtown Hicksville. This initiative aims to build upon the community’s assets (including the LIRR train station), identify potential TOD opportunities and sustainable land-use/transportation solutions. The LIRR capital projects currently underway in Hicksville—which include station rehabilitation and track and signal improvements—will support this effort.
- Worked with the Town of Huntington and its master developer on a TOD initiative to transform the vicinity of the LIRR Huntington Station into a vibrant mixed-use community.
- Supported the Town of Babylon’s Route 110 Bus Rapid Transit (BRT) initiative, which would provide north-south transit access along Route 110, Long Island’s largest job center, while also connecting the LIRR Babylon and Ronkonkoma branches. Besides alleviating traffic congestion, the BRT would enhance TOD initiatives along the corridor, encourage economic development, and spur job creation. A key component of the Route 110 BRT initiative would be the reopening of the LIRR Republic Station, for which LIRR has included designs in the proposed 2015-2019 Capital Program.
Completed asbestos abatement and commenced construction at Long Island City in support of New York & Atlantic Railway’s plan to transform the Long Island City Wheel Spur Yard to a rail facility with loading docks and freight accommodations.

Participated in the second annual “Long Island Car Free Day” on September 22nd, encouraging all Long Islanders to give up their cars and try mass transit, carpooling, walking, and bicycling.

**Metro-North—Sustainability/TOD Initiatives**

- Completed the Grand Central Terminal Energy Conservation Project, for which Metro-North received the 2014 “Innovation and Excellence in Energy Management” award at the 2014 BuildSmart NY Innovator’s Summit. The $23.4-million project, which entailed significant engineering challenges, included replacement of chiller and cooling towers; upgraded air compressors; new water pumps, new lighting and building management systems; new variable speed fan controls; and retro-commissioning of air handlers. The project is estimated to reduce energy costs by $3.0 million annually and CO2 emissions by 10.9 tons annually.

- Worked with the New York Power Authority (NYPA) on the installation of electric vehicle chargers at the Cortlandt, Beacon, and Southeast stations. When completed the installations will provide four charging units at each station for electric cars used by commuters.

- Implemented energy-conservation measures at Metro-North stations, such as LED lighting on station platforms and “on-call” heating buttons that allow customers to activate heaters only as needed.

- Worked with NYPA to upgrade energy efficiency at four Metro-North maintenance and employee facilities. Upgrades will include the replacement of rooftop HVAC units, boilers and water heaters, new building management systems, and other improvements.

- Launched an MTA Board-approved plan for Metro-North’s first major transit-oriented development (TOD) initiative. The project, in partnership with a private developer, involves the construction of 143 apartments, 27,000 square feet of retail space, and two pedestrian plazas at the Metro-North station in Harrison, NY. The project will add 218 commuter parking spaces at the developer’s expense in exchange for sale of the developed Metro-North property. (See also, Interagency, Sustainability/TOD Initiatives)
Bridges and Tunnels—Sustainability/TOD Initiatives

- Completed a lighting upgrade for the Robert F. Kennedy Bridge, Bronx Service Building, and the Manhattan Service Building on Randall’s Island, with assistance from NYPA’s “High Efficiency Lighting Program.” A total of 254 interior and exterior lighting fixtures were replaced under this project. An estimated 144,000 kWh reduction in annual electrical usage will be realized.

- Dispensed over 59,000 gallons of Ethanol 85 (E85) fuel in 2014, which is more than 28 percent of the fuel used by the agency's cars and patrol vehicles.

- Achieved 88 percent alternative-fuel vehicles in the agency's light duty fleet. Of its 196 light duty vehicles, 163 are E85, 24 are gasoline, and nine are electric-hybrid powered.

- Designed and installed six Diesel Fuel Emission Dispensers at Bridges and Tunnels facilities to help maintain compliance with the Federal Diesel Emissions Reduction Act.
Safety/Security Initiatives

Interagency—Safety/Security Initiatives

- Completed the implementation of “failover” site for the MTA’s Emergency Alert website www.alert.mta.info to provide increased resiliency in the event of a disaster. The failover site, located in Oregon, is monitored along with the primary site, 24/7 throughout the year. (See also, Operations/Technology Initiatives)
- Created and filled a new MTA Chief Safety Officer position reporting directly to the MTA Chairman and CEO. The position will oversee safety programs at all MTA agencies, working directly with the chief safety officers at NYCT, MTA Bus, LIRR, Metro-North, Bridges and Tunnels, and MTACC, as well as partnering with city, state, federal, and nonprofit safety organizations.
- Neared completion of the MTA Police Department (MTAPD) K-9 Training Facility on a 71-acre parcel in Dutchess County, NY. The new facility enables MTA Police K-9 teams to train on passenger rail cars, buses, and motor vehicles located on site.
- Graduated 19 new canine police officers trained in explosives detection, crime prevention, and anti-terrorism techniques. The MTAPD currently has one of the largest canine explosives detection forces in the country, with approximately 50 dogs in service at any time. In 2014, canine teams responded to over 20,000 requests for assistance and inspected and cleared over 2,000 unattended packages.

<table>
<thead>
<tr>
<th>Category</th>
<th>2013</th>
<th>2014</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Murder</td>
<td>1</td>
<td>0</td>
<td>-100%</td>
</tr>
<tr>
<td>Rape</td>
<td>1</td>
<td>0</td>
<td>-100%</td>
</tr>
<tr>
<td>Robbery</td>
<td>44</td>
<td>64</td>
<td>45%</td>
</tr>
<tr>
<td>Felony Assault</td>
<td>28</td>
<td>38</td>
<td>36%</td>
</tr>
<tr>
<td>Burglary</td>
<td>10</td>
<td>21</td>
<td>110%</td>
</tr>
<tr>
<td>Grand Larcenies</td>
<td>239</td>
<td>240</td>
<td>0%</td>
</tr>
<tr>
<td>G.L.A.</td>
<td>7</td>
<td>2</td>
<td>-71%</td>
</tr>
<tr>
<td>Total</td>
<td>330</td>
<td>365</td>
<td>11%</td>
</tr>
</tbody>
</table>
NYC Transit (Subways)—Safety/Security Initiatives

<table>
<thead>
<tr>
<th>Category</th>
<th>2013</th>
<th>2014</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Murder</td>
<td>1</td>
<td>2</td>
<td>100%</td>
</tr>
<tr>
<td>Rape</td>
<td>5</td>
<td>6</td>
<td>20%</td>
</tr>
<tr>
<td>Robbery</td>
<td>612</td>
<td>438</td>
<td>-28.4%</td>
</tr>
<tr>
<td>Felony Assault</td>
<td>198</td>
<td>224</td>
<td>13.1%</td>
</tr>
<tr>
<td>Burglary</td>
<td>32</td>
<td>19</td>
<td>-40.6%</td>
</tr>
<tr>
<td>Grand Larcenies</td>
<td>1771</td>
<td>1542</td>
<td>-12.9%</td>
</tr>
<tr>
<td>Total</td>
<td>2619</td>
<td>2231</td>
<td>-14.8%</td>
</tr>
</tbody>
</table>

- Installed CCTV security cameras at stations identified by NYPD to assist in the arrest of MetroCard Vending Machine (MVM) vandals and swipe sellers, thereby enhancing customer safety and security. As a result of 2014 installations and CCTV footage at additional stations, the NYPD has reported an increase in arraignments and sentences. (See also, Cost Cutting/Revenue Initiatives)
- Continued the FASTRACK program, which provides a safer working environment for maintenance and repair crews by curbing train operations in work areas. The employee “lost time” injury rate under FASTRACK was less than half of the overall rate. (See also, Operations/Technology Initiatives and Customer Service Initiatives)
- Introduced several improvements in critical rail inspections. These included: increasing the frequency of ultrasonic rail flaw inspections and supervisory visual inspections; decreasing the “span of control” in high-rail-break corridors; reducing the time for verification and replacement of defective rail; installing new rail-flaw video equipment; and adding more resources to support the expanded automated track inspection program.
- Introduced several staff adjustments to support signal maintenance programs. These included increasing the maintenance headcount and applying overtime coverage for inspections and maintenance, as well as for incumbents in training.
- Continued the installation of “Help Point” units at subway stations. The highly visible, “blue-lighted” units serve as emergency intercoms for passengers or NYCT personnel and include telecoil devices for the hearing impaired. (See also, Operations/Technology Initiatives)
Expanded staff capacity for inspection and maintenance of critical fire, safety, and communications equipment, including the Help Point station intercoms. Adjustments included the addition of five supervisory and 23 hourly positions, enabling 100 percent inspection capability without overtime or task reassignments.

MTA Bus Operations (NYCT Department of Buses, MTA Bus Company)—Safety/Security Initiatives

- Installed additional bus operator barriers designed to protect drivers from assault. Barriers are now in place on a total of 2,808 buses, with additional installations ongoing.
- Expanded the Bus Camera Security System to a total of 1,672 buses, with additional installations ongoing.
- Continued the Bus Operator Assault Executive Task Force, which meets regularly to coordinate initiatives across bus operations to mitigate assaults against bus operators and promote safety for both bus operators and customers. Also continued the labor-management partnership on employee and customer safety through the Bus Operator Action Committee.
- Implemented the highly successful Vision Zero “Eye On Safety” for post-accident training. The program will be expanded to all bus operators in 2015 as part of regular training.
- Sponsored conflict-resolution training for all MTA Bus and NYCT Bus operators, along with public-awareness initiatives to help prevent bus operator assaults. The initiatives include development of a related public-service video.
- Developed the Phase IV Security Awareness Training for bus operators, front-line managers, and supervisors with direct customer contact. The program is a joint initiative with the MTA Office of Security to be launched in 2015.
- Expanded operation of the agency’s recently established “Situation Room,” which monitors all MTA bus operations during major storms or other emergencies to ensure the safety of customers, employees, and property. Now at a dedicated location, the Situation Room provides a single point of contact between senior management, MTA public communications staff, the NYC Office of Emergency Management, and other external agencies.
- Completed security system upgrades at the Eastchester and LaGuardia bus depots. The systems employ CCTV cameras, including “analytical cameras,” which provide alerts to
guards when unauthorized areas have been accessed, and cameras programmed to read and record license plates—as well as “swipe” access to key entry points, new fencing, new lighting, and other improvements.

- Added a new level of “accident investigations” training for paratransit dispatchers and road supervisors to a program developed with MTA Risk Management that provides dispatchers and supervisors with advanced training in decision-making, especially during high-stress situations involving paratransit customers and drivers.

- Expanded recently implemented technical supports for paratransit operations, including the “Automatic Vehicle Location Monitoring” (AVLM) system, which facilitates communication between road supervisors and drivers, and the web-based “Paratransit Accident /Incident Roadcall” (PAIR) system, which replaces paper-intensive reporting and facilitates analysis of incidents.

- Carried out covert “observation rides” on both dedicated and nondedicated AAR transportation providers, using the reports to increase the level of transportation safety, quality, and performance.

- Continued installation of Automatic Vehicle Location Mobile Data Terminals to field supervision vehicles to allow for better monitoring by Road Supervision of service delivery to insure a safer and more reliable service operated by AAR carriers for our customers.

**Long Island Rail Road—Safety/Security Initiatives**

- Designated a lead safety person reporting directly to the president of LIRR. The position has been cleared of all non-safety-related duties to ensure a full-time, dedicated focus on the safety of LIRR employees, customers, and area communities served by the rail road.

- Won the “Gold Award for Safety” from the American Public Transportation Association (APTA) in recognition of the LIRR Transportation Department’s “Management Intervention Program.” This is the second year in a row that the LIRR has earned the top designation for safety in the commuter and intercity rail category.
- Completed installation of speed-restriction enforcement measures on all LIRR critical rail curves. Installed signs at all curves with civil speed restrictions to visually reinforce compliance.

- Took steps to reinforce the vigilance and speed compliance of locomotive engineers. These included installing “alerters” on all LIRR passenger fleet, increasing radar observations of train operations, and utilizing “event-recorder” downloads of train data to enforce speed compliance.

- Reduced the number of rail accidents or incidents by 22 percent from the previous year.

- Launched a new safety education campaign to reduce accidents on the right-of-way by discouraging pedestrians from taking shortcuts across train tracks. Titled “Don’t Shortcut Your Life,” the campaign included print ads, billboards, radio spots, and a televised PSA video.

- Received the “Gold Standard Award” from the federal Transportation Security Administration (TSA) recognizing the LIRR’s commitment to maintaining strong security protocols.

- Conducted four “Corporate Safety Stand-Downs” in 2014, each attended by around 4,000 employees. Designed to emphasis the value of safety at all levels, the “Stand-Downs” encourage dialogue between employees and supervisors on safety issues, soliciting employee suggestions and reviewing actual injuries in the previous quarter. Directed by a facilitator, the sessions also focus on seasonal hazards, such as dehydration, sunburn, lightning strikes, toxic plants, insect-borne illnesses, and working in winter weather. They stress mitigation strategies, fitness, and prevention of the most common LIRR injury categories, such as “slips, trips, and falls” and soft-tissue injuries.

- Conducted two “Safety, Health, and Wellness Fairs” in conjunction with the “Safety Stand-Downs.” Highlights included such topics as: how to identify and obtain the right protective equipment for given tasks; how to prevent back injuries; how to use fire extinguishers; what to ask a nurse; and many more safety and fitness topics. Each fair was attended by around 1,000 employees.

- Completed railroad safety training for 1,310 emergency responders from local fire departments and ambulance companies, surpassing by 60 percent the LIRR goal of training 800 responders annually.
Metro-North—Safety/Security Initiatives

Following a series of derailments and incidents in 2013, Metro-North undertook a “100-Day Action Plan” in 2014 to improve the safety and reliability of the railroad’s operations, based on assessments by the FRA, the Transportation Technology Center, Inc. (TTCI), and input from other parties. The railroad is also initiating changes in response to reports by the MTA Blue Ribbon Panel on Safety and the National Transportation Safety Board (NTSB). The agency’s safety and security functions were formally separated into two distinct departments in 2013, resulting in a new Metro-North Security Department, reporting directly to Metro-North’s president. Major 2014 safety and security initiatives include the following:

Safety—Track Maintenance

- Undertook an aggressive track improvement program, replacing 42,500 crossties on all three rail lines and resurfacing 83 miles of track, resulting in upgrades to 20 miles of right-of-way, including drainage improvements. Also, replaced 7,000 feet of continuous welded rail on six curves on the Hudson Line and 4,700 feet of rail on three curves on the New Haven Line; installed two dozen new track switches; renewed three highway crossings; repaired four under-grade bridges. Installed new timber ties, continuous welded rail, new miter rails and presence detectors at Walk Bridge, in Norwalk, CT.; and new timber ties at the Devon Bridge in Milford, CT. and at the Harlem River Lift Bridge, which connects Manhattan and the Bronx.
- Hired TTCI to conduct an assessment of Metro-North's infrastructure and maintenance procedures. TTCI identified 146 areas of concern, 127 of which were addressed by Metro-North by the end of 2014.
- Began updating Metro-North’s “MW-4” track maintenance manual to address the repair and elimination of track joints using transition rails and a revised welding program.
- Conducted a complementary review of track maintenance issues and the agency’s “safety culture” based on the reports of the FRA, the MTA's Blue Ribbon Panel on Safety, and the NTSB.
- Placed a “request for proposals” (RFP) for purchase of a track-monitoring system mounted on rail cars to provide continuous data on track conditions. Metro-North is also developing
procurement specifications for its own dedicated Track Geometry Car, with expected delivery by 2017.

Safety—Organizational Culture

- Communicated a clear message to employees that working and operating safely is the primary focus of the railroad—not on-time performance.
- Conducted company-wide Safety Stand-Down days on a quarterly basis, attended by a majority of the workforce.
- Revised train schedules to ensure that sufficient intervals exist for track maintenance, and scheduled necessary track work despite the probability of train delays.
- Revamped FRA-mandated operational testing and evaluation so that testing is performed daily, and results are reviewed monthly and quarterly, in addition to semi-annual review by the FRA.
- Revised the System Safety Program Plan as a further guide to the more proactive, programmatic approaches to safety systemwide.
- Began implementation of a systemwide confidential “close call” reporting system, enabling employees to report safety issues without fear of reprisal.
- Increased the emphasis on communicating safety messages at all levels of the railroad.

Safety—Rebuilding the Workforce

- Reorganized the Office of System Safety, adding 21 new positions. The department now focuses on proactive program development, including risk-reduction programs, trend analysis and reporting, and hazard analysis in accordance with U.S. Department of Defense Standard MIL-STD-882E.
- Reorganized the Training Department with a substantial increase in resources, new safety courses, and a consistent focus on safety in all courses, all benchmarked to other organizations. Also improved tracking of employee recertification/refresher training.
- Reorganized the Maintenance-of-Way (M-of-W) Department, adding a new vice-president of engineering who reports directly to the president. Also, enrolled M-of-W supervisors in courses and professional organizations to stay abreast of new industry standards and created specialized track gangs to address immediate and longterm infrastructure needs.
- Improved qualification and staffing procedures for Rail Traffic Controllers, with fewer employees working on rest days. Doubled staff at the Rules Department, the General Road Foreman’s Office, and Conductor Compliance to further support the Operational Test and Evaluation Program.

**Safety—Additional Measures**

- Designed and installed modifications to the railroad's signal system to allow automatic speed control in 10 critical areas at five rail curves and five moveable bridges. Also, installed permanent speed signs at key locations along the right-of-way.
- Developed and installed an Enhanced Employee Protection System (EEPS), an industry-leading system that protects employees working along tracks.
- Began installation of alertness devices on the M3 fleet, and completed installations on the coach cab car fleet and the M2 fleets.
- Continued to implement NTSB recommendations, while working with both the NTSB and other MTA agencies to ensure coordination of industry best practices.
- Launched future improvements to be implemented in 2015, including installation of video/audio recording devices in railcars; a pilot program for screening safety-critical employees for obstructive sleep apnea; and installation of a pilot program for Positive Train Control (PTC) on the New Haven and Hudson lines.

**Security**

Restructured the Metro-North Security Department to meet the railroad’s significant strategic and operational security requirements. The department developed new organizational roles, staffing plans, and position descriptions, and initiated recruiting to achieve full staffing.

- Tested advanced chemical detectors with the U.S. Department of Homeland Security (DHS) and Argonne National Laboratory. Following the tests the Security Department oversaw procurement and installation of chemical weapons sensors through a $2.2 million DHS grant, upgrading the PROTECT detection systems in Grand Central Terminal and Penn Station.
- Completed analyses and design of security improvements for the Harlem River Lift Bridge using a $2.6 million Transportation Security Administration (TSA) grant. This resulted in
projects to improve stand-off distance, harden the structure, protect the perimeter, expand electronic security systems, and enhance various fire and operational safety measures.

- Designed electronic access control and video surveillance systems for Metro-North’s new headquarters at 420 Lexington Avenue, including access protocols, employee databases, and security systems integrated into the base building systems.
- Surveyed all Metro-North Training Department facilities to enhance physical and electronic security, as well as critical training and testing processes. This included deployment of audio/video recording systems at fixed locations and mobile solutions for remote locations.
- Redesigned and reissued over 11,000 identification passes for employees, contractors, and others for easier identification and improved security. The Pass Office issued 1000 “Blue Light” tags for maintenance-of-equipment personnel, new train and engine licenses, over 13,000 “Police Ride” passes, and converted employee data for company vehicle GPS systems.

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

- Hired a new vice president of “Safety Programs and Initiatives” to focus on employee safety and accident reduction and to institute a safety program management process for all facilities and operations.
- Realigned safety staff to provide 24/7 facility coverage to address safety and health concerns. This provided facility personnel with a ready source for safety support, accident investigation, technical support, inspection, and accident prevention activities.
- Achieved a 19-percent reduction in “lost work days” in 2014 through accident program management and prevention.
- Initiated OSHA 10/30 training programs that were successfully completed by more than 300 employees. The training, which presented safety protocols and accident prevention measures, was a Bridges and Tunnels initiative directed at workers throughout the organization.
- Initiated and completed electrical-safety specialty training for facility maintenance staff. Due to the extensive electrical systems and equipment throughout the agency, Bridges and Tunnels initiated an electric-shock and arc-flash prevention program for maintainers and engineers. The program improves employee awareness and has helped to make Bridges and Tunnels a safety leader in the prevention of serious electrical injuries.
Interagency—Cost Cutting/Revenue Initiatives

- Facilitated an estimated $600 million total gain to the MTA Capital Program budget through the relocation of MTA Headquarters (MTAHQ) from 347, 345, and 341 Madison Avenue to 2 Broadway. The move consolidates MTAHQ’s operations at a single location, realizing a number of operational efficiencies. It will allow the longterm lease of the vacated Madison Avenue properties, enable the MTA to vacate a property at 370 Jay Street, and eliminate the previously budgeted costs of rehabilitating the older buildings. (See also, Operations/Technology Initiatives)

- Processed retroactive wage adjustments (RWA) at the MTA BSC for all MTA agencies and implemented electronic access to pay history for the 59,828 eligible employees. The provision of 70.7 million rows of data for online access saved the MTA the cost of printing 1.7 million double-sided pages of pay history data covering $472.7 million in RWA amounts.

- Increased MTA trademark licensing revenues to $593,000, secured licensing agent relationships in Europe and Asia, and expanded development of licensed products in the apparel and housewares categories.

- Continue to license MTA service, schedule and performance data to mobile app developers, surpassing 200 apps under license for the first time by year end 2014.

- Marketed the grand opening of the new Fulton Center, including an official logo, on-site events, and advertising.

- Collaborated with other regional transit agencies and the National Football League to encourage use of public transportation during Super Bowl XLVIII.

NYC Transit (Subways)—Cost Cutting/Revenue Initiatives

- Expanded the installation of CCTV security cameras to assist the NYPD in arresting MetroCard Vending Machine (MVM) vandals and swipe sellers, thereby reducing MVM repair costs and increasing revenue collection. (See also, Safety/Security Initiatives)
Increased sponsorship revenues by expanding the “On-the-Go” kiosk program from 120 to 145 screens. Developed in partnership with two media companies, the kiosks provide revenue-generating commercial displays alongside real-time customer information. Reaching an average 1.4 million riders daily, the program is one of the largest transit digital screen networks in the U.S. (See also, Operations/Technology Initiatives)

Conducted a zero-based budgeting initiative to determine staffing requirements for Tower Operator headcount in Subdivision B. This resulted in the elimination of 10 positions at an annual savings of $978,000.

Continued the marketing program to directly sell advertising space on MetroCards. The revitalized program booked over $518,000 in net revenue during 2014.

Continued to sell ads on the MTA websites, booking over $697,000 in net revenue during 2014.

MTA Bus Operations (NYCT Department of Buses, MTA Bus Company)—Cost Cutting/Revenue Initiatives

Expanded the use of brokered car services and prepaid taxi debit cards for eligible paratransit riders. These steps resulted in savings of approximately $45.0 million in 2014 compared to regular paratransit door-to-door service.

Initiated the rollout of AAR MetroCards to eligible paratransit customers as a cost-avoidance initiative. The card is an incentive for AAR registrants to use accessible fixed-route services for some transportation needs. It serves as both an identification card for AAR and as a MetroCard on fixed-route service. After full distribution to 160,000 registrants over an 18-month to 24-month period, the AAR MetroCard is projected to save in the range of $29.0 million to $96.0 million annually.

Completed an assessment of the gap between “Reliability-Based Maintenance Excellence” and ISO 55000 standards and the agency’s current state with respect to “Enterprise Asset Management” (EAM) implementation. This entailed assessment of EAM competencies, workflow processes, information systems, and governance across three asset classes: bus fleet, facilities, and support fleet. Coordination on EAM initiatives is underway between the workforce, management, and represented staff through the Bus EAM Council and Executive Board.
Long Island Rail Road—Cost Cutting/Revenue Initiatives

- Generated the highest LIRR ridership in 60 years, contributing to a $26.7 million increase in passenger revenue in 2014 over the previous year.
- Increased “leisure travel” ridership by 14.0 percent in 2014, with beach ridership up 6.0 percent, group travel ridership up 3.0 percent, and a record 112.0-percent growth of package ticket sales for the Belmont Stakes.
- Leased the LIRR’s previously shuttered Riverhead Station building to Islandwide Transportation, a regional transportation and taxi-dispatch company, which is now solely responsible for maintaining the station building and its environs. Under the terms of a 10-year lease, the waiting rooms and restrooms inside the 104-year-old structure have been reopened for LIRR customers during peak travel hours.

Metro-North—Cost Cutting/Revenue Initiatives

Cost Cutting

- Reduced operating subsidies by $4.5 million annually, starting in 2014, through prior cost-cutting measures, while at the same time continuing the strategic longterm investments needed to ensure safe, secure, and reliable transportation services.
- Continued roll-out of the new M8 fleet, which will reduce fleet costs in several key areas, including parts consumption, frequency of repairs due to breakdowns, and overall maintenance costs.
- Continued the Algorithmic Inventory Management System, which provides improved inventory distribution service levels. The system has reduced inventory levels by $4.0 million since 2010 and reduced inventory investment per vehicle by $11.0 thousand during a 13-percent increase in fleet size.
- Secured ongoing energy cost savings through sustainability initiatives, including the award-winning Grand Central Terminal Energy Conservation Project, which will generate an estimated annual energy savings of approximately $3.0 million dollars a year.
Revenues

- Generated increased revenues from Metro-North’s 2014 advertising and sponsorship programs, including: approximately $15.3 million in revenues from advertising displays, such as the Grand Central digital dioramas; around $327,000 from the vending machine program; commissary carts took in $6.8 million, and sponsorship agreements for the carts with Budweiser and Coca-Cola are projected to take in an additional $392,000 over five years.

- Accepted an RFP contract, issued jointly with LIRR, for the installation of Chase Bank ATM’s at 41 Metro-North stations, 33 of which are new locations. Revenues to Metro-North are projected at $375,000 in 2017 and $4.7 million for the 10-year term of the agreement.

- Processed 1,244 group trips and accommodated 33,301 customers through the Metro-North Group Sales & Travel Program, generating more than $920,000 in 2014. Also generated more than $750,000 from the 2014 New York City, Hudson Valley, Connecticut and Beyond “Getaway” programs, a 7.0-percent increase over the previous year. Over 26,000 visitors took the Grand Central Terminal audio tour in 2014, and 6,800 visitors took guided tours of the terminal sponsored by the Municipal Art Society.

- Approved a licensing agreement with a consortium of communication companies, who began implementing a wireless network in Grand Central Terminal and the Park Avenue Tunnel, to be completed in 2015. In addition to licensing revenue the project also provides a critical safety and emergency communications network at no cost to Metro-North, representing combined revenue and savings worth some $24.0 million over 20 years.

Bridges and Tunnels—Cost Cutting/Revenue Initiatives

- Maintained the ongoing savings achieved through prior budget-reduction programs, which have enabled the agency to achieve millions of dollars in savings over previous financial plans through in-depth organizational assessments.

- Reduced Bridges and Tunnels overtime usage by 20 percent since 2009 through aggressive efforts to efficiently manage employee availability, deployment, and scheduling.
- Increased Bridges and Tunnels crossings to 286.4 million for the year, enabling the agency to provide a total of $992.8 million in surplus revenue for MTA transit services in 2014.

- Achieved a record market share of 84.7 percent in 2014 for E-Zpass toll collection, which is the least expensive method of collecting tolls and therefore an important cost containment objective for Bridges and Tunnels.
Since the initiation of its 2010-2014 Capital Program, the MTA has sought and achieved significant reductions in program costs, while continuing to meet the region’s rapidly growing transportation demands and abide by the aims of the Board-approved MTA Mission Statement. In 2010, through a series of savings initiatives, the MTA reduced its original funding proposals by $1.82 billion, resulting in a 2010-2014 Capital Program of $26.3 billion over five years. In 2011, the MTA Board amended the program with proposals to achieve additional savings of nearly $2.0 billion. 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 capital project as it nears implementation to ensure that it will deliver the intended public benefits at the lowest possible cost.

In December 2012, the MTA Board approved an additional $4.8 billion for repairs and restoration of MTA assets that were damaged as a result of Superstorm Sandy, which struck the region on October 29, 2012. This increased the capital plan from $24.27 billion to $29.03 billion. In July 2013, an amendment added $5.77 billion for mitigation and “resiliency” initiatives to secure MTA assets against future extreme weather events. This increased the capital plan from $29.03 billion to $34.80 billion. In July 2014, an amendment to the 2010-2014 Capital Program was approved by the Board. The amendment rebalanced the Sandy program to reflect the latest project estimates without changing the overall budgets. Efforts in 2014 resulted in $5.39 billion in capital funds committed during the year and a total of $1.54 billion in capital projects completed. These include significant rolling stock upgrades and major milestones in the MTA Capital Construction mega projects, the largest system expansions in over 60 years. On September 24, 2014, the proposed MTA 2015-2019 Capital Plan was approved by the MTA.
Board. The plan was vetoed without prejudice by the Capital Program Review Board (CPRB) on October 2, 2014. At the time of this report, efforts continue to advance the 2015-2019 Capital Program. 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

<table>
<thead>
<tr>
<th>Funding Received Through December 31, 2014</th>
<th>1982-2014</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Grants</td>
<td>32,545</td>
<td>2,662</td>
</tr>
<tr>
<td>State Service Contracts/Bond Act</td>
<td>3,331</td>
<td>0</td>
</tr>
<tr>
<td>State Appropriations/ Other</td>
<td>773</td>
<td>0</td>
</tr>
<tr>
<td>City Appropriations</td>
<td>6,548</td>
<td>194</td>
</tr>
<tr>
<td>MTA Bonds</td>
<td>32,607</td>
<td>1,866</td>
</tr>
<tr>
<td>MAC Surplus</td>
<td>5,309</td>
<td>0</td>
</tr>
<tr>
<td>Debt Restructuring</td>
<td>1,525</td>
<td>0</td>
</tr>
<tr>
<td>Other (capital-operating transfer; pay-as-you-go; investment income; asset sales; insurance)</td>
<td>5,511</td>
<td>175</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>88,149</strong></td>
<td><strong>4,897</strong></td>
</tr>
</tbody>
</table>

\(^1\) Funding for MTA Bridges and Tunnels Capital Programs not included. Numbers may not total due to rounding.
### Capital Program Progress, 1982-2014
($ millions)

<table>
<thead>
<tr>
<th></th>
<th>Commitments</th>
<th>Expenditures</th>
<th>Completions</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York City Transit</td>
<td>56,228</td>
<td>50,293</td>
<td>47,363</td>
</tr>
<tr>
<td>Long Island Rail Road</td>
<td>9,493</td>
<td>8,561</td>
<td>7,673</td>
</tr>
<tr>
<td>Metro-North Railroad</td>
<td>7,042</td>
<td>6,217</td>
<td>5,294</td>
</tr>
<tr>
<td>Bridges and Tunnels</td>
<td>5,271</td>
<td>3,929</td>
<td>3,442</td>
</tr>
<tr>
<td>Capital Construction</td>
<td>17,087</td>
<td>14,139</td>
<td>7,403</td>
</tr>
<tr>
<td>MTA Bus Company</td>
<td>807</td>
<td>669</td>
<td>596</td>
</tr>
<tr>
<td>Commuter Rolling Stock</td>
<td>1,820</td>
<td>1,820</td>
<td>1,804</td>
</tr>
<tr>
<td>Other $^2$</td>
<td>736</td>
<td>681</td>
<td>506</td>
</tr>
<tr>
<td><strong>MTA Total</strong></td>
<td><strong>98,484</strong></td>
<td><strong>86,309</strong></td>
<td><strong>74,081</strong></td>
</tr>
</tbody>
</table>

2 Includes funds for World Trade Center recovery, planning and customer service projects, interagency projects, and unassigned commuter rail projects that benefited both LIRR and Metro-North in the 1982-1991 Capital Program. Numbers may not total due to rounding.

### Capital Program Progress, 2014
($ millions)

<table>
<thead>
<tr>
<th></th>
<th>Commitments</th>
<th>Expenditures</th>
<th>Completions</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York City Transit</td>
<td>2,632.5</td>
<td>1,839</td>
<td>1,797.9</td>
</tr>
<tr>
<td>Long Island Rail Road</td>
<td>278.0</td>
<td>308</td>
<td>148.3</td>
</tr>
<tr>
<td>Metro-North Railroad</td>
<td>542.4</td>
<td>231</td>
<td>170.6</td>
</tr>
<tr>
<td>Bridges and Tunnels</td>
<td>808.1</td>
<td>269</td>
<td>287.5</td>
</tr>
<tr>
<td>Capital Construction $^3$</td>
<td>1,400.6</td>
<td>1,564</td>
<td>2,000.4</td>
</tr>
<tr>
<td>MTA Bus Company</td>
<td>91.1</td>
<td>27</td>
<td>5.6</td>
</tr>
<tr>
<td>Other $^4$</td>
<td>14.6</td>
<td>71</td>
<td>0</td>
</tr>
<tr>
<td><strong>MTA Total</strong></td>
<td><strong>5,767.3</strong></td>
<td><strong>4,310</strong></td>
<td><strong>4,410.3</strong></td>
</tr>
</tbody>
</table>

3 Includes funds for security and MTA PD. Numbers may not total due to rounding.

4 Commitments and completions include funds for planning and customer service projects, interagency projects. Numbers may not total due to rounding.
New York City Transit (Subways)

Major 2014 Commitments

Superstorm Sandy Repair and Resiliency

Awarded projects to repair equipment and facilities damaged due to flooding from Superstorm Sandy, including:

- Replacement of damaged equipment and facilities in the South Ferry Station complex, including two pump rooms and three fan plants. ($310.3)
- Rehabilitation of flood-damaged equipment in the Cranberry Street Tunnel, including pump rooms, fan plants, substation, signals, and power and communication cables. ($99.2)
- Rehabilitation of the 200th Street to 207th Street pump rooms, mainline tunnel lighting, and a tunnel lighting room. ($20.9)
- Rehabilitation of three Westchester Yard circuit breaker houses and one 239th Street Yard circuit breaker house. ($12.3, current budget)
- Replacement of storm-damaged power cables and hand switches at Rockaway Park Yard. ($13.6, current budget)
- Rehabilitation of the Staten Island Railway’s St. George Terminal interlocking and tower. Work will include track and switch replacement, relocation of third rails, provision of rail lubrication system, signal modernization, and drainage improvements. ($119.9, current budget)

Resiliency and Mitigation

Awarded projects to mitigate flood-vulnerable equipment and facilities, including:

- Installation of a temporary perimeter floodwall surrounding the Coney Island Yard complex built from portable sand-filled polypropylene bags. ($12.2, current budget)
- Installation of watertight manhole insert devices, watertight hatches, flood doors and watertight vent covers, and seal conduit duct penetrations at six lower Manhattan stations. ($8.1)
Stations

- Initiated station renewal and ADA improvements at the Ozone Park-Lefferts Boulevard Station on the Liberty Avenue Line in Queens. ($23.9)
- Awarded station renewal and component work at nine stations on the Culver Line in Brooklyn. ($132.8)
- Initiated work to improve customer access at Grand Central Terminal in Manhattan. ($17.8)
- Awarded station renewals at the 8th Avenue, Fort Hamilton Parkway, New Utrecht Avenue, 18th Avenue, 20th Avenue, and Bay Parkway stations on the Sea Beach (N) Line in Brooklyn, including ADA improvements at 8th Avenue and New Utrecht Avenue stations and line structure rehabilitation along the segment. ($255.1)
- Began station renewal and component work at the Sutter Avenue, Saratoga Avenue, Rockaway Avenue, Junius Street, Pennsylvania Avenue, Van Siclen Avenue, and New Lots Avenue stations on the New Lots (2, 3, 4, 5) Line in Brooklyn. ($80.7)

Signals, Track, and Switches

- Started replacement projects for mainline tracks, yard tracks, and switches at various locations throughout the system. ($248.4)
- Awarded two contracts to modernize the interlockings at the 34th Street Station ($170.0) and the West 4th Street Station ($155.3) on the 6th Avenue (B, D, F, M) Line in Manhattan.
- Awarded a project at selected priority locations to incorporate new signal “key-by” timers into the existing circuits of all automatic and approach signals at the “leaving end” of station platforms. ($13.6)
- Initiated the first phase of a plan to install a Passenger Station Local Area Network (PSLAN) at 30 stations throughout the transit system. The PSLAN will provide a communications infrastructure supporting several new NYCT technology initiatives, including new electronic fare collection, “Help Point” intercoms, and “next train” arrival signs. ($26.5, first phase)
- Installed “Help Point” emergency and public communications intercoms at 100 stations through the subway system. ($54.5)
Line Equipment and Other Structures

- Began construction on project to perform line structure repairs on the Dyre Avenue (5) Line in the Bronx. ($10.0)
- Initiated the painting of the elevated structure from Broadway Junction to New Lots Avenue on the Canarsie (L) Line in Brooklyn. ($27.1)
- Awarded construction of a new power substation at the Prince’s Bay Station on Staten Island. ($22.6)

Major 2014 Completions

Superstorm Sandy Repair

Completed projects to repair equipment and facilities damaged due to flooding from Superstorm Sandy, including:

- Restored Staten Island Railway’s Clifton Shop AC power distribution system and DC stringer system. ($2.6)
- Removed equipment and facilities at South Ferry Station complex damaged by the storm in advance of the station cleanup. ($6.1)
- Restored the Beach-116th Street Station on the Rockaway (A) Line. ($1.6)
- Restored flood-damaged equipment in the Greenpoint (G Line) Tube, including track, tunnel lighting, signals, and power and communication cables. ($77.8)
- Replaced damaged signal equipment in Montague Tube on the Broadway (R) Line between Court Street Station, Brooklyn and Whitehall St. station and Nassau Line, Broad Street Station to Court St. ($29.0)

Resiliency and Mitigation

Completed projects to mitigate flood-vulnerable equipment and facilities, including:

- Installed short-term flood-mitigation measures to protect South Ferry Terminal from potential flooding due to severe storms. Work included protection of entrances, hatches, ventilation
louver, ventilation gratings, manholes, doors and elevator. Interior flood- protection elements included back-flow preventers and a temporary pumping system. ($6.2, current budget)

- Fabricated deployable stair covers at ten flood vulnerable subway stairs at the Whitehall Street, Rector Street, Broad Street, and Bowling Green stations. ($2.0, current budget)

**Stations**

- Completed renewals of the Central Avenue, Knickerbocker Avenue, Seneca Avenue, Forest Avenue, and Fresh Pond Road stations on the Myrtle Avenue (M) Line in Brooklyn and Queens. ($40.1)
- Replaced escalators at the Whitehall Street Station on the Broadway (N, Q, R) Line, the East Broadway Station on the 6th Avenue (B, D, F, M) Line and the Bowery Station on the Nassau Street (J, Z) Loop. ($14.2)
- Completed the installation of ADA-accessible elevators and other ADA improvements at the Forest Hills-71st Avenue Station on the Queens Boulevard (E, F, M, R) Line in Queens ($21.8); the Utica Avenue Station on the Fulton (A, C) Line in Brooklyn ($14.1); and the Kingsbridge Road Station on the Concourse (B, D) Line in the Bronx ($20.3).
- Provided full ADA accessibility at the Hunts Point Avenue Station on the Pelham (6) Line in the Bronx. ($14.3)

**Rolling Stock**

- Accepted delivery of 78 new R188 rail cars out of a total purchase of 103 “A Division” R188 cars. ($206.3)
- Purchased 28 new locomotives to support maintenance and construction projects. ($109.3)

**Lines Structures, Track and Facilities**

- Completed replacement projects for mainline tracks, yard tracks, and switches at various locations throughout the system. ($320.7)
- Completed the rehabilitation and painting of the viaduct structure on the Rockaway and Far Rockaway (A) Lines in Queens. ($45.1)
Signals and Communications

- Completed the fourth phase of the Signal Control Modifications project, an ongoing initiative to modernize the entire subway signal system. Addressing 160 locations, the fourth-phase modifications included the extension of “control and operation” of wayside equipment, installation of grade timing and station timing, modification of signal control lines, or installation of new signal locations. ($13.4)

- Completed the second phase of a safety initiative to incorporate new signal “key-by” timers into the existing circuits of all automatic and approach signals at the “leaving end” of station platforms. ($28.1)

- Completed a project to increase peak-period capacity on selected segments of the Lexington Avenue (4, 5, 6) Line express tracks in Manhattan. The installation of a Station Time (ST) aspect allows trains to operate on shorter headways. It also alerts train operators to the activation of the ST feature, making them more confident that the ST signal will clear if they are traveling at or below the posted speed. ($27.9)

- Completed modernization of the Church Avenue interlocking on the Culver (F) Line in Brooklyn. ($192.0)
MTA Bus Operations (NYCT Dept. of Buses, MTA Bus Company)

Major 2014 Commitments

Depots
- Awarded contract for the construction of three bus washers at M.J. Quill Depot, two of which are replacements and one which is a new installation. ($4.6, NYCT)
- Awarded contract for chassis wash at LaGuardia and Baisley Park depots. ($3.3, MTA Bus)

Rolling Stock
- Committed to purchase of 276 New Flyer standard diesel buses, ongoing through 2015. ($152.5, NYCT Bus).
- Committed to purchase of 45 standard diesel buses, to be completed in 2015. ($23.8, MTA Bus).
- Committed to purchase of 75 articulated buses, to continue in 2015 and 2016. ($61.6, MTA Bus)

Major 2014 Completions

Depots
- Achieved substantial completion and initial operational use of the reconstructed Mother Clara Hale depot in northern Manhattan. The new depot was built to accommodate 150 standard buses and includes bus lifts with overhead reel fluid dispensing systems, engine and chassis washing systems, an oil/water separating system, fuel storage systems, service/fare collection islands, and bus washers with a water reclamation system. (254.4, NYCT)
- Achieved substantial completion of the fire protection system at JFK Depot. ($3.6, MTA Bus)
- Achieved substantial completion in 2014 of the oil-water separator and chassis wash at the JFK Depot, originally scheduled for 2015. ($2.0, MTA Bus)

Rolling Stock
- Purchased 147 purpose-built paratransit vehicles. ($6.8, NYCT Bus)
Major 2014 Commitments

Stations

- Awarded a design contract for replacement of the Penn Station HVAC system. The existing HVAC plant has reached the end of its useful life. Through an agreement between LIRR and the New York Power Authority (NYPA), NYPA will procure a consultant firm to evaluate design options that will accommodate the existing location and provide energy savings. ($11.0, total project budget)

- Awarded a construction contract for the replacement of six escalators and related equipment at the Rockville Centre, Baldwin, Freeport, Amityville, Copiague, and Lindenhurst stations on the Babylon Branch. The new all-weather heavy-duty escalators will be equipped with safety enhancements that measure horizontal impact forces at the top and bottom of the escalator, detect obstructions between step and skirt, sense handrail speed variations, and provide remote monitoring capability. ($14.0, total project budget)

- Awarded a construction contract for the replacement of elevators at the Woodside and Merrick stations. The new elevators will be installed inside the existing shafts and will be equipped with heavy-duty features, including more reliable door closing equipment, waterproof electrical enclosures, and corrosion-resistant steel finishes. Work includes all associated equipment, as well as elevator vestibules, new electrical service, lighting, signage, communications, and safety and security systems. ($5.0, total project budget)

- Awarded a design contract for the Wantagh Station platform replacement project. The project includes replacement of the 12-car center island platform, canopy, platform lighting, and escalator, as well as the installation of a new elevator. Also included are new communications systems, signage, and CCTV camera systems. ($20.7, total project budget)

- Awarded a design contract for improvements to the Mets-Willets Point Station. Work includes a new passenger elevator, extension of the passenger platform and canopy from 8-car lengths to 12-car lengths, new platform lighting, and new site drainage and pumping systems. ($2.0, design budget)
Track

- Awarded a $25.8 million design-build contract for Phase I of the Jamaica Capacity Improvement project, which covers reconfiguration of the Johnson Avenue Yard in Jamaica, Queens. This project phase includes finalizing the Johnson Avenue Yard design; advancing the yard construction; modifying track alignments; and providing space for an additional platform located south of the existing station platforms. Other Phase I work includes new track and service aisles, retaining walls and other structural support systems, drainage systems, yard lighting, utility relocations, and communication and security systems. ($301.7, total Phase I project budget)

- Awarded a construction contract to replace approximately 21,500 deteriorated wood block half-ties in the Atlantic Avenue tunnel between Jamaica and East New York. The work will include installation of a new block-tie rail-fastening system and repair of the deteriorated concrete track bed. ($29.4, total project budget)

- Awarded a design-build contract for pre-wired signal system equipment for the Massapequa Pocket Track. The new signal equipment will provide the necessary control of train movement into and out of the pocket track. The operational flexibility and the additional storage capacity gained with the pocket track will facilitate mid-branch train service on the Babylon Branch and support the service demands of East Side Access. ($19.6, total project budget)

Line Structures

- Awarded a design-build contract for replacement of Ellison Avenue Bridge. The project will demolish and replace the structure, a two-lane roadway bridge over the LIRR Main Line between Carle Place and Westbury. ($17.5, total project budget)

- Awarded a design-build contract and a separate signal-system design contract for the Colonial Road Improvements project. The project will replace the 117-year-old Colonial Road highway bridge; extend the Great Neck Pocket Track to accommodate an additional 12-car train; and improve drainage beneath the bridge. This will enhance the railroad’s operational flexibility, improve service levels along the Port Washington Branch, and maintain the safety of the LIRR infrastructure. ($19.8, Colonial Road Bridge project; $25.4, Great Neck Pocket Track project)
Signals

- Mobilized project team and set up field office for the Positive Train Control (PTC) Systems Integrator. The Systems Integrator team completed conceptual and system-level designs. A contract change order was awarded in May for early delivery of certain wayside and onboard PTC equipment. The early delivery of equipment will improve the overall project schedule by 12 months. ($250.9, total budget in approved plans)

- Awarded a design-and-furnish contract for renewal of the Signal Supervisory Control System and Remote Terminal Units (RTUs) in the Divide Interlocking at Hicksville, NY, and points east along the Main Line and Port Jefferson Branch. The project involves installation of a new state-of-the-art, graphic-based Divide Supervisory Control System and the replacement of existing RTUs with redundant Programmable Logic Control (PLC) technology. ($13.9, total project budget)

Shops & Yards

- Awarded a preliminary design contract for a new Mid-Suffolk Yard. The new electric yard will be constructed on LIRR property adjacent to the existing Ronkonkoma Storage Yard. The project includes yard-lead and train-storage tracks; track and yard signal systems; an employee facility; lighting; and drainage improvements. ($76.6, total project budget)

Power

- Awarded a design contract for the Replacement of the Port Washington Yard Traction Power Substation. The existing substation will be demolished and replaced with a new prefabricated modular building and new equipment, including AC and DC switchgear, signal power motor generator, control cabinets, and associated equipment. ($22.5, total project budget)

Superstorm Sandy Projects

- Awarded a design-build contract for replacement of AC switchgear in the First Avenue Substation in Manhattan, which was damaged by flooding. The project will replace the
damaged equipment that provides traction power for LIRR trains in the four East River Tunnels between Penn Station and Long Island City. ($8.4, total project budget)

- Awarded a design contract for “restoration and resiliency” work at the Long Island City Yard. The project includes restoration of several yard tracks, construction of car-cleaning platforms and underground utilities, and additional yard improvements, as well as installation of a new drainage system and flood-protection wall. ($4.5, total restoration budget; $26.8, total resiliency budget)

- Awarded a preliminary design contract for restoration of electrical systems at the Wreck Lead Bridge on Long Island. This includes the replacement of underwater cables, bridge electrical systems, and an emergency generator. ($7.7, total project budget)

**Major 2014 Completions**

**Stations**

- Completed station improvements at Locust Manor Station in Queens, which included the replacement of two platform staircases and two platform shelters. ($0.6, total project budget)

- Completed rehabilitation of ramps at the Forest Hills Station in Queens, including replacement of railings and relocation of light fixtures to facilitate unobstructed customer passage on the ramp. ($2.0, total project budget)

- Completed construction of a new elevator and related equipment in the Atlantic Terminal, facilitating customer access between the street level and the station’s track level. ($3.4, total project budget)

**Track**

- Completed the 2014 Annual Track Program, which provides for the cyclical replacement and upgrading of selected track components. The 2014 program included the replacement of approximately 47,686 mechanized wood ties, 3,026 hand ties, 11,533 concrete ties, 724 field welds, 120 miles of surfacing, and renewal of 12 grade crossings. ($52.8, total project budget)
Completed the design for the rehabilitation of approximately 21,500 deteriorated block half-ties in the Atlantic Avenue Tunnel. The existing track structure within the tunnel is primarily wood half-ties embedded in concrete. Design includes an evaluation of alternative products for block tie replacement, design of track structure repairs, and prioritizing locations for rehabilitation. Block tie replacement will consist of the installation of a composite block tie rail-fastening system. ($29.4, total project budget)

**Line Structures**

- Completed preliminary design for the Ellison Avenue Bridge. The project will demolish and replace this structure, which is a two-lane roadway bridge over the LIRR Main Line between Carle Place and Westbury, with pedestrian sidewalks on both sides. ($17.5, total project budget)
- Completed the painting of 11 LIRR bridges as part of the Bridge Painting Program. Work included blasting and power tooling the existing paint on both the street sides and the track sides of the structures. ($5.4, total project budget)
- Completed rehabilitation of Woodhaven Boulevard Bridge, a three-span bridge located in Rego Park, Queens. Project work included new bearings and bridge seats, as well as repairs to the abutments, concrete decks, piers, and structural steel. Above-deck work included installation of new bridge waterproofing and drainage improvements. ($11.0, total project budget)

**Communications**

- Completed the Communications Pole Replacement project, which included removal and replacement of 500 communication poles, which carry cable infrastructure, including signal cables and fiber optic cables. ($7.0, total project budget)

**Shops & Yards**

- Completed the Hillside Facility Roof Renewal project. This project replaced roofing and roof components at the Hillside Facility, including removal of deteriorated rubber roofing at the
Truck Shop and the Motor & Wheel Shop, along with installation of a new polyvinyl chloride (PVC) membrane built-up roofing system. ($6.0, total project budget)

Power

- Completed the Power Pole Replacement project. Work included the replacement of wood power poles, insulators, and associated hardware at various locations along the LRR right-of-way. Ninety-nine wood poles and crossarms, insulators, brackets, ground cables, switches, and mounting hardware were installed in areas that were identified as deteriorated and in need of replacement. ($3.0, total project budget)

- Completed the replacement of third-rail system 2000 MCM cable. The project involved the replacement and upgrading of third-rail cables and associated equipment at selected locations. Approximately 8,600 linear feet of 2000 MCM DC third-rail cable was replaced and upgraded at locations throughout the system in order to support both present and future service requirements. ($2.5, total project budget)

- Completed the Third-Rail Replacement project, which replaced approximately 89,000 linear feet of conventional third-rail with composite and aluminum third-rail. ($10.9, total project budget)

- Completed the Substation Battery Replacement project, replacing substation batteries and motor generator batteries at 12 locations throughout the LIRR system. ($0.8, total project budget)

- Completed replacement of over 57,000 linear feet of 5kV signal power lines at various locations throughout the LIRR. The project also included the replacement of line hardware, such as switches, insulators, and transformers. ($3.0, total project budget)
**Metro-North Railroad**

**Major 2014 Commitments**

**Rolling Stock**

- Continued preliminary design review for the M9 railcar contract, a joint procurement with the LIRR. Metro-North is considering a total procurement of 140 M9 railcars. Funding for this procurement is dependent on future approval of the MTA 2015-2019 Capital Plan. The railroad will continue its involvement in this program until the decision is made on the “best value” fleet option. A decision is anticipated in the first quarter of 2016. ($2.5, specification development and design support budget)

**Stations**

- Awarded a $2.4 million small business mentoring contract for the construction of HVAC improvements and interior station enhancements at Croton Harmon Station as part of a larger project for improvements at the Croton Harmon and Peekskill stations, which includes the following new elements: lighting fixtures, ceiling tiles, wall panels, ticket office panels, concession stand panels, floor tiles, and air conditioning throughout the station. Also included are new bathroom upgrades, which consist of new fixtures and lighting. ($19.0, total project budget)
- Awarded a contract in July to design the Tarrytown Depot Plaza. ($11.3, total project budget)
- Awarded a construction contract in October for the rehabilitation of three freight elevators in Grand Central Terminal. ($9.6, total project budget)
- Awarded a construction contract in November for repairs to the Grand Central Terminal train shed, including repairs to the roof structure, roof expansion joints, columns, portions of the platform on Track 101, and repairs to the ceiling over the M42 substation. ($29.0, total project budget)
Infrastructure

- Awarded a construction contract in March for construction of the 86th Street substation and the negative return reactors at 110th Street. Also awarded a contract in December for the construction of a new DC traction-power substation at Brewster, NY, on the upper Harlem Line. ($35.7, total project budget)

- Issued a “notice to proceed” in May for the Harmon Shop replacement Phase V, Stage II, which entails preliminary design of the Running Repair and Electric Multiple Unit (EMU) Shop to fully replace the existing main shop. Also awarded a contract in December for Phase V, Stage 1, a design-build contract for the Harmon Shop Improvements project, as well as a contract for construction management. ($315.6, total project budget)

- Established a field office and mobilized the project team for the Positive Train Control (PTC) Systems Integrator. The Systems Integrator team completed conceptual-level and system-level designs. A contract change order was awarded in May for early delivery of certain wayside and onboard PTC equipment. The early delivery of equipment will improve the overall project schedule by 12 months. ($259.5, total budget, of which $53.2 is funded by the Connecticut Department of Transportation)

- Awarded a contract for emergency rock slope remediation at Mile Post JS52.3 Highland Falls, NY, on the Port Jervis Line, where 1,800 tons of rock was removed. ($3.0, total project budget).

- Awarded a contract in August for the upgrade of the uninterruptible power supply (UPS) system at the 525 North Broadway Building. ($1.9, total project budget)

- Awarded a contract in September for the rehabilitation of the culvert located at Mile Post JS51.00 on the Port Jervis Line in Highland Mills, NY. ($7.3, total project budget)

- Awarded a contract in December for the design of wayside communications and signal systems for the Hudson and Harlem lines. ($10.4, total project budget)

Superstorm Sandy Restoration and Resiliency

Continued to repair equipment and facilities damaged due to flooding and related effects from Superstorm Sandy, including:
- Continued restoration of Metro-North right-of-way, including tree removal and shoreline restoration. ($8.0, total project budget)
- Commenced the “request for proposal” (RFP) for a design-builder to repair and replace the power infrastructure, Phase I. ($70.9, total project budget)
- Commenced the RFP for a design-builder to restore communications and signal infrastructure, Phase I. ($66.8, total project budget)
- Awarded a contract in October to replace the damaged Harlem River Lift Bridge AC facility houses. ($5.1, total project budget)
- Awarded a contract in December to replace three damaged Hudson Line substations. ($39.5, total project budget)

Continued mitigation and “resiliency” projects to better prepare the system for future weather-related events, including:
- Commenced the procurement process for rail vacuum machines to keep track assets clear of silt, obstructions, and other debris so that drainage can function properly. ($12.0, total project budget)

**Major 2014 Completions**

**Rolling Stock**

- Continued contract work on the M8 project for the design, manufacture, testing, and delivery of the M8 electric multiple unit (EMU) cars for the New Haven Line. In addition to the base contract, various options have been exercised which bring the total M8 order to 405 cars, of which 380 cars (378 “married” and two “single” cars) had been conditionally accepted and placed into revenue service by the end of 2014. ($1.1 billion, total budget; including $356.1 from MTA and $746.5 funded by Connecticut Department of Transportation)

**Stations**

- Completed New Haven Line Station Rehabilitations, Phase II, at the Harrison, Mamaroneck, Larchmont, New Rochelle, Pelham, and Mt. Vernon East stations. Work
included the repair of concrete platform supports and bearings; the rehabilitation of platform wearing surfaces; the abatement and removal of existing canopy decking; the installation of new canopy decking, with conduits, lighting, VMS sign supports, and bird deterrents; the removal and replacement of overpass stair treads and risers, concrete decks, doors, and windows; the replacement of existing platform light poles; and the installation of fall protection on overpass roofs and staircase roofs. ($36.7, total project budget)

Infrastructure

- Continued to advance the East-of-Hudson 2005-2009 Overhead Bridges Program, with: completion of the overhead bridge at Bridge Street in Poughkeepsie, NY, on the Hudson Line ($6.8, project budget, Metro-North’s share with NYSDOT); ongoing priority repairs at Hillside Avenue in Mamaroneck, NY, ($15.9, project budget); completion of the Harlem River Lift Bridge walkway reconstruction; removal and replacement of the Track 4 superstructure for the Croton River Bridge, and select painting of existing bridges. ($27.2, total project budget)
- Completed the Customer and Employee Communications project in January. Work included a customer-communication study and construction of a public-address (PA) system to improve customer and employee communications at Grand Central Terminal and various outlying locations. ($5.8, total project budget)
- Completed the Park Avenue Tunnel Renewal project in February. Work consisted of the rehabilitation of deteriorated structural elements located throughout the length of the tunnel, as well as repairs to several parts of the upper-level roof of the train shed. ($8.1, total project budget).
- Completed the replacement of third-rail sectionalizing switches in June. The project included the replacement of eight third-rail sectional switches and eight snow-melting control cabinets. ($1.2, total project budget)
- Completed the right-of-way fencing project in April, with protective eight-foot-high chain-link fence installed at various locations along the Harlem and Hudson lines. ($0.3, total project budget)
• Completed the rehabilitation of the Woodbury Viaduct at Mile Post JS50.17 in Highland Mills, NY, in October, part of the Moodna/Woodbury Viaducts project. ($9.0, total project budget).

• Completed the Harlem and Hudson Substation Renewal project in June. The project is part of an ongoing program to replace the 30-year-old, obsolete DC switchgear in 18 substations on the Harlem and Hudson lines with the modern equipment and higher power capacity needed for the M7 and M8 rail car fleets. ($19.8, total project budget)

• Completed the Grand Central Turnout/Switch Renewal project in June. As part of the 2014 annual scope of work for turnout and switch renewal, four switches (701A, 701B, 703A, 703B) were replaced in Grand Central’s lower level. ($14.9, total project budget)

• Completed the Catenary Painting/Rehab Catenary Structure project in July. Work was completed at most catenary towers between the Mamaroneck and Rye stations, towers 132 through 192. Work included containment and removal of lead-based paint; clearing of dirt, debris, and vegetation from towers; repair of concrete foundations; and repairs to structural steel. ($3.5, total project budget)

• Completed the replacement of bollards on the Lexington Avenue side of Grand Central Terminal in April. Work entailed the removal and replacement of ten security bollards outside of the Graybar passageway, including modification to an NYCT vent shaft structure, relocation of four sidewalk water supply valves, demolition and replacement of one DEP Type III catch-basin, and restoration of the concrete sidewalk and stone curb. ($1.7, total project budget)

• Completed the cyclical replacement of insulated joints at various locations on the Harlem, Hudson, and New Haven lines within New York State. Insulated joints are replaced as they fail or when the “cyclical track gang” is replacing ties and rail. ($1.6, total project budget)
Bridges and Tunnels is committed to maintaining its facilities in a state of good repair. Major projects include Superstorm Sandy-related repairs to the Hugh L. Carey Tunnel and rehabilitation of parts of the Robert F. Kennedy Bridge, including the Bronx Toll Plaza reconstruction. The Henry Hudson Bridge is in the first phases of replacing its current toll plaza configuration with a gantry-based Open Road Tolling system. The following are additional details about Bridges and Tunnels’ major 2014 commitments:

**Hugh L. Carey Tunnel**
- Awarded construction, construction administration, and design during construction services for the Hugh L. Carey Tunnel Superstorm Sandy restoration projects, as well as rehabilitation of the walls, roadway, and fire lines, and the replacement of the Brooklyn Plaza structural slab. ($314.1, contract award; $539.3, total project budget)

**Robert F. Kennedy (Triborough) Bridge**
- Awarded contract for the reconstruction and painting of the Bronx Toll Plaza deck and the supporting substructure and approach ramps. ($217.9, contract award; $274.3, total project budget)
- Awarded the construction for the 124\textsuperscript{th}-125\textsuperscript{th} Street ramps. ($68.6, contract award; $112.6, total project budget)

**Verrazano-Narrows Bridge**
- Awarded the design-build contract for the replacement of Electrical Substation Number 1. ($12.0, contract award; $16.6, total project budget)
Henry Hudson Bridge

- Awarded the first phase of construction for replacement of the upper- and lower-level plaza and the southbound approach structure. ($19.2, contract award; $49.4, total project budget)

**Major 2014 Completions**

Bridges and Tunnels completed a total of $287.5 million in Capital Program projects in 2014. Major projects were completed at five facilities in 2014, and several of these were completed months ahead of schedule, resulting in significant cost savings and improved customer convenience. Projects included:

**Bronx-Whitestone Bridge**

- Completed concrete repairs on the Bronx anchorage two months ahead of schedule. ($8.0, total project budget)

**Throgs Neck Bridge**

- Completed the rehabilitation of the orthotropic deck and the painting of the Queens and Bronx approach spans four months ahead of schedule. ($67.6, total project budget)

**Robert F. Kennedy (Triborough) Bridge**

- Completed the design-build deck replacement of the Manhattan and Queens ramp four months ahead of schedule. ($63.6, total project budget)
- Completed the design-build of a maintenance facility three months ahead of schedule ($23.1, total project budget).

**Verrazano-Narrows Bridge**

- Completed the toll plaza eastbound and westbound ramp improvements nine months ahead of schedule. ($63.9, total project budget)

**Hugh L. Carey Tunnel**

- Completed replacement of electrical switchgear and equipment. ($56.7, total project budget)
MTA Capital Construction

MTA Mega Projects

Fulton Center

- As of December 2014, $1.375 billion has been committed to the Fulton Center, out of a current total project budget of $1.400 billion, of which federal funding accounts for $1.270 billion.

- The A/C Line Mezzanine Reconfiguration contract was substantially completed in January 2014 and the Fulton Center opened to the public on November 10, 2014. Substantial completion was declared on all other Fulton Center contracts with the exception of the Transit Center contract, which is forecast for 2015.

Second Avenue Subway

- As of December 2014, $4.110 billion has been committed to the Second Avenue Subway, Phase 1, project, out of a current total project budget of $4.451 billion, of which federal funding accounts for $1.374 billion. To date, all contracts for the project have been awarded. The contract for the 72nd Street Station structures was substantially completed in January 2014. The contract for 86th Street Station structures was substantially completed in December 2014. The anticipated revenue service date for the Second Avenue Subway Line is December 2016.

- MTACC continues to work with the community on ways to mitigate construction impacts through Construction Advisory Committees, quarterly Public Workshops, and Saturday community tours. Newsletters for each station area are distributed monthly and the Second Avenue Subway’s “Good Neighbor Initiative” continues to ensure that contractors properly maintain their worksites and that appropriate wayfinding signage for small businesses are in place. The Community Information Center, located at 1628 Second Avenue, allows the public to obtain answers to project-related questions, raise concerns, and view exhibits.
7 Line Extension

- As of December 2014, $2.385 billion has been committed to the 7 Line Extension, out of a total project budget of $2.420 billion, of which funding from the City of New York accounts for $2.367 billion. Also, 99 percent of construction required for revenue service has been completed. Site J was substantially completed on February 2014.

- The 7 Line Extension project experienced some schedule delays in 2014, including initial failure of the factory acceptance testing (FAT) for high-rise escalators and inclined elevators at the 34th Street entrance and a delay in the start of the FAT of the Transmission Backbone System.

East Side Access

- As of December 2014, $6.805 billion, 67 percent of budget, has been committed to the East Side Access (ESA) project, out of a current project budget of $10.178 billion, plus a rolling stock reserve of $463 million. Federal funding for the project is expected to total $2.699 billion. In June 2014, after completing a revised project plan, ESA presented its new budget and schedule. The budget increased from $8.245 billion to $10.178 billion. The forecast revenue service date was extended from 2019 to December 2022.

- Approximately $929.2 million worth of construction was completed in 2014. Total third-party construction completed to date is over $3.3 billion.

- In March 2014, ESA awarded the Manhattan North Structures contract ($316.3 million), which includes the installation of the permanent concrete lining, duct bench, and embedded mechanical, electrical, and plumbing systems in all running tunnels and structures north of the Grand Central Terminal caverns; construction of the 50th Street air plenum cavern and the remainder of the underground 55th Street ventilation facility; and the continuation of the existing 63rd Street tunnel rehabilitation, including duct bench installation.

- ESA awarded three system contracts during 2014: the System Package 1, to fabricate, install and commission electrical, mechanical, communications, and controls systems in the tunnel alignment and security and fire systems in interior spaces ($366.9 million); the System Package 3, for signal equipment procurement ($21.8 million); and System Package 4, to fabricate and install traction power substations and wayside equipment ($78.4 million).
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 1,791 employees (full-time and part-time) as of December 31, 2014, 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 (full-time and part-time) as of December 31, 2014, 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>7,061 employees</td>
</tr>
<tr>
<td>Metro-North Commuter Railroad Company</td>
<td>6,649 employees</td>
</tr>
<tr>
<td>Staten Island Rapid Transit Operating Authority</td>
<td>309 employees</td>
</tr>
<tr>
<td>MTA Bus Company</td>
<td>3,719 employees</td>
</tr>
<tr>
<td>MTA Capital Construction Company</td>
<td>140 employees</td>
</tr>
</tbody>
</table>

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>1,753 employees</td>
</tr>
<tr>
<td>New York City Transit Authority, and its subsidiary, the Manhattan and Bronx Surface Transit Operating Authority</td>
<td>47,603 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 document, 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.

**Description of 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 the Manhattan and Bronx Surface Transit Operating Authority (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**

MTA 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 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, 2014, 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, the Staten Island Rapid Transit Operating Authority, and the MTA Bus Company; (4) the Committee on Operations of the Metro-North Commuter Railroad; (5) the Committee on Operations of the Long Island Rail Road 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 Diversity Committee; (9) the Corporate Governance Committee; and (10) the Safety 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, 2014.
# BOARD MEMBERS

<table>
<thead>
<tr>
<th>Name</th>
<th>Audit Committee</th>
<th>Corporate Governance Committee</th>
<th>Diversity Committee</th>
<th>Finance Committee</th>
<th>Capital Program Oversight Committee</th>
<th>B &amp; T Committee</th>
<th>LIRR Committee</th>
<th>MNR Committee</th>
<th>NYC Transit/MTA Bus Committee</th>
<th>Safety Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thomas F. Prendergast</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Chairman and CEO)</td>
<td>t</td>
<td>c</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fernando Ferrer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Vice Chairman)</td>
<td>t</td>
<td>t</td>
<td>t</td>
<td>t</td>
<td>t</td>
<td>t</td>
<td>c</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andrew Albert</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>t</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jonathan A. Ballan</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>John H. Banks III</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robert C. Bickford</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norman E. Brown</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allen P. Cappelli</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ira R. Greenberg</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jeffrey A. Kay</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Susan G. Metzger</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charles G. Moerdler</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>John J. Molloy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mitchell H. Pally</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andrew M. Saul</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>James L. Sedore Jr.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vincent Tessitore, Jr.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Polly Trottenberg ¹</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ed Watt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iris Weinshall ²</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carl V. Wortendyke</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neal Zuckerman ³</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

C = Committee Chair.

¹ Polly Trottenberg was appointed as a Board Member on June 20, 2014.

² Iris Weinshall was appointed as a Board Member on July 1, 2014.

³ Neal Zuckerman was appointed as a Board Member on June 20, 2014.
The MTA Board held eleven (11) meetings in 2014. 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></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Thomas F. Prendergast (Chairman and CEO)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fernando Ferrer (Vice Chairman)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andrew Albert *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jonathan A. Ballan</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>John H. Banks III</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robert C. Bickford (1/4)</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>James F. Blair</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norman E. Brown *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allen P. Cappelli</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ira R. Greenberg *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jeffrey A. Kay</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mark D. LeBow</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Susan G. Metzger (1/4)</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charles G. Moerdler</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>John J. Molloy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mark Page</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mitchell H. Pally</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>David Paterson</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andrew M. Saul</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>James L. Sedore Jr. (1/4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vincent Tessitore, Jr. *</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Polly Trottenberg 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ed Watt *</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iris Weinshall 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carl V. Wortendyke (1/4)</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neal Zuckerman 6 *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Legend**

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

---

4 Polly Trottenberg was appointed as a Board Member on June 20, 2014.
5 Iris Weinshall was appointed as a Board Member on July 1, 2014.
6 Neal Zuckerman was appointed as a Board Member on June 20, 2014.
LITIGATION

General

The MTA and its affiliates and subsidiaries maintain extensive property, liability, station 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 Related Entities also provide accruals in their financial statements for their estimated liability for claims by third parties for personal injury arising from, among other things, bodily injury (including death), false arrest, malicious prosecution, and libel and slander, for property damage for which they may be liable as a result of their operations, and advertising offense, including defamation, invasion of right of privacy, piracy, unfair competition, and idea misappropriation. The estimated liabilities are based upon independent actuarial advice obtained by the Related Entities. However, except in special circumstances and except for the annual judgments and claims budgeted amounts, additional cash reserves are not generally established in an amount equal to the full amount of the accrual.

MTA

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 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, later revised to $93 million) or, alternatively, for the alleged “reasonable value of work performed” by Lockheed ($137 million, later revised to $149 million), exclusive of pre-judgment interest, 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 be $205,909,468, exclusive of prejudgment interest. Following the completion of discovery, in July 2013, both MTA and Lockheed moved for partial summary judgment in connection with various claims. Those motions were fully briefed and submitted to the Court in October 2013.

By decision dated September 16, 2014, the Court granted in part and otherwise denied each party’s respective motions. With respect to the MTA’s motion, the Court dismissed Lockheed’s claim under a quantum meruit theory, thereby reducing the MTA’s exposure by roughly $50 million, to approximately $94 million (exclusive of pre-judgment interest). Trial commenced on October 6, 2014 and concluded on November 14, 2014. Based on the trial record, the MTA reduced its damages claim to $189 million, exclusive of pre-judgment interest. Lockheed’s claim for damages remained the same. Post-trial papers were submitted on November 24, 2014 and the final reply papers were submitted on December 5, 2014. The parties now await the decision of the Court. 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. The sureties moved for partial summary judgment on their exposure, seeking a reduction of their potential obligation by $5.4 million to account for a progress payment issued by MTA to Lockheed post-default. By decision dated September 15, 2014, the Court denied that
motion. The final outcome of this action must await the outcome of the underlying action
(*Lockheed v. MTA*, discussed above), and cannot be determined at this time.

*Actions for Personal Injuries/Property Damage/Workers’ Compensation.* As of
December 31, 2014, there were approximately 33 actions and tort claims pending against
the MTA. These include claims for 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 119 pending Workers’
Compensation cases.

**Transit System**

*Actions for Personal Injuries/Property Damage.* As of December 31, 2014, MTA
New York City Transit and MaBSTOA had an active inventory of 7,312 personal injury
claims and lawsuits and 2,074 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, 2014, there was an active inventory of
approximately 898 personal injury cases and approximately 367 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 automobile policy
which in 2014 had policy limits of $3 million per occurrence, subject to a $1 million
deductible.

As of December 31, 2014, MTA Staten Island Railway had a pending inventory of
19 claims and lawsuits relating to personal injury and property damage arising from the
operations of MTA Staten Island Railway.

*Workers’ Compensation and No-Fault.* As of December 31, 2014, MTA New
York City Transit and MaBSTOA had an active inventory of approximately 12,942
Workers’ Compensation cases and approximately 1,394 no-fault cases. As of December
31, 2014, there were 24 Workers’ Compensation cases for MTA Staten Island Railway
employees who 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 Transit 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.

**Other Litigation.** As of December 31, 2014, the General Law and Contracts Division had an inventory of approximately 404 cases, consisting of federal and state court plenary litigation actions and special proceedings as well as administrative matters pending before various state, federal and local administrative agencies. One such pending federal lawsuit, commenced in 2012, is described below.

*Colella v. NYCTA and MaBSTOA.* This action, commenced in the United States District Court, Southern District of New York in August 2012, seeks damages for alleged violations of the federal Fair Labor Standards Act ("FLSA"). Specifically, plaintiff claims that his position has been wrongfully classified as exempt under the FLSA and that he has been denied payments to which he asserts entitlement pursuant to the FLSA on various grounds. Plaintiff purports to bring this action as a collective, *i.e.* opt-in class action, and moved for certification of a conditional class of similarly situated employees. The Court issued an order authorizing the dissemination of a Notice of Wage and Hour Lawsuit and Consent to Join Form and 42 additional employees consented to join this lawsuit. Remedies under the FLSA include liquidated damages of two times the amount owed in back pay, plus attorneys’ fees and court costs. On December 2, 2014, Magistrate Judge Michael Dolinger issued a Report and Recommendation ("R&R") granting NYCT’s motion to dismiss 20 of the 42 additional plaintiffs on the grounds that they had either indicated a desire to opt out or had not complied with their discovery obligations. On December 16, 2014, plaintiffs objected to the R&R and on March 3, 2015, District Court Judge George B. Daniels issued a Memorandum Decision and Order adopting the R&R to the extent that NYCT’s motion to dismiss was granted dismissing 19 of the 42 additional plaintiffs. The parties have very recently agreed upon the terms of a settlement (inclusive of attorneys’ fees) that is well below the materiality threshold.

**Commuter System**

*Actions for Personal Injuries/Property Damage.* As of December 31, 2014, MTA Metro-North Railroad had an active inventory of approximately 484 personal injury claims
and lawsuits arising out of the operation and administration of the MTA Metro-North Railroad, of which 200 were the result of claims filed by employees pursuant to the FELA, and approximately 284 were claims filed by third parties. Also, as of that date, there were 3 pending property damage cases. With respect to claims for personal injury arising from the December 1, 2013 derailment of a southbound MTA Metro-North Railroad train north of the Spuyten Duyvil station in the Bronx, MTA Metro-North Railroad has exhausted its self-insured retention of $10 million. Amounts incurred in excess of the $10 million self-insured retention with respect to such Spuyten Duyvil claims are covered under an all-agency excess liability policy insured by FMTAC for $50 million per occurrence. Additionally, MTA maintains $350 million in liability coverage through the commercial insurance markets that is in excess of the $50 million coverage layer provided by FMTAC.

An incident occurring on February 3, 2015, when a MTA Metro-North Railroad Harlem Line train struck an automobile in a highway-rail grade crossing between the Valhalla and Hawthorne stations, is also resulting in assertion of personal injury claims against the railroad. The driver of the automobile and five passengers on the train were killed. An estimated fifteen passengers, and the train engineer, were injured. The National Transportation Safety Board (“NTSB”) is conducting an investigation into the contributing causes of the accident and has issued a Preliminary Report. There is no indication from the NTSB’s preliminary findings that MTA Metro-North Railroad was at fault in connection with this incident.

As of December 31, 2014, MTA Long Island Rail Road had an active inventory of approximately 1,599 personal injury claims and lawsuits arising out of the operation and administration of the MTA Long Island Rail Road, of which 847 were the result of claims filed by employees pursuant to FELA, and approximately 752 were claims filed by third parties. Also, there were approximately 239 pending property damage matters.

_Martens v. LIRR; Town of Brookhaven v. MTA, et al._ The LIRR previously reported that in October of 1992, LIRR employees discovered a suspected contamination site in Yaphank while attempting to install a switch for freight operations. In 2002, the LIRR and NYSDEC entered into a Voluntary Compliance Agreement (“VCA”) with respect to the site, and in 2014 NYSDEC approved a Remedial Action Work Plan under which LIRR would progress a Capital Project to remediate the site by creation of a cap and other measures, at a cost estimated at $8.8 million. However, the Town of Brookhaven (within which the site is located) has opposed that Work Plan, maintaining that instead
removal of all contaminated soils and hazardous materials be performed. This has resulted in two actions being filed on or about March 11, 2015; one by NYSDEC against LIRR, filed in Supreme Court, Queens County, and a second brought by the Town of Brookhaven against MTA, LIRR, and NYSDEC, in Supreme Court, Suffolk County. Should such litigations result in a court siding with the Town of Brookhaven, LIRR would face substantially higher remediation costs. LIRR intends to vigorously defend these cases and the outcomes cannot be determined at this time.

*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 Commuter 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**

*Janes, et al. v. Triborough Bridge and Tunnel Authority, MTA, Walder, and Ferrara.* 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 MTA and MTA Bridges and Tunnels as a result of the 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 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. The authorities filed an answer in May 2006.

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 claimants seeking damages. By opinion and order dated January 23, 2012, Judge Engelmayer, to whom the case had been transferred, granted defendants’ motion for reconsideration, narrowing the certified class seeking equitable relief to exclude from the class 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. All discovery was completed in January 2013.

By Opinion and Order entered October 15, 2013, the Court granted defendants’ summary judgment motion dismissing all of plaintiffs’ claims. Following the Second Circuit’s rulings in Selevan v. New York State Thruway Authority, the Court held that the differential toll structures were not “invidious” such that the strict scrutiny standard of review applied to plaintiffs’ right to travel claim. Rather, for that claim and plaintiffs’ Dormant Commerce Clause claim, the Court applied the rational basis standard, as judged by the three-pronged Northwest Airlines test. The Court ruled that the differential toll policies satisfied all three prongs of the Northwest Airlines test because: 1) they do not restrict access to the New York marketplace and plaintiffs did not factually dispute defendants’ showing that the use of toll revenues to support mass transit in the region had had “a strong overall positive impact on interstate commerce;” 2) defendants had demonstrated that the tolls are based on a fair approximation of the facilities’ use; and 3) defendants had compellingly established that the tolls are not excessive when judged by the benefits conferred to users of the integrated transportation system, i.e., the reduction in congestion on the bridges and tunnels, a “smoothly functioning mass transit system,” and economic benefits for the region. In so ruling, the Court stressed that the discounts reflected New York State’s attempt to “alleviate unique geographic burdens affecting a small subset of the community. That is a legitimate and non-discriminatory governmental purpose.” Because plaintiffs’ state law claims were deemed derivative of their federal claims, the Court exercised supplemental jurisdiction to dismiss those claims as well.

On December 24, 2014, the Second Circuit Court of Appeals affirmed the District Court’s dismissal of all plaintiffs’ claims that toll discounts given on the Verrazano Narrows Bridge to residents of Staten Island and on the Marine Parkway and Cross Bay
Bridges to residents of the Rockaway Peninsula and Broad Channel by statute and by
decision of the Board are unconstitutional. The Circuit Court held, for substantially the
reasons stated by the District Court, that the resident discounts at issue violate neither the
constitutional right to travel nor the dormant Commerce Clause.

Following *Selevan*, the Circuit Court found that plaintiffs' right to travel argument
rests on weak ground and does not merit strict scrutiny analysis, but rather should be
analyzed under the three-pronged *Northwest Airlines* test. The Court agreed with the
District Court's conclusion that the resident discounts satisfy all three prongs of the
*Northwest Airlines* test.

In doing so, the Circuit Court found that TBTA tolls are used to defray the cost of
the bridges at issue and the facilities of a large integrated transportation system, the
operation of which facilitates interstate travel. The Circuit Court explained that TBTA and
MTA have:

> demonstrated that the tolls at issue provide crucial revenue that supports the
larger Metropolitan Transportation Authority system. Moreover, as one
expert noted, “people using the [Verrazano, Cross Bay and Marine Parkway
Bridges] receive the direct benefits of the mass transportation system, which
the tolls are used to support. That system diverts numerous travelers in the
region from the roadways to mass transportation and makes it possible for
users of the roadways to travel without excessive road congestion.”

The U.S. Supreme Court has granted plaintiffs an extension of their time to file a
petition for certiorari through May 22, 2015.

*Actions for Personal Injuries/Property Damage.* As of December 31, 2014, MTA
Bridges and Tunnels had an active inventory of approximately 85 personal injury claims
and lawsuits (including intentional torts such as false arrest) and approximately 11
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, 2014, MTA Bridges and Tunnels had an active inventory of approximately 353 Workers’ Compensation cases and 0 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 MTA Bridges and Tunnels’ 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, 2014, MTA Bus had an active inventory of approximately 777 personal injury claims and lawsuits, approximately 739 property damage matters, approximately 431 no-fault cases arising out of the operation and administration of the MTA Bus System, and approximately 706 Workers’ Compensation cases.

Metropolitan Suburban Bus Company

Matter of Adams v. MTA et al. This pending Article 75 petition by almost 200 former Metropolitan Suburban Bus Company (“MTA LI Bus”) employees who were members of TWU Local 252 seeks to compel arbitration pursuant to various "13(c) agreements" attached to grants that were used for MTA LI Bus. (See 49 U.S.C. 5333(b) ("Employee protective arrangements"), which provides that such agreements shall be entered into as a condition of certain federal financial assistance and shall provide, inter alia, "the protection of individual employees against a worsening of their positions related to employment.") The petition names MTA, MTA LI Bus, Nassau County and Veolia Transportation, which is now running bus service for Nassau County, as respondents and claims that the petitioners were either dismissed on the termination of the Lease and Operating Agreement between MTA LI Bus and Nassau County (the “LOA”) or hired by Veolia at lower pay and therefore are entitled to arbitrate their claims and to 13(c) displacement benefits, which extend for six years from the time of displacement. MTA

---

The MTA subsidiary Metropolitan Suburban Bus Authority discontinued its provision of transportation services at the end of 2011. Its activities are limited to the winding up of its affairs.
and MTA LI Bus answered the petition, asserting various defenses. By decision filed October 27, 2014, the court granted petitioners’ motion to compel final and binding arbitration before the American Arbitration Association. Respondents MTA and MTA LI Bus have appealed. The appeal is pending. We cannot determine the final outcome of the matter at this time.

MSBA v. County of Nassau. The 1973 Lease and Operating Agreement between Nassau County and MTA LI Bus was terminated effective December 31, 2011. MTA LI Bus brought suit against Nassau County in July 2012 to enforce Nassau County’s obligation to pay certain workforce-related post-termination expenses pursuant to such Agreement. The New York Supreme Court, New York County, granted Nassau County’s motion to dismiss the complaint, and MTA LI Bus appealed the lower court judgment to the Appellate Division, First Department. In a decision dated March 3, 2015, the Appellate Division affirmed the Supreme Court’s decision. MTA LI Bus intends to seek leave from the Court of Appeals to appeal the Appellate Division’s decision. The final outcome of this matter cannot be determined at this time.

Actions for Personal Injuries/Property Damage. As of December 31, 2014, MTA LI Bus had an active inventory of 74 personal injury claims and lawsuits, and 1 property damage matter arising out of the operation and administration of MTA LI Bus.

Workers’ Compensation and No-Fault. As of December 31, 2014, MTA LI Bus had approximately 49 Workers’ Compensation cases and 15 open no-fault claims.