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IMMEDIATE

New Chairman Releases Report on First 100 Days at MTA

"Making Every Dollar Count" Calls for Dramatic Cost Cutting and Affordable Service Improvements

Metropolitan Transportation Authority (MTA) Chairman and CEO Jay H. Walder today released "Making Every Dollar Count," a report of his first 100 days on the job that includes an assessment of the MTA and plans for improvement. Walder began his tenure on October 5 and released the report at a breakfast forum hosted by the Association for a Better New York. The full report is available, along with a video, on the MTA's new website at www.mta.info.

The report recognizes the enormous improvement in the MTA's transportation network over the past 25 years, but acknowledges that in many areas the MTA has fallen behind comparable transit systems around the world. All of the report's observations are set in the context of the ongoing economic crisis and its impact on the MTA.

"When I started in October, I expected this report to talk about plans for finally starting to catch up with the rest of the world, and it does," said Walder. "But I barely had my feet on the ground when the state's economic crisis hit the MTA hard. It's clear that my first priority right now must be to attack the MTA's cost structure and ensure we are using every dollar effectively. At the same time, we must find affordable ways to improve service for customers who have been waiting far too long."

Accordingly, the report identifies two main goals:

- Overhaul the way the MTA does business to cut costs and ensure that every dollar is being used as effectively as possible.
- Find affordable ways to make progress on service improvements despite the economic situation.

Cutting costs to create a more efficient MTA

Overhaul how the MTA does business

The MTA is the product of mergers between dozens of former transportation companies, but steps were never taken to eliminate redundancies and find savings. The report identifies several areas to target for streamlining and cost reduction:

- The MTA has 92 different phone numbers for customer information, and 5 separate call centers.
- Almost 20 percent of the MTA's administrative workforce is devoted to information services/technology.
- Too many MTA managers oversee too few employees due to previous cost-cutting attempts.

By operating the MTA as one company – instead of multiple silos – significant cost reduction can be achieved.

Reduce the cost of providing service

Nearly 90 percent of MTA employees are focused on service delivery, so this area must also be targeted for sufficient cost reduction. Some areas identified in the report include:

- Almost \$500 million spent annually on overtime.
- Some work rules limit the MTA's ability to utilize new technology or streamline processes
- The MTA spends 15 cents of every fare dollar on collection and processing.

Savings can be found in each of these areas. For example, reducing the cost of collecting fares to 12 or 13 cents per dollar would save millions of dollars.

Moving forward for customers

The report targets five areas for fast, visible, affordable improvements:

Faster bus service

- In 2010, the MTA and the City of New York will test a program to keep bus lanes clear. The partnership will focus on six highly congested corridors in Manhattan, Brooklyn and Queens by improving bus lane markings and signage, using on-the-spot ticketing, and deploying cameras in

key locations. By targeting these six corridors, service will be improved on 50 total bus routes.

Tell customers when to expect the next train or bus

- In 2010, Customer Information Signs will be activated in 75 subway stations. In 2011, this same information system will be operational at all of the stations on the 1-6 subway lines.
- By the end of 2010, we plan to test bus arrival information systems from several vendors, to enable rollout of a system beginning in mid-2011.
- By March 2010, next commuter train information will be available "online" – via smartphone and web – for service to and from all LIRR and mainline Metro-North stations.

Bring Toll Collection into the 21st Century

- We are moving forward with plans to test state-of-the-art technology that allows all motorists to pay tolls without stopping at the Henry Hudson Bridge.

Make new fare technology work for customers

- In 2010, the MTA, New Jersey Transit and the Port Authority of New York and New Jersey, in partnership with MasterCard, will pilot new technology that will eliminate the need to swipe a farecard, will cost less to operate and eventually will provide subway, bus and commuter rail customers with other benefits, including faster bus boarding, regional interconnectivity, and the ability to select among unlimited ride and pay-per-ride options via the web and telephone.

Improve subway stations and service change information

- The MTA will implement a completely new strategy for station maintenance that will:
 - Make station maintenance as high a priority as equipment maintenance, even in tough times.
 - Fix station components when they break, even if they don't cause an immediate safety concern or the station isn't due for a full renovation.
 - Use materials that can be affordably maintained.
 - Reinstitute a periodic painting program.
 - Overhaul routine cleaning programs to do more than pick up litter.
- By mid-2010 the MTA will begin posting redesigned service change posters based on customer input, using station areas that are dedicated to service change information.

"Making every dollar count – that's the only way we can restore the MTA's credibility and continue improving service in difficult times," Walder said. "I grew up here and started my career at the MTA, so I know how fundamental the transit system is to our daily lives. Today we established high goals for the MTA in a difficult time, but we must succeed."

The MTA delivered on Walder's first initiative on Wednesday with release of a new web site that focuses more on customer needs. You can view the site and a video from Walder on the new report at www.mta.info.