

Impact of Congestion Pricing on the Capital Program

Presentation to
MTA Board

June 26, 2024

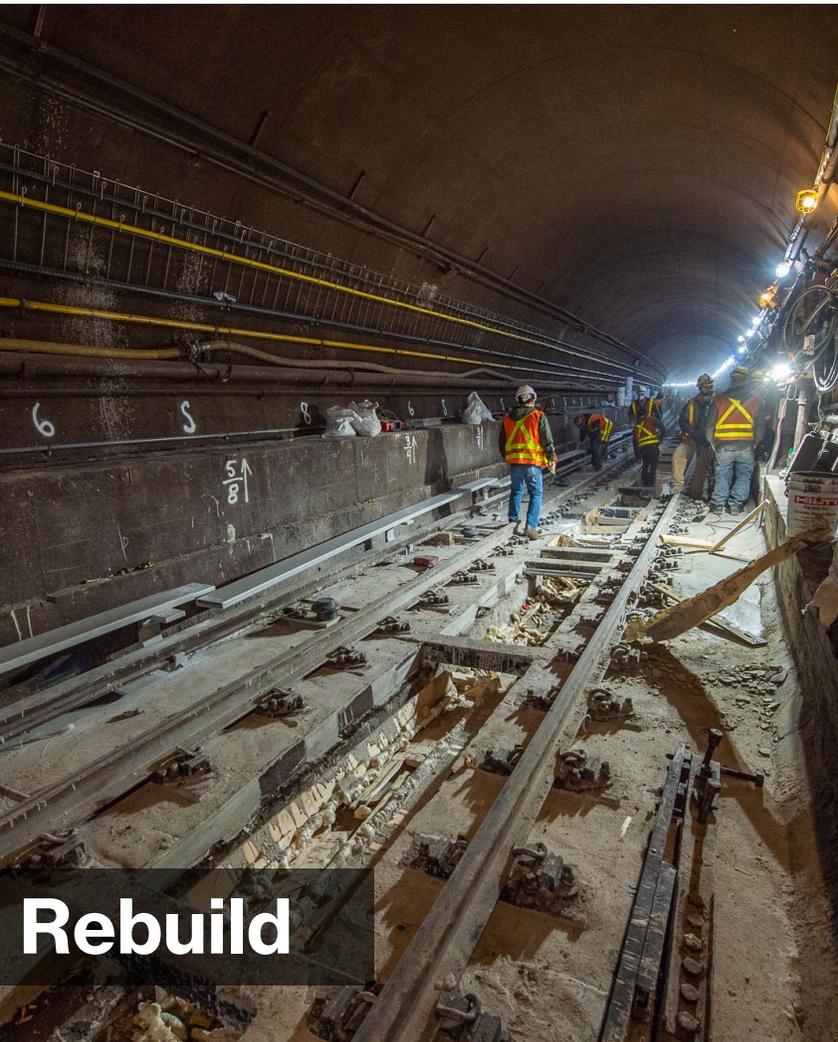


**Construction &
Development**



MTA's Capital Program

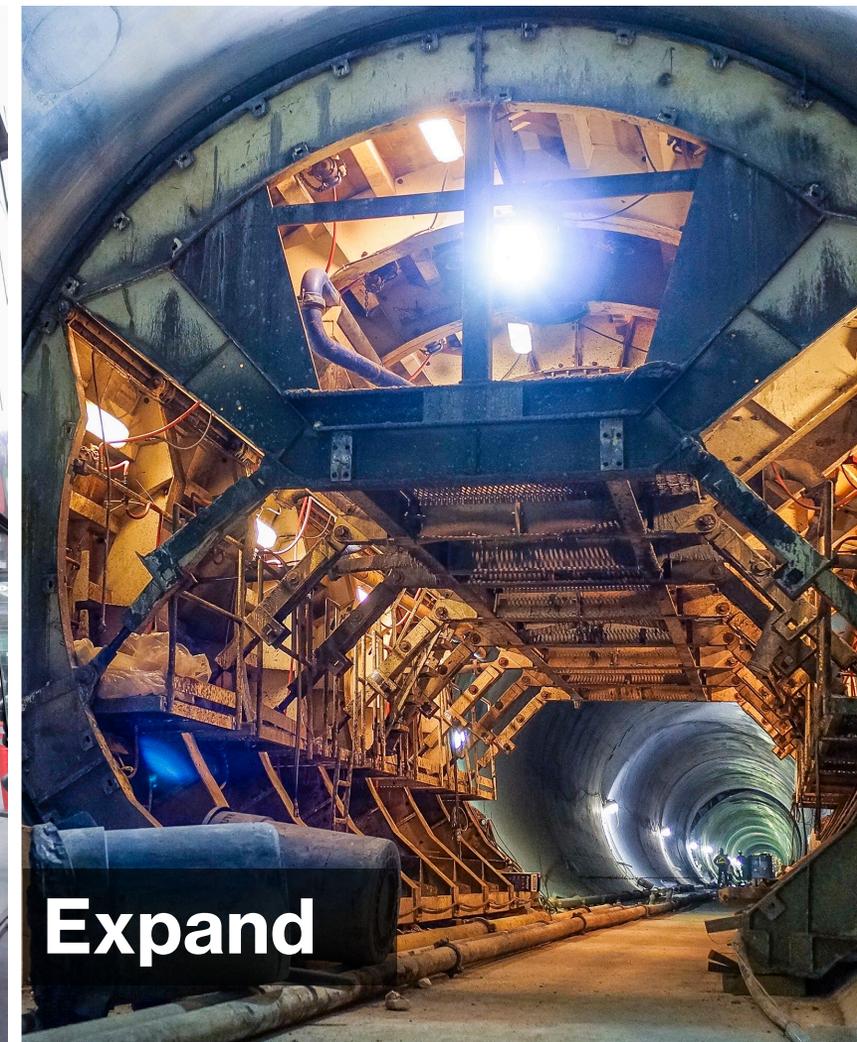
It's how we maintain and expand our \$1.5 trillion mass transit system



Rebuild



Improve



Expand

Benefits for the regional economy

Supporting workers and businesses



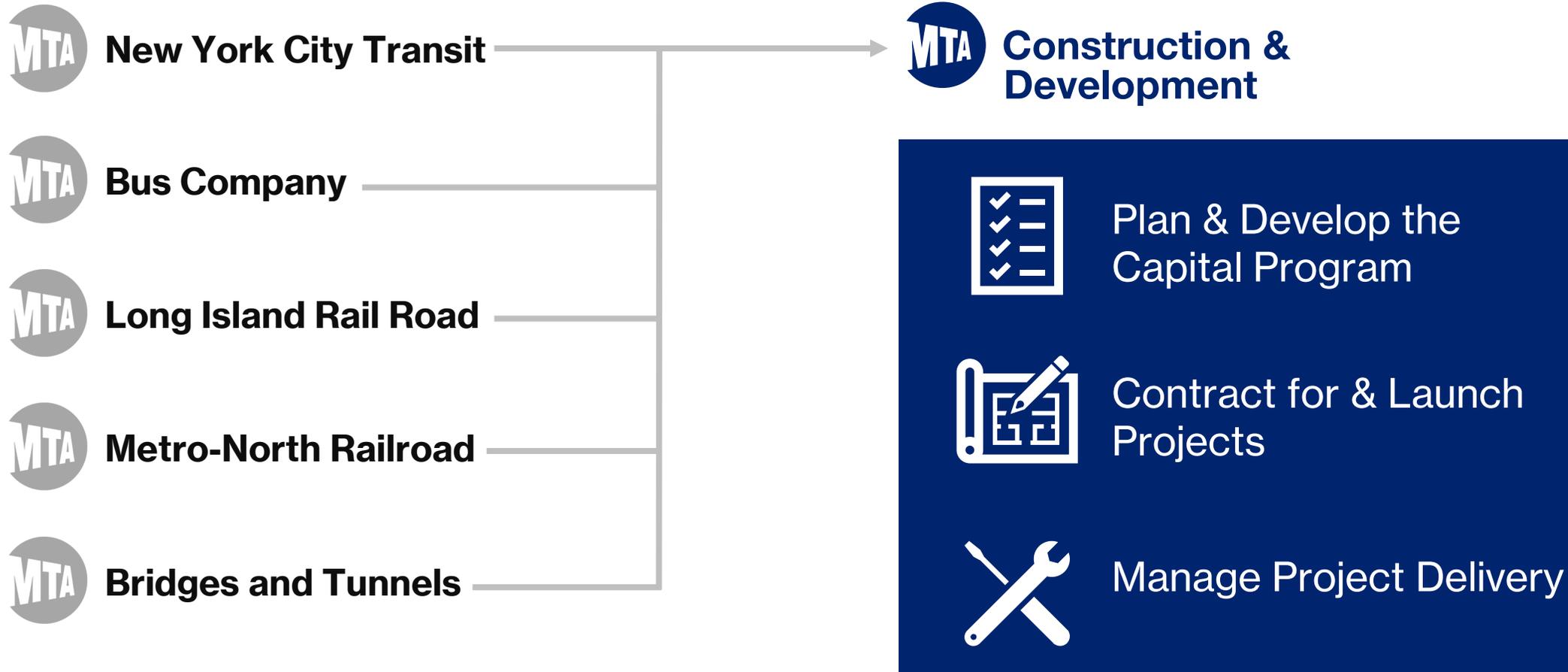
71,000 NY Jobs
attributed to full 2020-
2024 Capital Program



30% MWBE
as well as DBE and
SDVOB goals

MTA is delivering better, faster, and cheaper

MTA C&D was created to more effectively manage the Capital Program



MTA is delivering better, faster, and cheaper

Since its creation, MTA C&D has transformed the way we deliver projects



BETTER

- Smarter scope & design
- Innovation through Design-Build, P3s, A+B
- Focus on project management

FASTER

- Bundle projects for economies of scale/geography
- Incentivize contractors & consultants
- Better coordination with labor & utilities

CHEAPER

- Limit over-customization
- Improve outage & force account planning
- Reduce cost drivers like insurance

Program-wide, we've seen results

\$900 million
contractor savings versus estimate since 2020

\$395 million
insurance savings in 2022 and 2023

\$200 million
force account reductions annually



Better

Improved project planning & innovative delivery



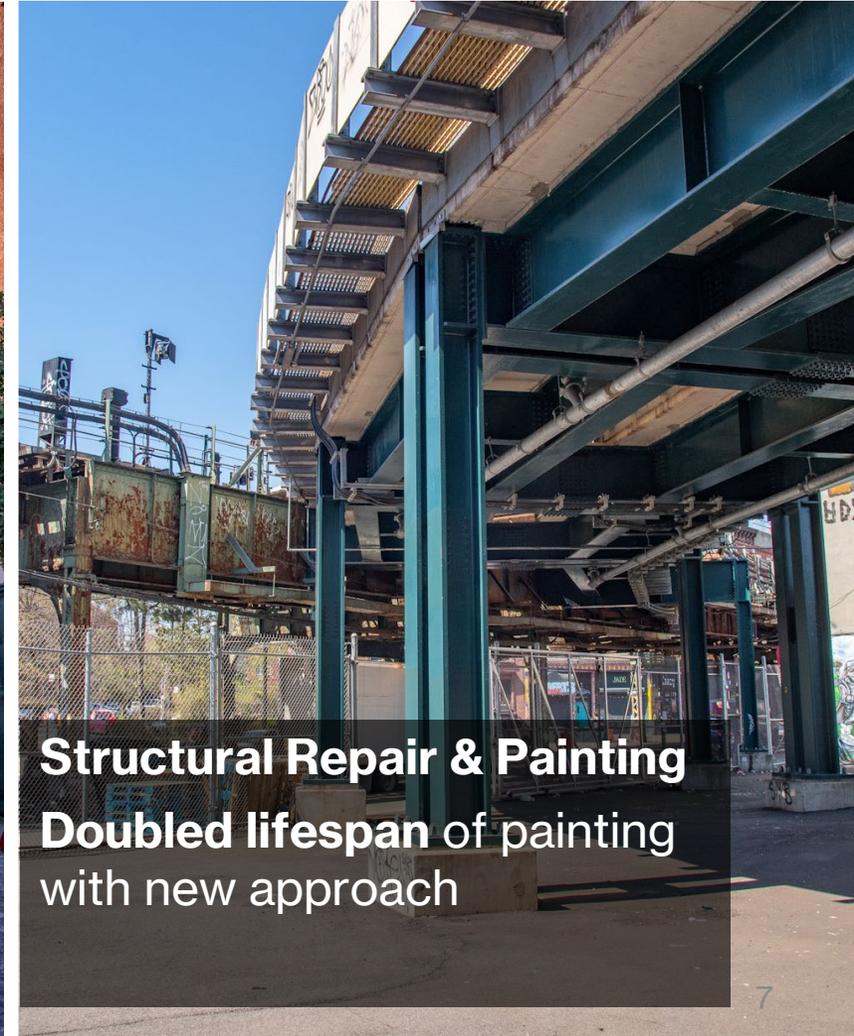
CBTC Crosstown

45% reduction in legacy equipment with higher on-time performance



Park Avenue Viaduct

Rebuilding 130-year-old structure with **no impact to service**



Structural Repair & Painting

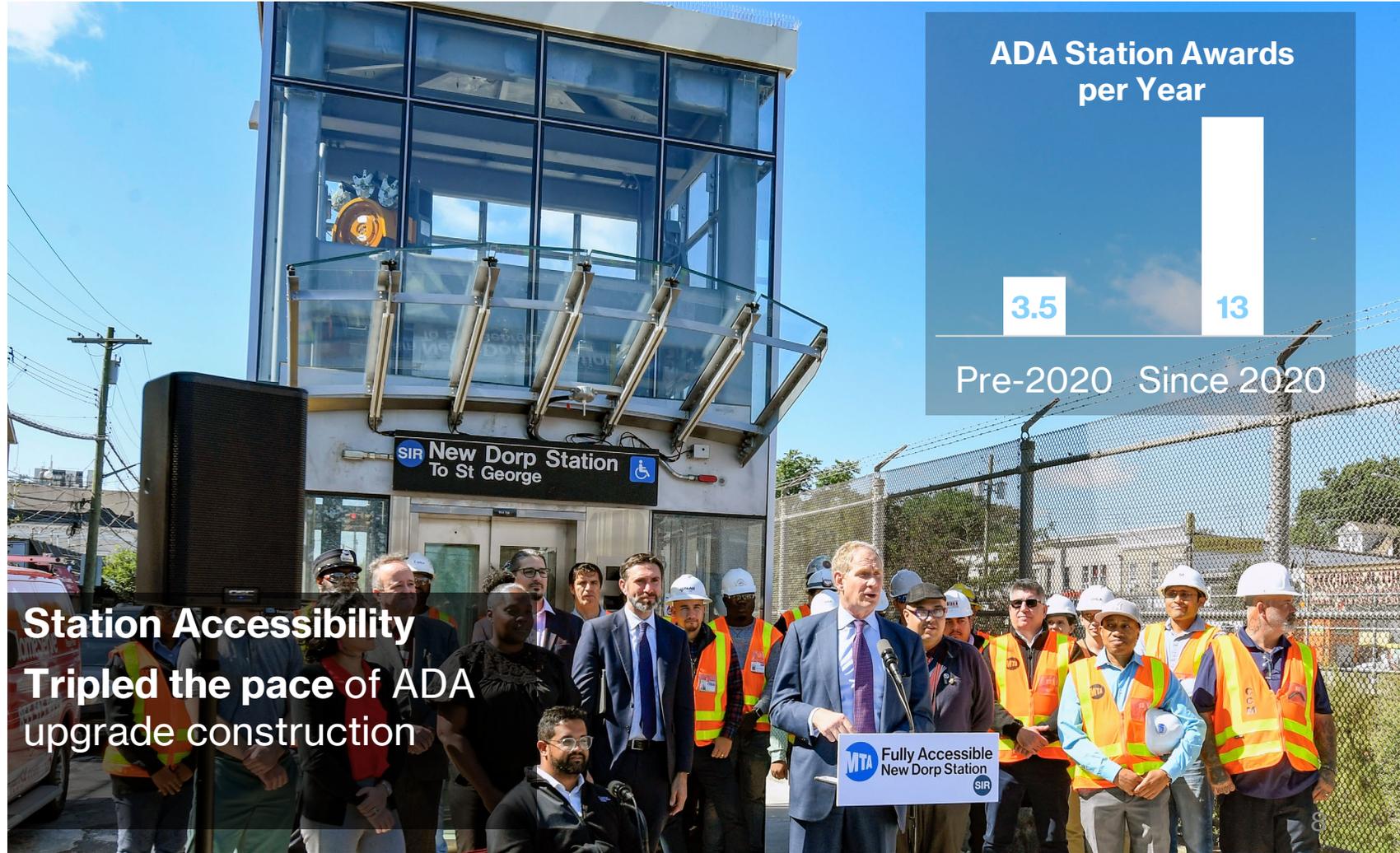
Doubled lifespan of painting with new approach

Faster

Accelerated schedule & on-time delivery



Eastern Parkway
14-month schedule
savings for structural
repairs



Station Accessibility
Tripled the pace of ADA
upgrade construction

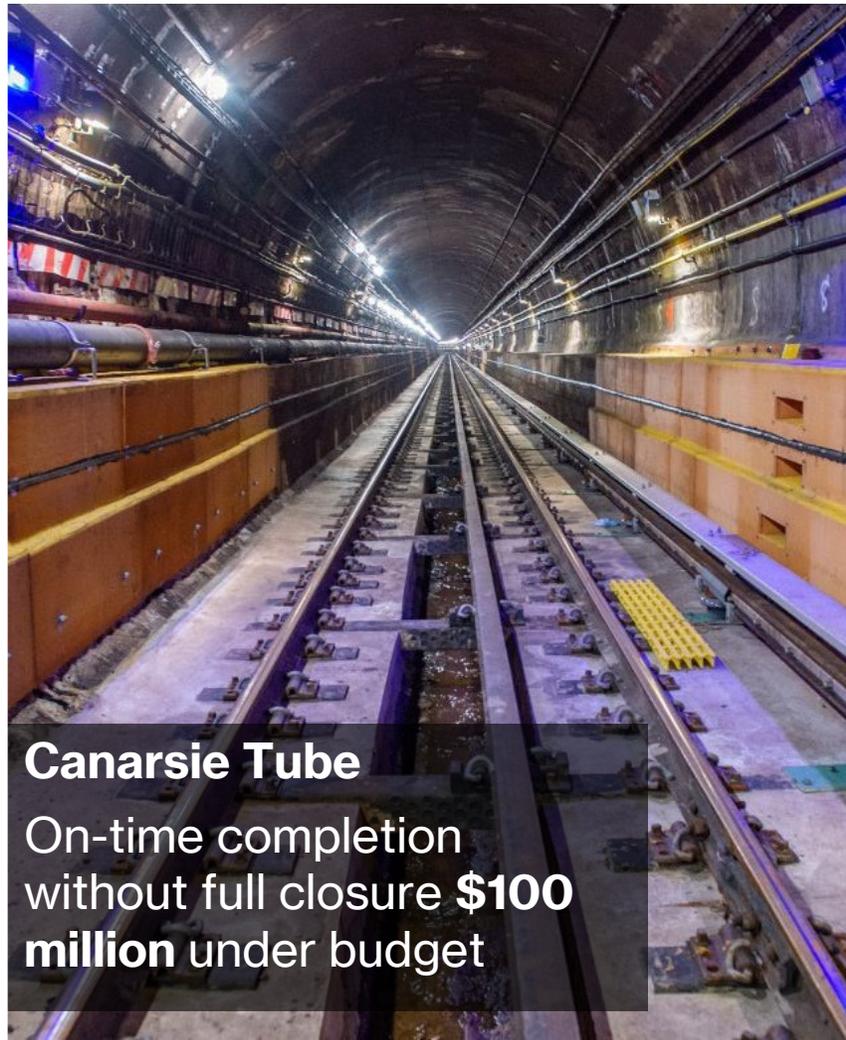


Cheaper

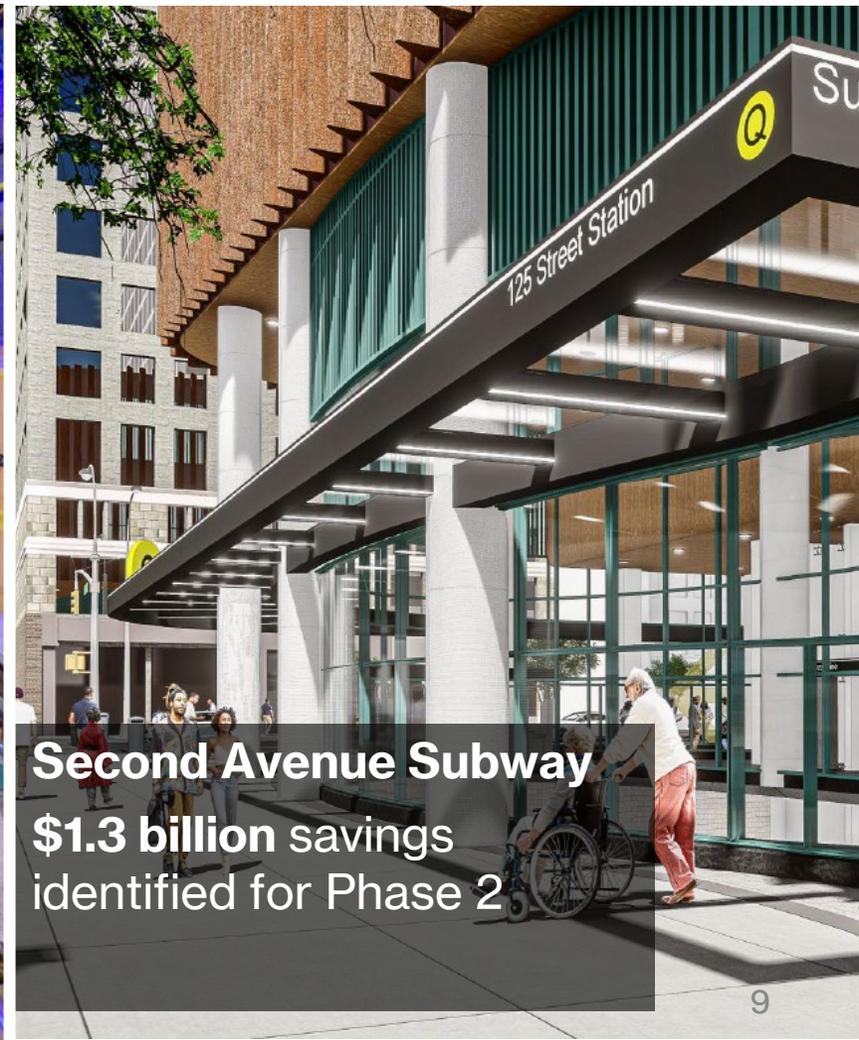
Aggressive focus on cost reduction, on high-profile projects



LIRR Third Track
Proactive management led to on-time completion
\$100 million under budget



Canarsie Tube
On-time completion without full closure
\$100 million under budget



Second Avenue Subway
\$1.3 billion savings identified for Phase 2

Cheaper

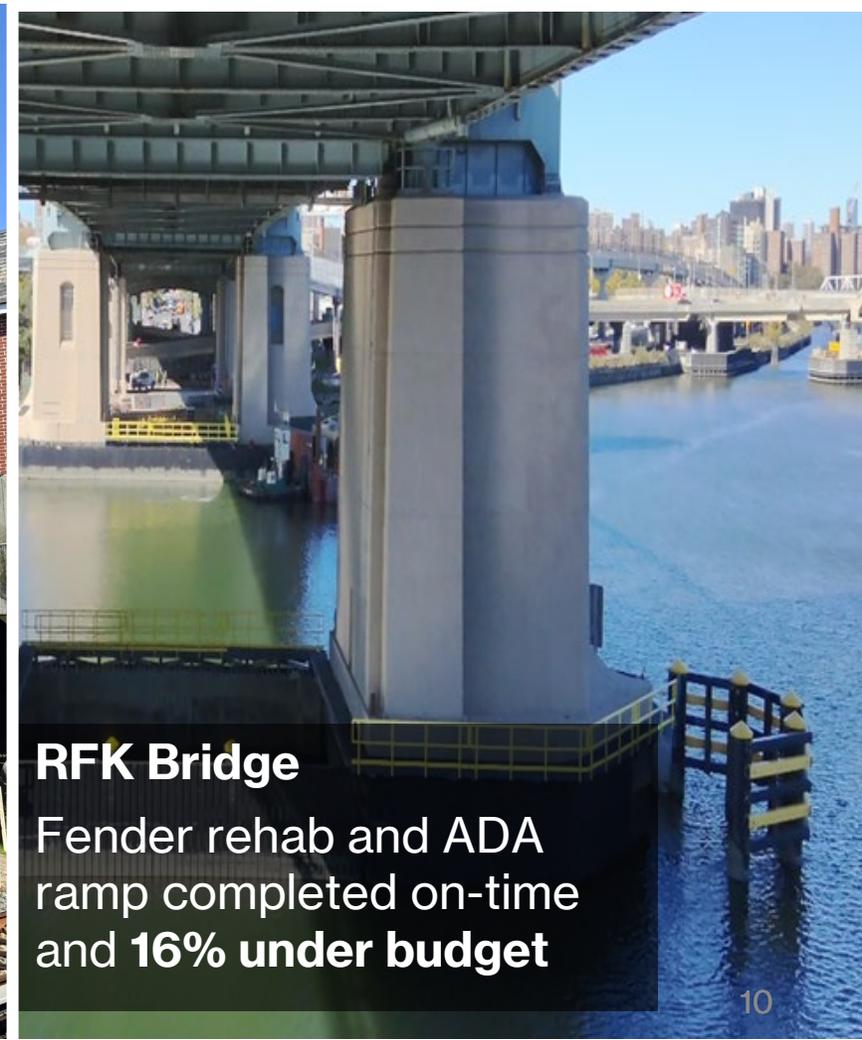
And on our everyday projects



Grand Concourse
Under budget while **repairing 45% more defects** than planned



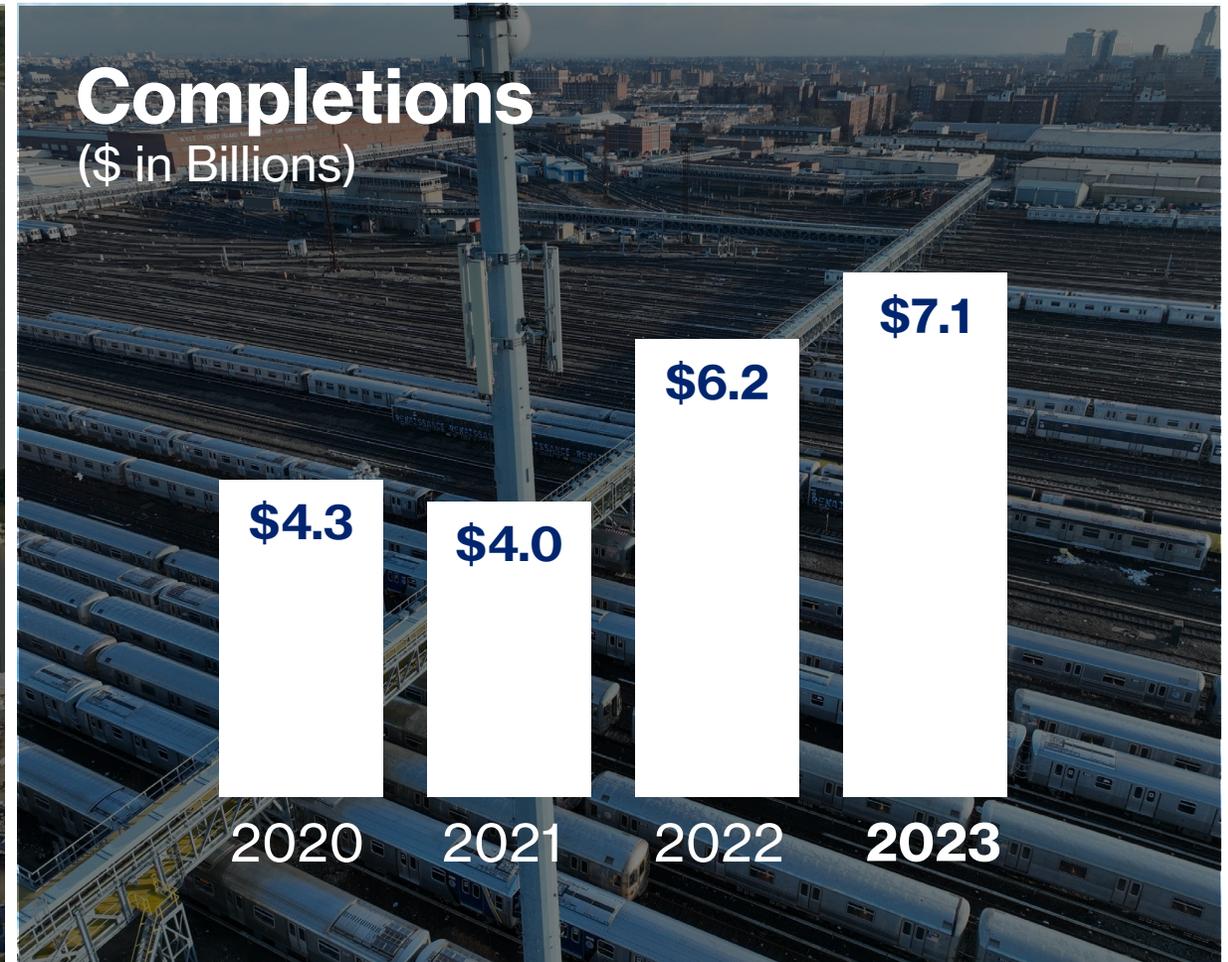
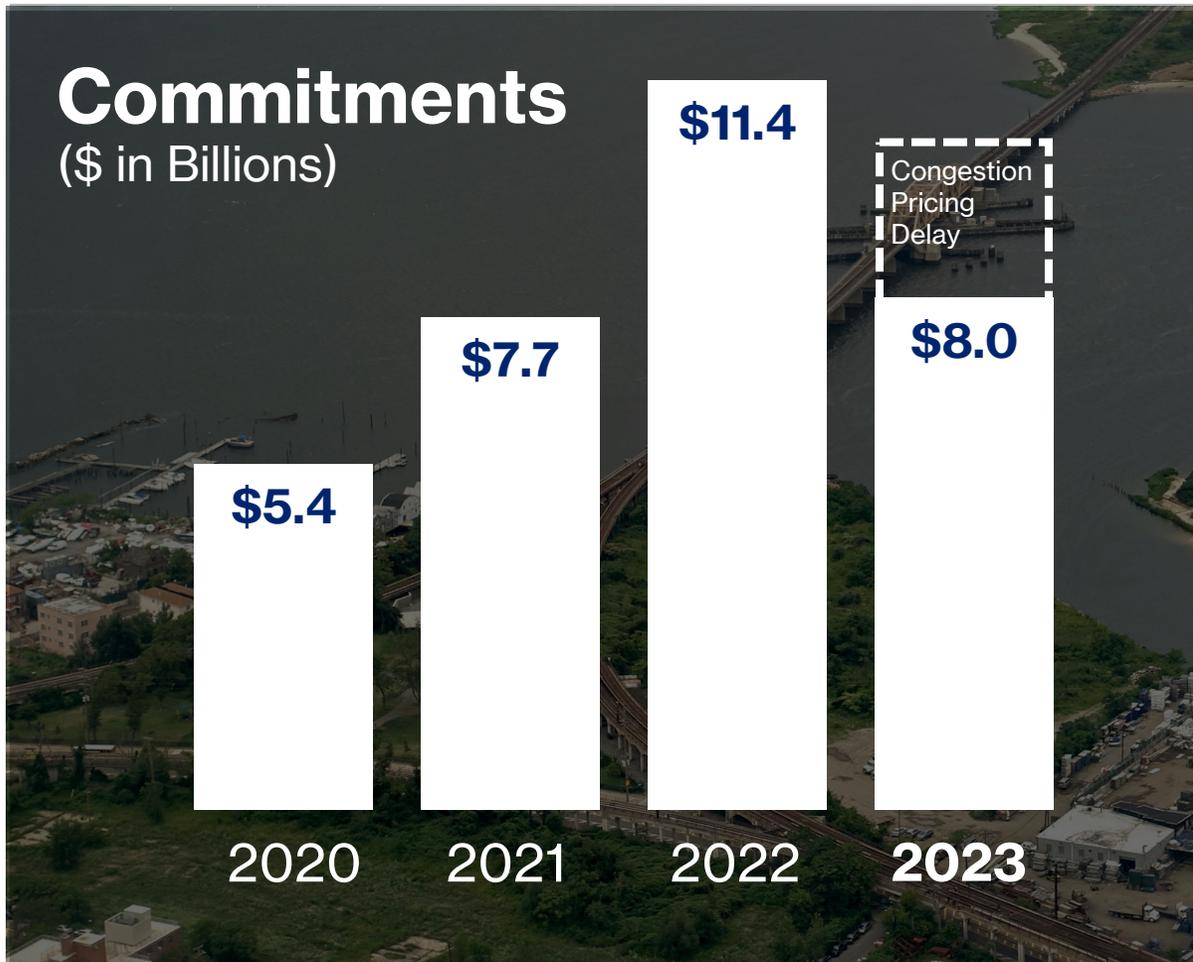
ADA Package 1
Bundling and strategic force account planning saves **\$70 million**



RFK Bridge
Fender rehab and ADA ramp completed on-time and **16% under budget**

Delivering at scale

Getting work committed and completed at a record pace



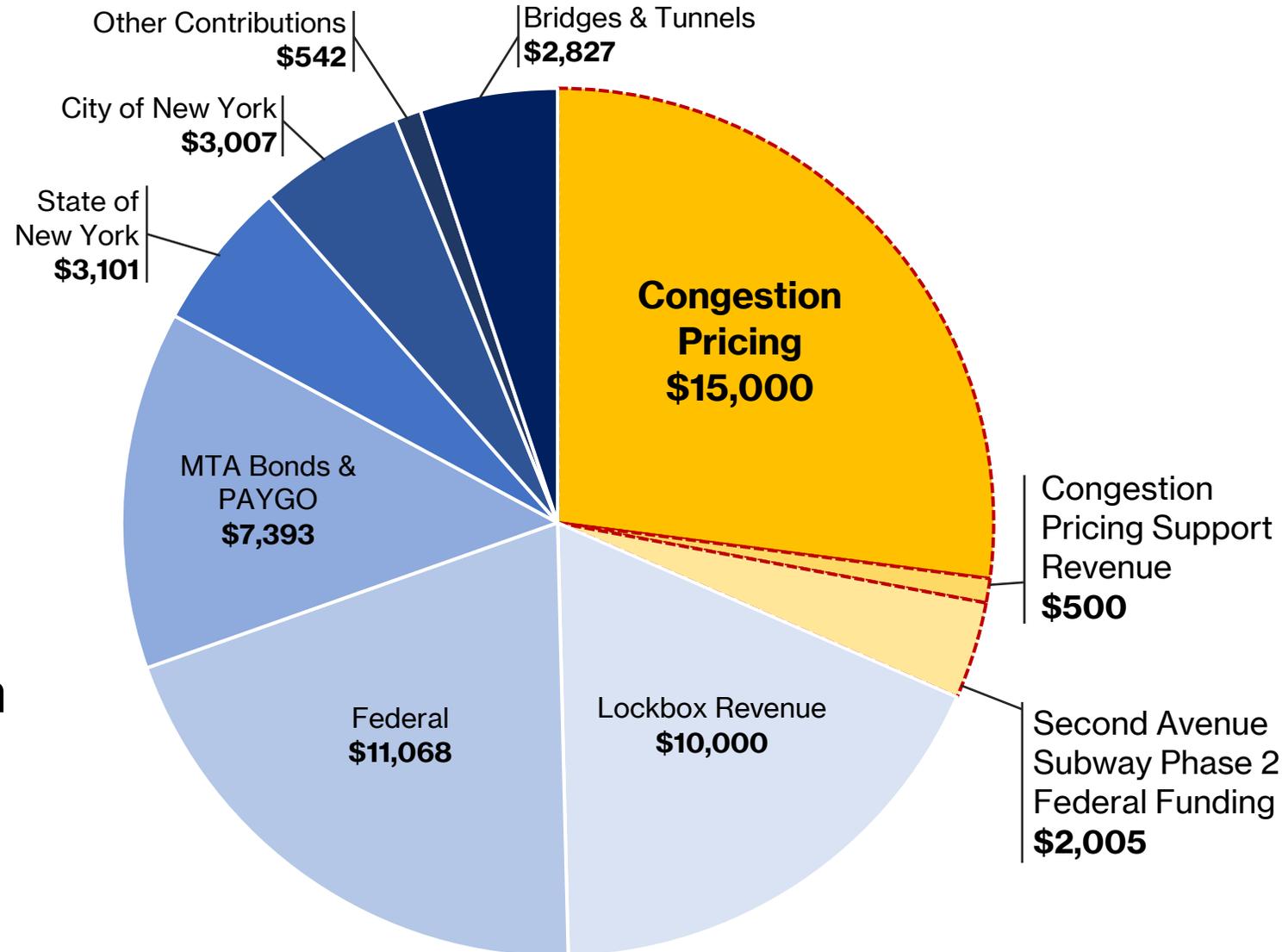
Impact to available funding

A 30%+ impact to available funding, including:

- \$15 billion in direct funding
- \$500 million in CBDTP program support
- \$2 billion in federal funding for Second Avenue Subway

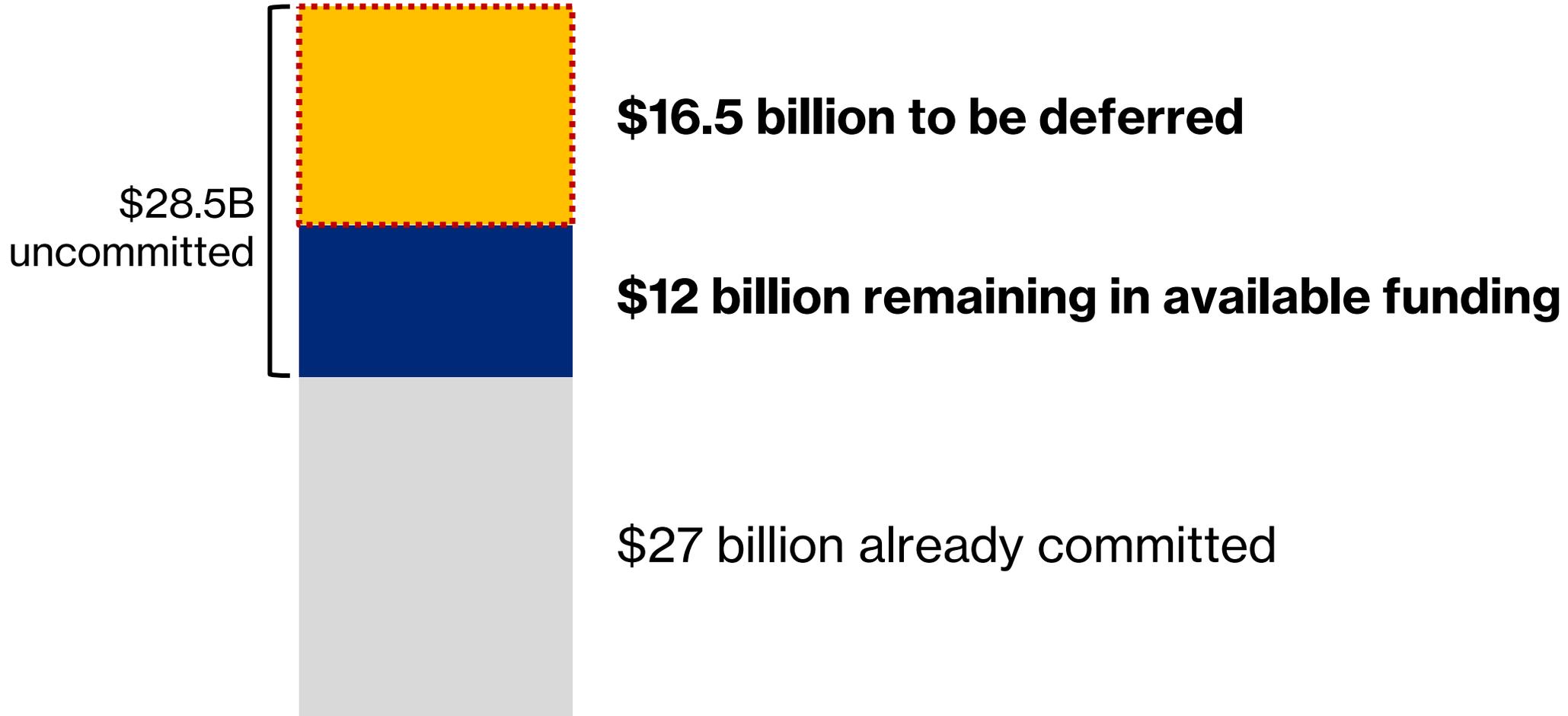
After accounting for \$1 billion in additional federal support for Penn Station Access, a **net impact of \$16.5 billion** in available funding.

2020-2024 Capital Program Funding Plan (\$ in millions)

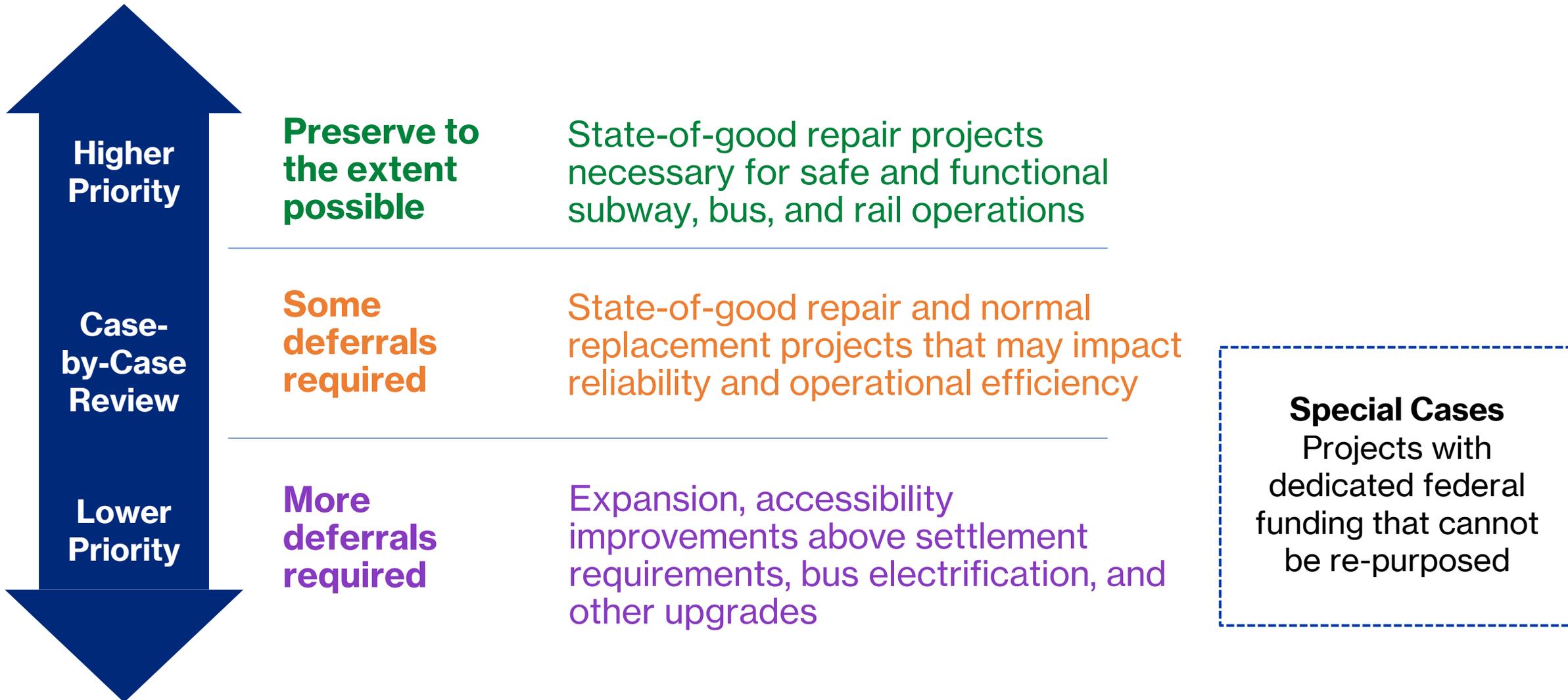


Reprioritizing and resequencing the Program

We must reprioritize projects as remaining funding availability has been impacted by 60%



Our guiding principle: Maintain safety and functionality



What we're prioritizing

We are prioritizing the most essential state of good repair projects this year and beyond.

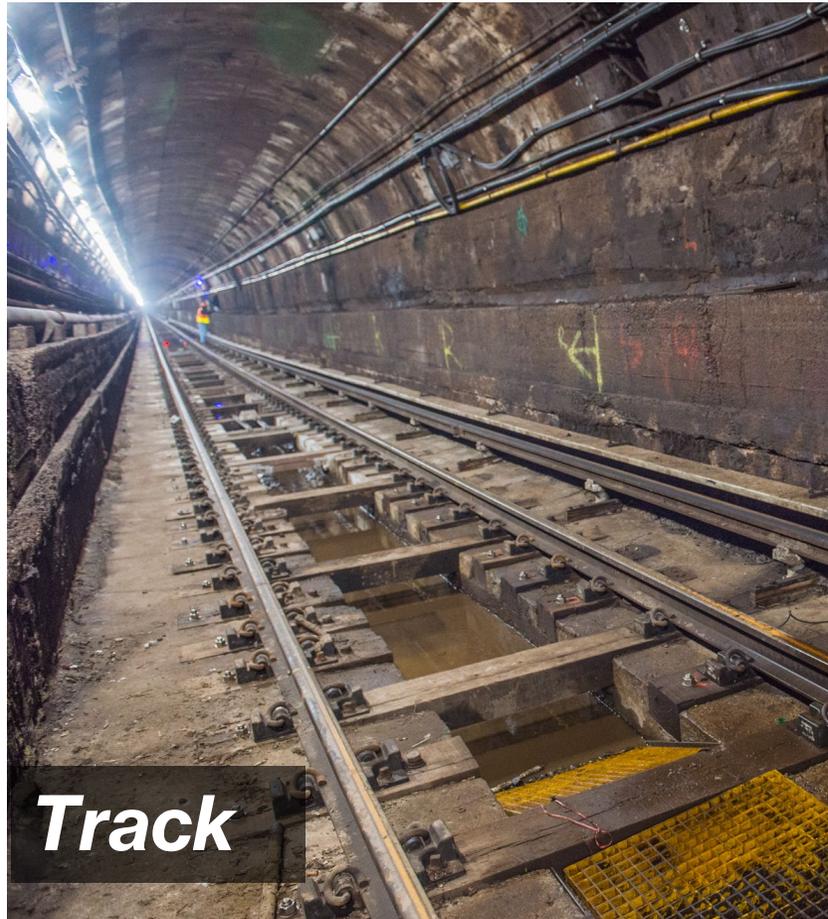
Work to proceed:

- Fundamental state of good repair
- Select rolling stock purchases
- Leveraged federal funding opportunities



Fundamental state of good repair

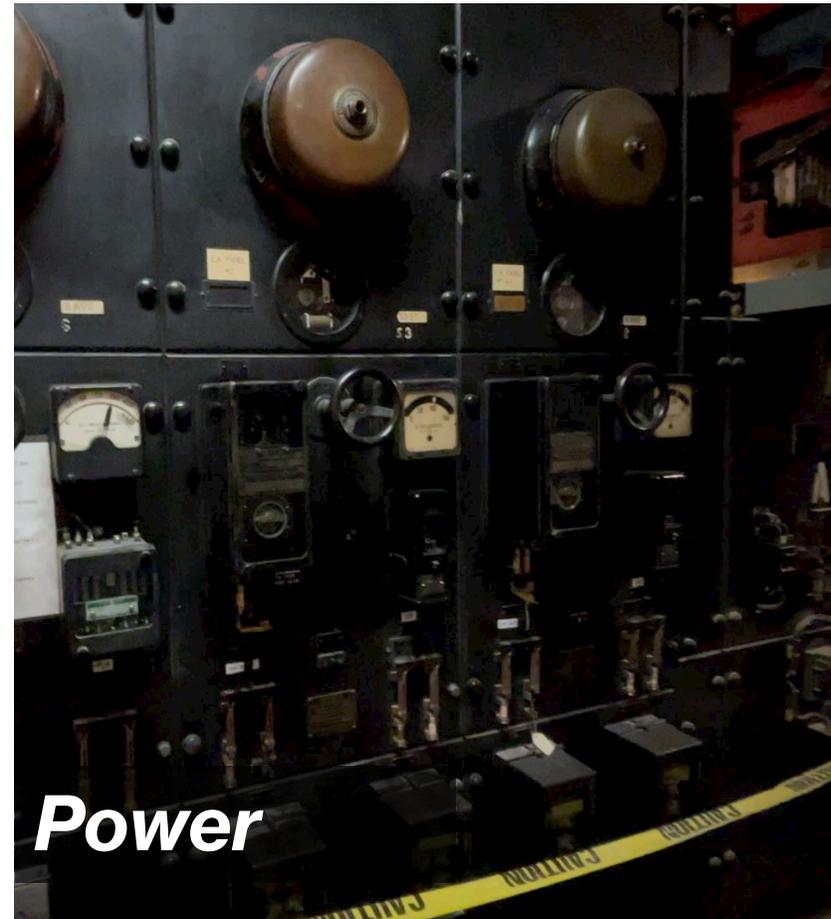
The most elemental state of good repair work to keep our system running will proceed.



Track



Structure



Power

Rolling Stock

Although reduced overall, working to maintain support for ongoing projects.

Limited funding preserved, with priorities including:

- Replacing the least reliable rolling stock for subways and commuter railroads
- Additional rolling stock required for Penn Station Access and Grand Central Madison service



Leveraged federal funding opportunities

We are working aggressively to leverage existing dedicated federal funding and pursue additional opportunities.

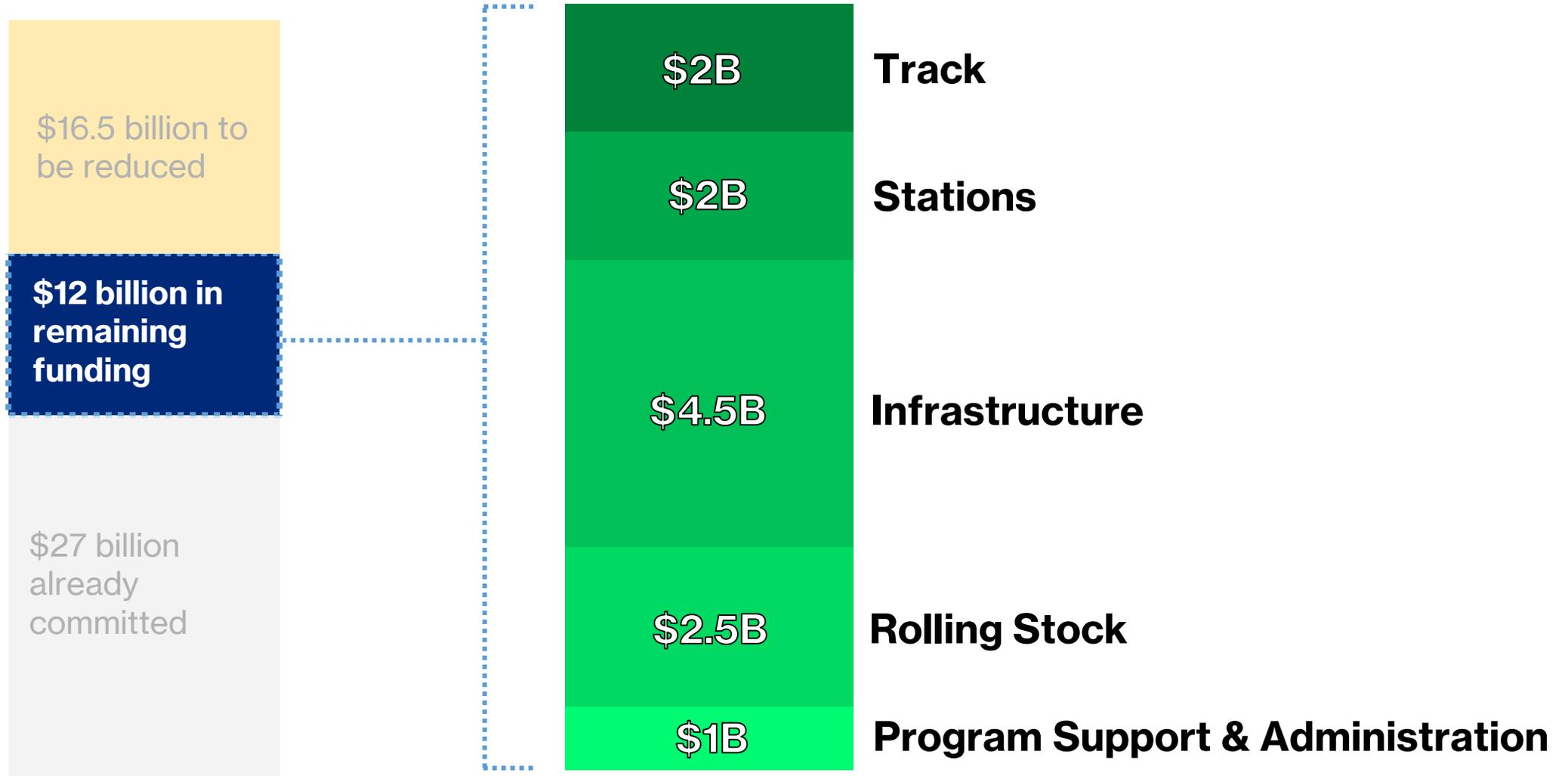
Work to proceed:

- Discretionary grants, including:
 - ADA
 - Resilience & sustainability projects



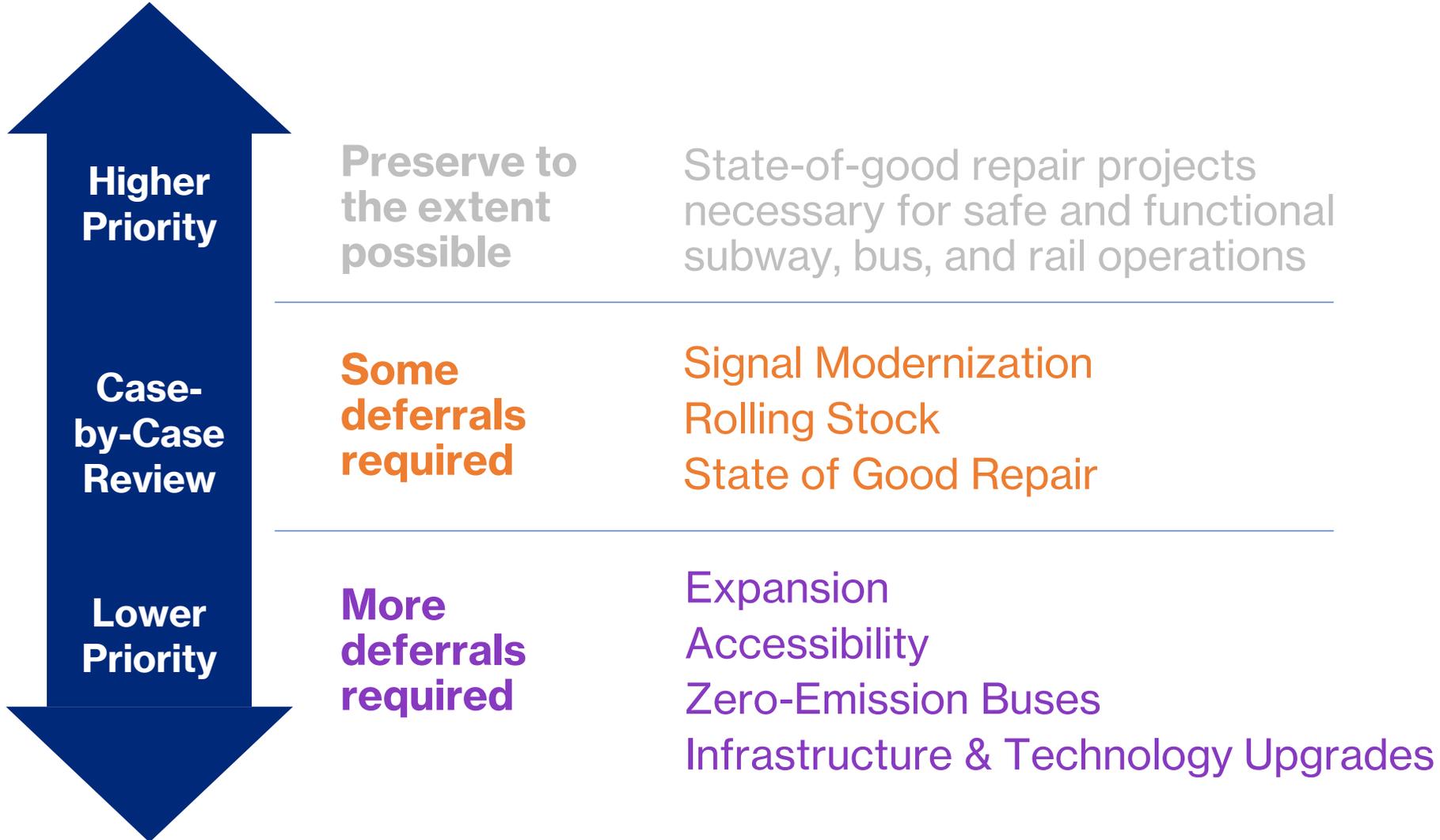
Projects to be protected

Prioritizing the most essential state of good repair projects.



Projects to be deferred

Until funding is available, \$16.5 billion in less urgent projects to be deferred.



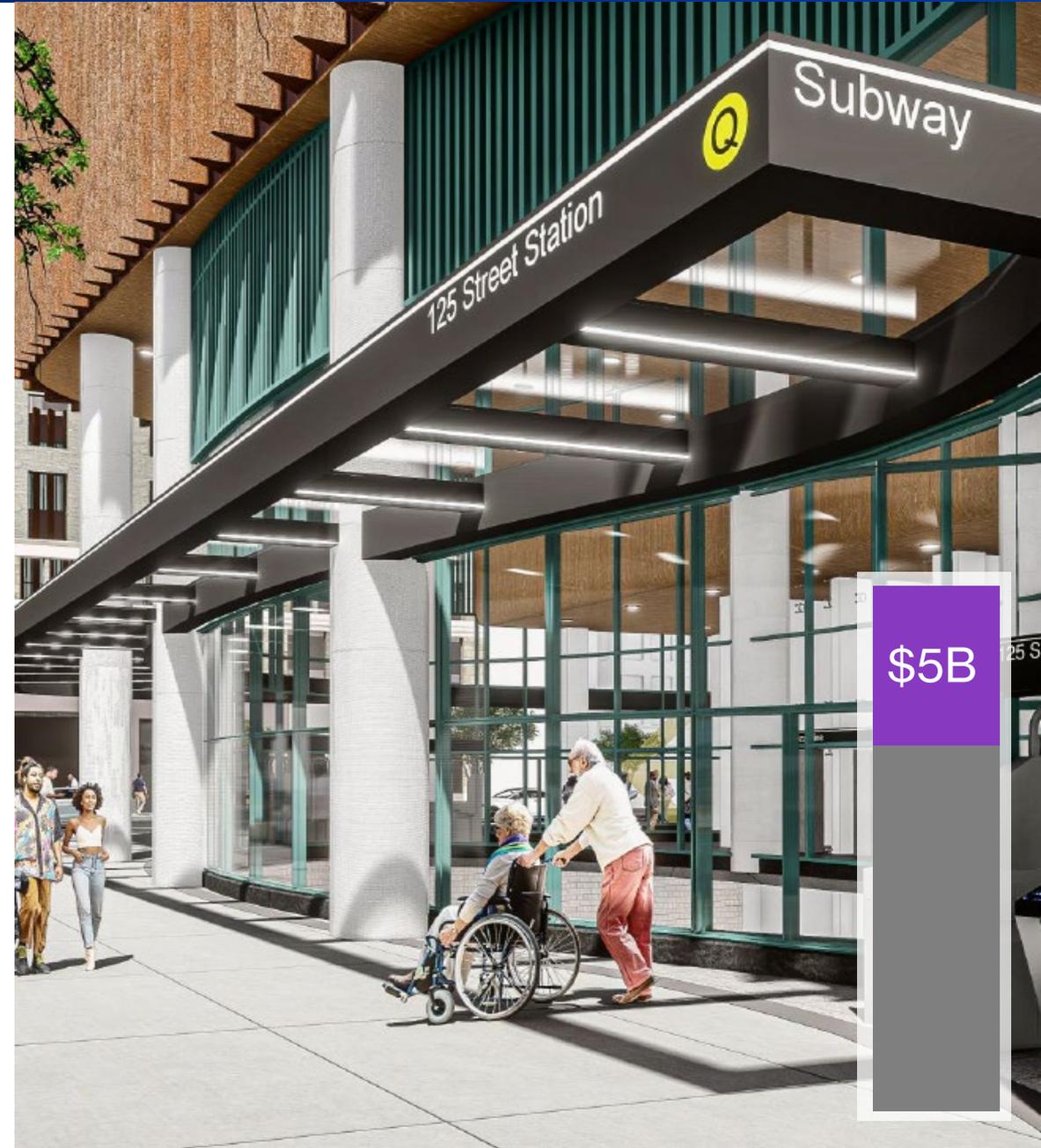
Expansion

Future Second Avenue Subway Phase 2 contracts to be deferred or shifted to the 2025-2029 Capital Plan.

Impact: \$5 billion

- \$3 billion in local funding now needed for state of good repair
- This makes \$2 billion of federal funding unavailable*
- Additional expansion-related work to be deferred

**\$2 billion in federal support included in 2020-2024 Capital Plan. Additional funding in the 2015-2019 Plan is also unavailable.*

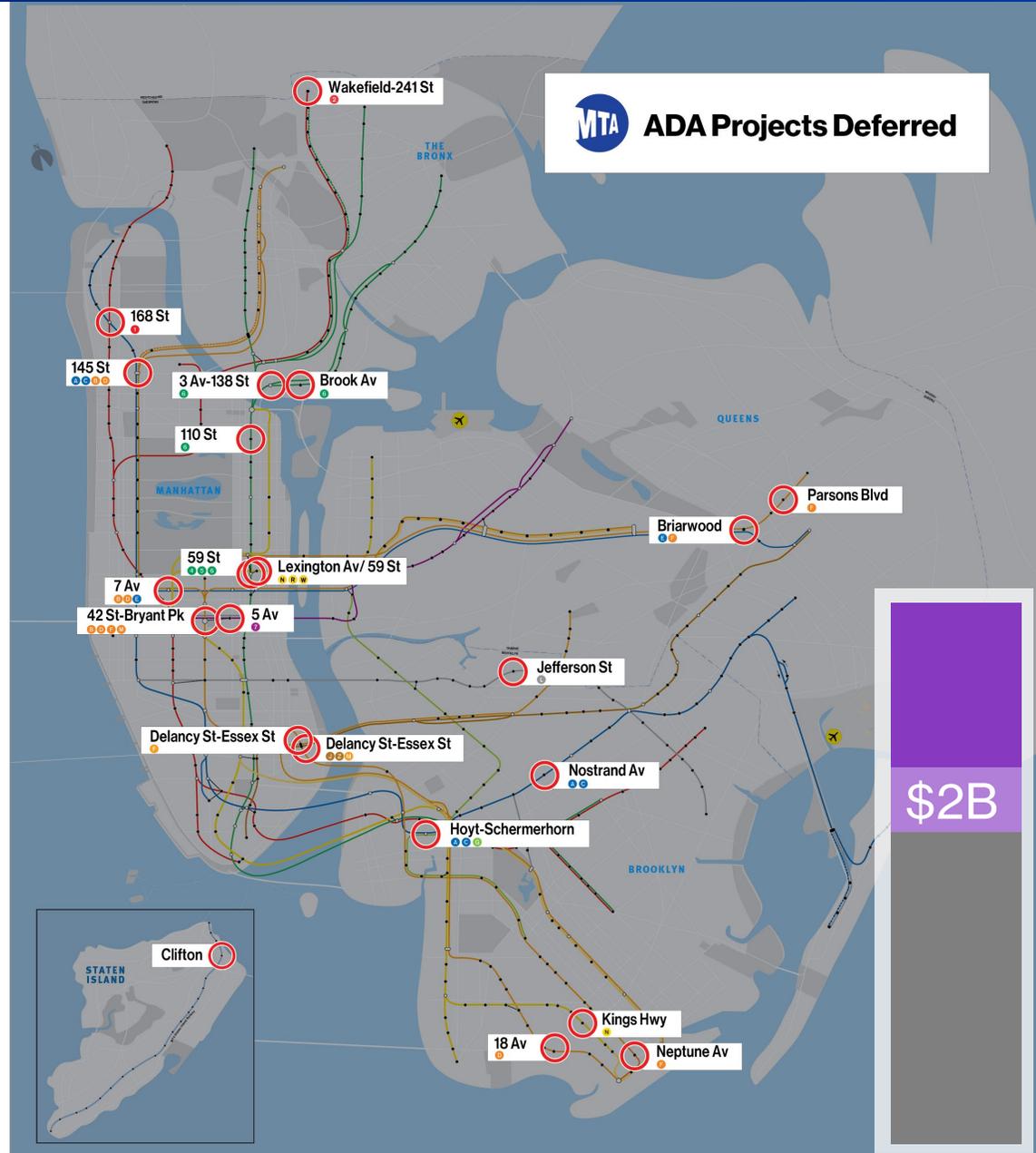


Accessibility

The historic ADA settlement is predicated on full funding for the program – but includes provisions for downside scenarios exactly like this one.

Impact: \$2 billion

- 23 subway stations deferred
- Potential cancellation: LIRR Hollis & Forest Hills



Zero-Emissions Buses

Both buses and depot charging infrastructure to be deferred.

Impact: \$500 million

- 250+ electric buses
- Deferral of bus depot charging infrastructure



Upgrades to Infrastructure & Technology

Valuable but less urgent upgrades to be deferred.

Impact: \$1.5 billion

- Verrazzano-Narrows Bridge ramp reconstruction and main cable dehumidification
- Public Address upgrades at 70+ stations
- Track Intrusion initiatives
- Potential cancellation: Metro-North Brewster Yard upgrades

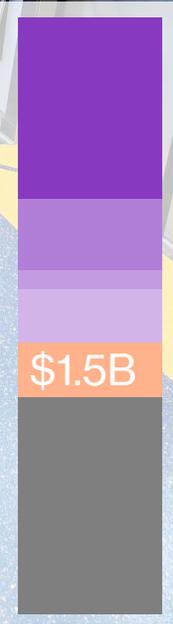


Rolling Stock

Additional upgrades to subway, railroad, and bus fleets to be deferred.

Impact: \$1.5 billion

- Future generation of subway cars
- New CNG buses
- Passenger and work locomotives for railroads

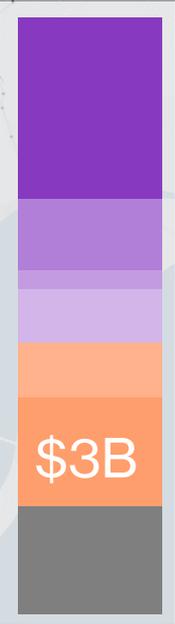
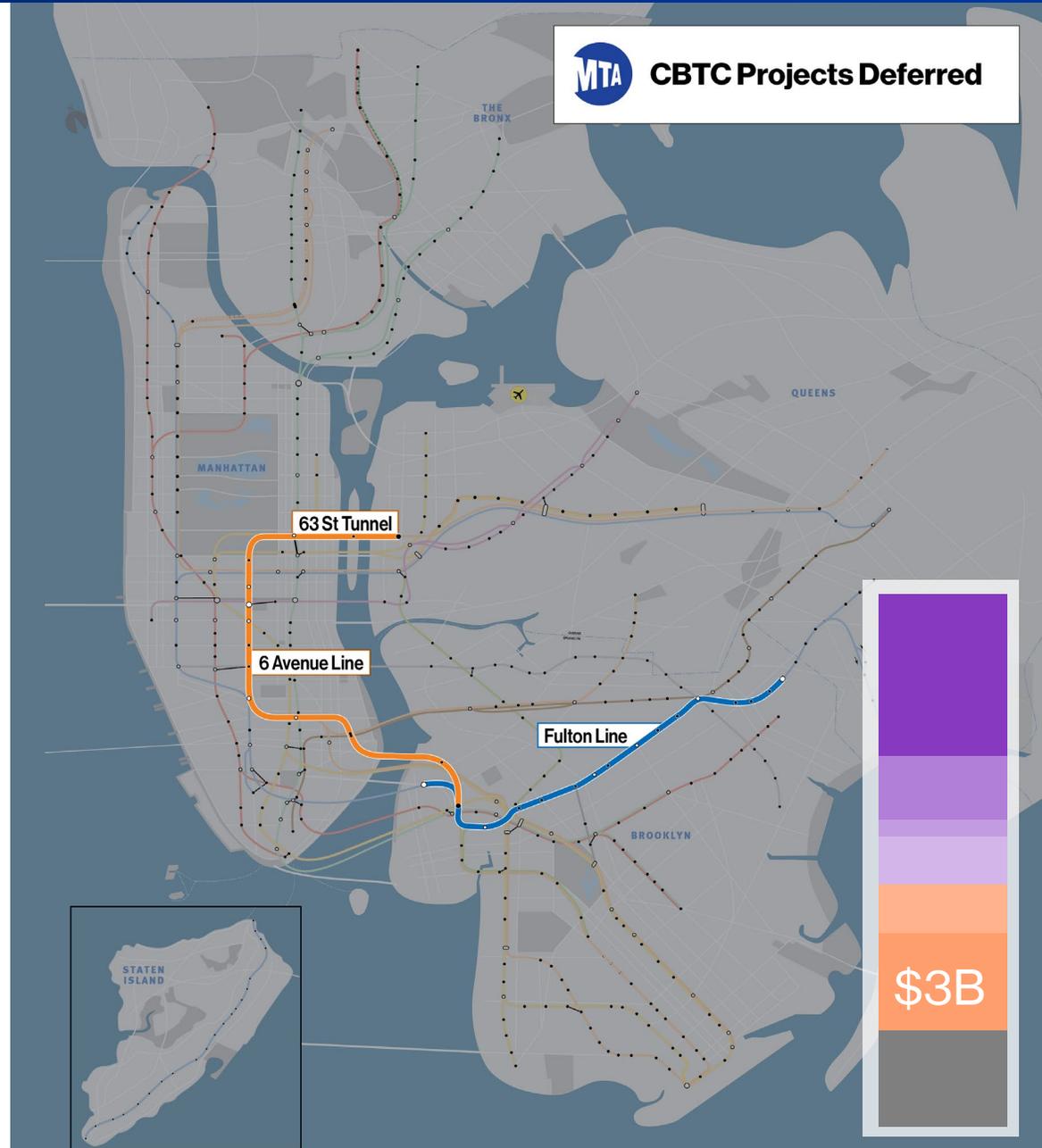


Signal Modernization

Signal upgrades & state of good repair work to replace 1930s-era signals on the **AC** and **BDFM** lines to be deferred.

Impact: \$3 billion

- Fulton Line **AC**
- 6 Av Line and 63rd Street Tunnel **BDFM**



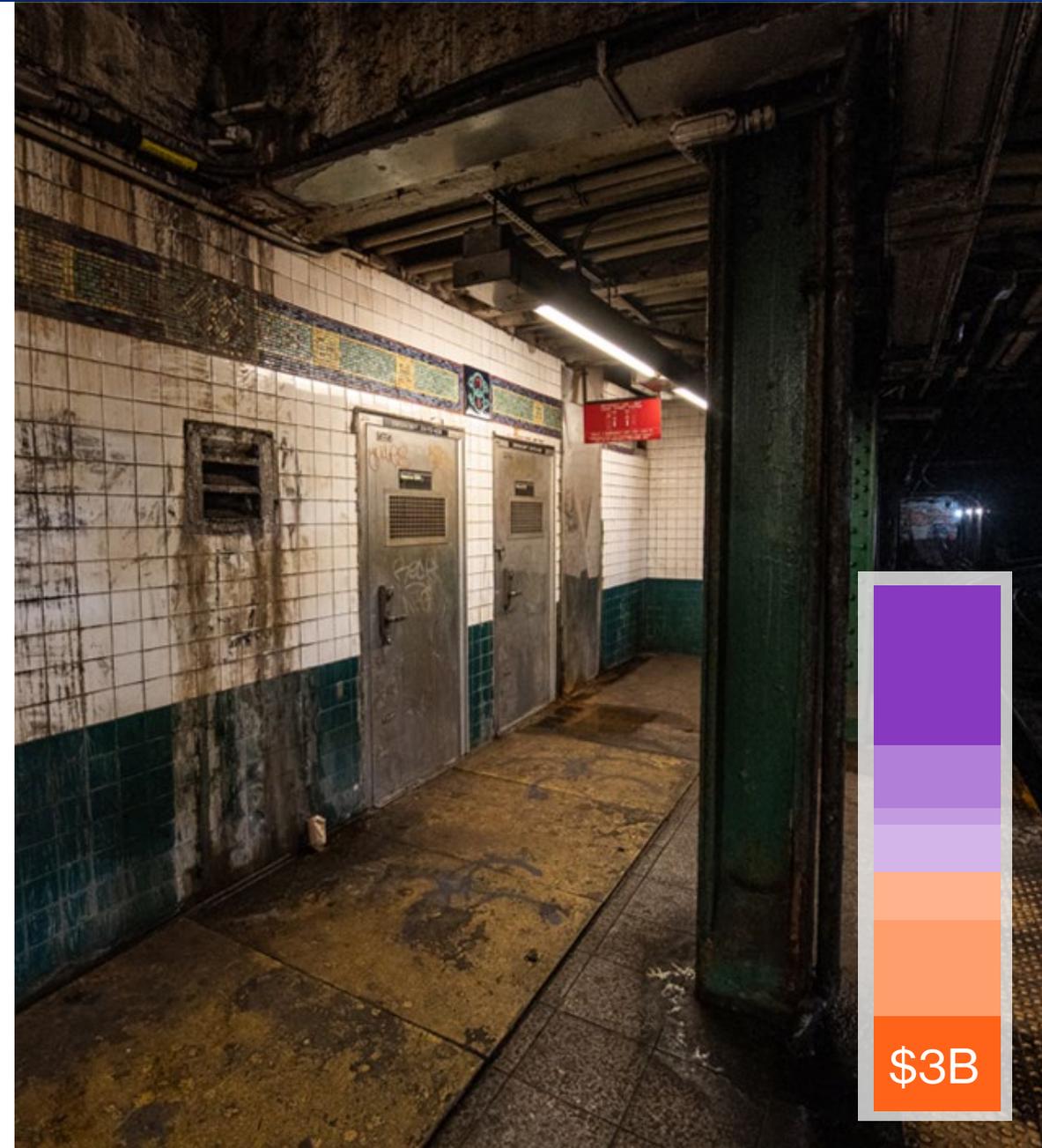
State of Good Repair

Even with all the deferrals, additional impacts to state of good repair projects are unavoidable.

Impact: Solving \$3 billion gap

Less urgent work to be deferred:

- 5 subway station renewals
- Station component repairs
- Various structural repairs



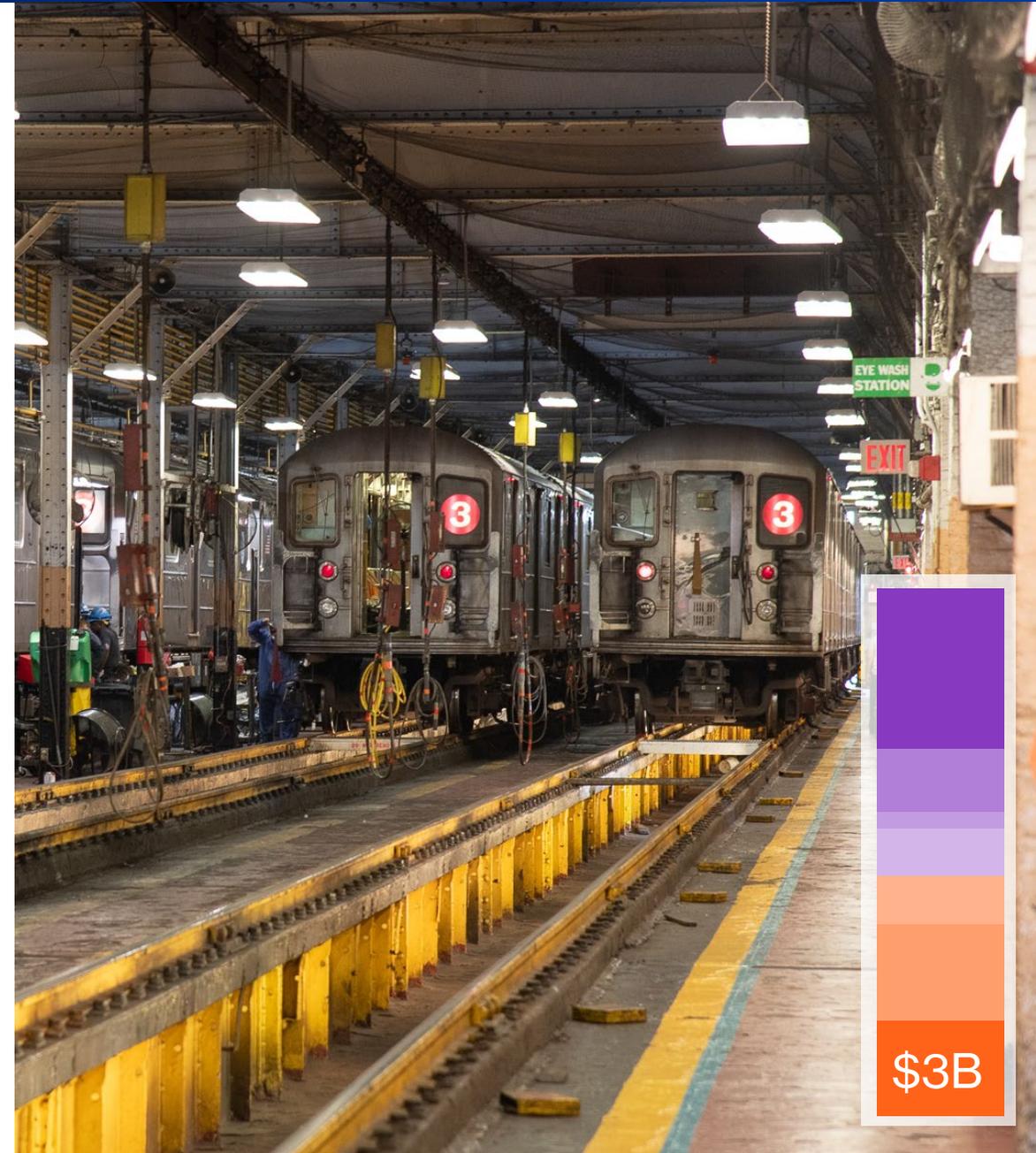
\$3B

State of Good Repair

This impacts vital behind-the-scenes upgrades in addition to projects the customer sees.

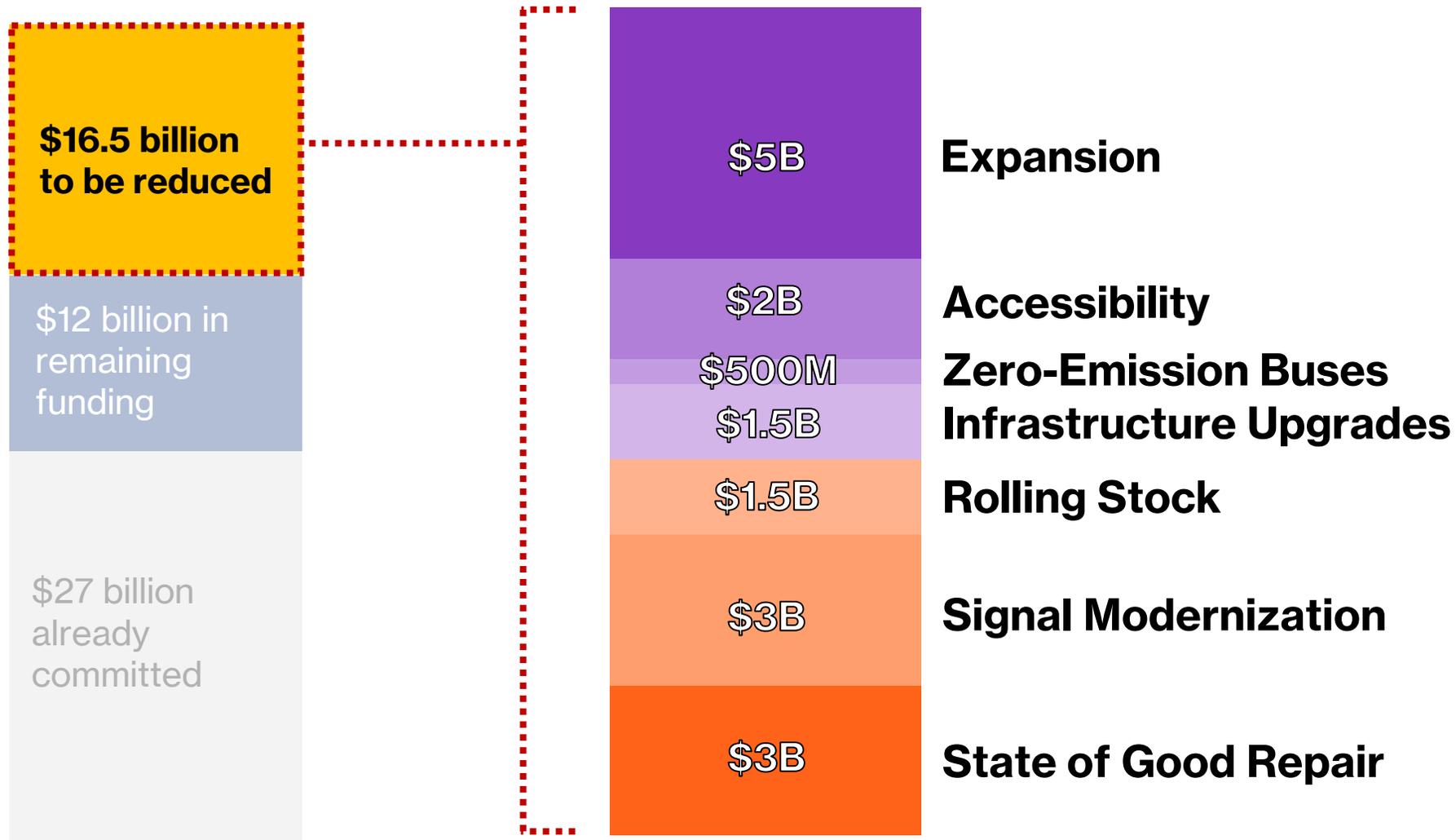
Back of house projects deferred:

- Shops, yards, and depots
- Employee facilities
- Non-revenue vehicles and heavy maintenance equipment
- Ventilation controls replacement



Projects to be deferred

Until funding is available, less urgent projects to be deferred.



Next Steps

- **Continue to manage the 2020-2024 Plan**
- **Continue preparation for 2025-2029 Plan**

