

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEES ON FINANCE AND TRANSPORTATION

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May 23, 2012
Start: 11:42 a.m.
Recess: 3:05 p.m.

HELD AT: 250 Broadway
Committee Rm, 16th Fl.

B E F O R E:

JAMES VACCA
DOMENIC M. RECCHIA, JR.
Chairperson

COUNCIL MEMBERS:

Robert Jackson
Leroy G. Comrie, Jr.
Vincent Ignizio
James S. Oddo
Peter Koo
Daniel R. Garodnick
Fernando Cabrera
Diana Reyna
Jessica S. Lappin
Deborah Rose
Julissa Ferreras
David Greenfield
Gale A. Brewer
Darlene Mealy

A P P E A R A N C E S

COUNCIL MEMBERS:

Ydanis Rodriguez

Eric Ulrich

Helen D. Foster

A P P E A R A N C E S (CONTINUED)

Hilary Ring
Director of Government Affairs
MTA

Lois Tendler
Vice President of Government and Community Relations
MTA New York City Transit

Doug Johnson
Director of Budget
MTA New York City Transit

Aaron Stern
Director of Office of Management and Budget
MTA New York City Transit

David Yassky
Chair
Taxi and Limousine Commission

Conan Freud
Deputy Commissioner for Administration and Finance
Taxi and Limousine Commission

Ray Scanlon
Deputy Commissioner for Uniformed Services Bureau
Taxi and Limousine Commission

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CHAIRPERSON VACCA: Hello? Okay.

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Thank you. This meeting will now be called to

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order. May 23rd, this is the meeting of the

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Committee on Transportation, jointly held with the

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Committee on Finance of the New York City Council

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concerning the Mayor's Proposed 2013 Executive

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Budget. We welcome you all here, we thank you for

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coming. I'm Council Member James Vacca, I'm Chair

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of the Council's Transportation Committee, and I'm

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joined by my colleagues, including Chair Recchia

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of the Finance Committee, who will soon be here.

13

FEMALE VOICE: Yes.

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CHAIRPERSON VACCA: I do want to

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indicate that our hearing at the end will be

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recessed to May 29th at 12:30, at which time we

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will then hear from the New York City Department

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of Transportation.

19

We'll start with the MTA. Just

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this week, the papers have been abuzz about East

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Side Access, the project that is beginning--has

22

begun, and is taking a long time, I guess. Forget

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the old adage about a day late and a dollar short,

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this project is now another year late and another

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billion dollars short. There can be no doubt that

1
2 this news will have significant impact on the MTA
3 and its capital plan. The money must come from
4 someplace.

5 Can I have your attention, please?

6 [Pause] In addition, as this Committee discussed
7 in March, the MTA plans across the board fare and
8 toll increases again at 7 1/2% in both January
9 2013 and January 2015. These plans haven't
10 changed since March, but these increases concern
11 me as I think they should concern all
12 straphangers. A 7 1/2% far exceeds the rate of
13 inflation and it likely outpaces any increase in
14 wages for the average New Yorker. If people were
15 so lucky to get raises like this, we'd have a
16 different economy here in the United States. So
17 we cannot help but ask the question, where did 7
18 1/2% come from and how is it pegged to inflation
19 when it far exceeds the rate of inflation.

20 Following the MTA, we will hear
21 from the Taxi and Limousine Commission. The TLC
22 is in the process of a major overhaul of the
23 entire taxi industry, as most of you know, and the
24 expansion of the TLC's budget reflects that. I
25 would like to point out right off from the outset

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2 that we had a Transportation oversight Committee
3 hearing on March 6th and at that meeting on March
4 6th, Commissioner Yassky assured us that no fare
5 increases were under consideration at that time.
6 So as there's been no fare increase in six years,
7 an increase of some type may be warranted, but it
8 seems to me that a lot has changed in ten weeks
9 and I'm so surprised how things change so quickly,
10 although I guess I should not be surprised. I
11 hope the commissioner will share his expertise on
12 this and his knowledge as to how so many things
13 happen so quickly sometimes in our city.

14 I'm interested in hearing about
15 TLC's plans for rolling out of the Five-Borough
16 Taxi Plan, specifically, how the accessible grants
17 for the herald vehicles will work. The state
18 legislation obligated the City to provide up to
19 \$15,000 per vehicle, either for retrofits or to
20 cover the increased cost of purchasing an
21 accessible vehicle. At the preliminary budget
22 hearing, we heard that the details of this grant
23 plan were still being worked out and I hope we can
24 hear more today. The TLC has also announced plans
25 to bring in an additional 2.7 million in

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2 enforcement in fiscal year 2013, and I anticipate
3 hearing further information on that as well.

4 In the interests of time, I'll
5 conclude my remarks here. I'd like to introduce
6 the MTA and their representatives. I'd like to
7 recognize the Council Members that have joined me.
8 To my left, Council Member Jackson, Council Member
9 Leroy Comrie. To my right, Council Member Vincent
10 Ignizio, James Oddo, Peter Koo. And down below,
11 we have Council Member Dan Garodnick, Council
12 Member Fernando Cabrera, and Councilperson Diana
13 Reyna.

14 Okay. With no further to do, I'd
15 like to ask everyone to please turn off any of
16 their alarms or whatever you--bells ringing on
17 your phones and stuff like that, keep them on
18 vibrate so we can have undivided attention to our
19 guests. Without further to do, I'd like to
20 introduce the MTA and, whoever would like to lead
21 off and have everyone at the dais introduce
22 themselves as well. Thank you.

23 HILARY RING: Thank you, Mr.
24 Chairman. Good morning, Council Members, my name
25 is Hilary Ring, I'm the MTA's Director of

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2 Government Affairs. Thank you for inviting me
3 here to testify today. I'm joined today by Lois
4 Tendler, Vice President of Government and
5 Community Relations at MTA New York City Transit,
6 who's on my right; on my left is Director of MTA
7 Budget, Doug Johnson; and on Lois's right is Aaron
8 Stern, Director of MTA New York City Transit's
9 Office of Management and Budget.

10 As I'm sure you all remember, the
11 MTA testified before this Committee in March on
12 the Mayor's fiscal year 2012 preliminary budget.
13 Since that time, some things have changed, while
14 others remain the same.

15 Perhaps its most significant
16 development is that soon after our hearing,
17 Governor Cuomo and the state legislature agreed to
18 fully fund the MTA's current capital program, and
19 that's great news for New York City and our entire
20 state. The plan will give our economy a crucial
21 shot in the arm at a time of great economic
22 uncertainty and it promises serious benefits for
23 New York City. According to the New York Building
24 Congress, the MTA alone is expected to account for
25 25% of New York City's construction jobs this

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2 year, or 18,000 jobs. All of these jobs will be
3 in jeopardy without the capital program.

4 And the program's impact reaches
5 far beyond New York City, it also has a profound
6 effect on the economic development in every corner
7 of New York state. In fact, according to one
8 estimate, the current capital program will provide
9 350,000 New York jobs, an overall economic impact
10 of \$44 billion throughout New York state.

11 A fully funded capital program also
12 means the MTA can keep moving forward with big
13 projects like East Side Access, which the
14 Chairman, mentioned which will bring Long Island
15 Railroad directly into Grand Central and midtown
16 east and the Second Avenue subway. We can also
17 now move aggressively forward with funding
18 critical needs, such as 23 more station renewals,
19 addressing defective components at 120 more
20 stations, and eliminating the worst conditions at
21 passenger stations across the system. We will
22 also provide ADA capability at four key stations.

23 Funding will allow for the
24 modernization of eight major signal interlockings
25 on the Dyre and 6th Avenue lines, bringing the

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2 entire A division, that's the numbered lines, into
3 good repair, and paving the way for installing
4 more efficient communication-based train control
5 signals on the congested Queens Boulevard line.

6 Piggybacking on the Queens
7 Boulevard line signal project will be the
8 insulation of tunnel lighting on a ten-mile
9 segment of this line, providing a safer working
10 environment for personnel during important tunnel,
11 track, and signal inspections. Two fan plants
12 will enhance ventilation within tunnels to meet
13 modern standards.

14 We'll also be replacing
15 approximately 1,000 buses and existing equipment
16 that's operating beyond its useful life.

17 Finally, we'll be funding several
18 bus depot upgrades, including washers, paint
19 booths, tank upgrades, and new bus lifts.

20 So clearly, receiving funding for
21 the final three years of our capital program is a
22 big and welcome change. Yet when we met last, the
23 MTA's operating budget was at significant risk,
24 and, certainly, that hasn't changed. For example,
25 our current financial plan, which was presented to

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2 our board in February, is predicated on a number
3 of assumptions, including receipt of all dedicated
4 taxes that we anticipate, implementation of
5 biannual fare and toll increases consistent with
6 the 2009 state agreement on MTA financing, no
7 budget-driven service cuts and wage savings for
8 all employees on the contract discussions now
9 underway.

10 The bottom line is our operating
11 budget is fragile, but manageable. And because of
12 the enormous efforts we've made over the past few
13 years, including annual expense reductions that
14 recur year after year to the tune of about \$700
15 million in both 2011 and '12, which will grow to
16 about 850 million in 2015, we've been able to
17 balance the budget this year. In fact, our
18 financial plan is in balance through 2013 with
19 deficits projected in 2014 and beyond.

20 Without these significant cost
21 cutting efforts, there's no doubt riders would
22 have faced much more severe service cuts or higher
23 fare increases and our four-year plan requires us
24 to continue our vigilance on expense control day
25 in and day out. But this plan is not without

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2 risk. We've not achieved the needed labor
3 agreements and subsidy funding is never a
4 certainty, we're currently assessing these and
5 other risks, as well as up-to-date financial
6 information from updated financial plan that we
7 present to our board in July.

8 As far as the Mayor's Fiscal Year
9 2012 Executive Budget is concerned, all the
10 details we covered in response to the preliminary
11 budget still stand, as nothing has changed in
12 regard to the MTA. To recap, the Mayor's 2012
13 budget proposes to allocate \$100 million to the
14 MTA's capital program and about \$786 million to
15 New York City Transit and MTA bus operations.
16 Here's how that \$786 million break down: In 2012,
17 the MTA's budget assumes that our agencies will
18 receive \$45 million for free reduced school fares;
19 about \$14 million for our reduced fare program for
20 the elderly; about \$106 million for paratransit, a
21 service that this year will cost the MTA about
22 \$510 million to run; about \$34 million to
23 reimburse the MTA for the cost of the Staten
24 Island railway; nearly \$90 million for station
25 maintenance at the 36 commuter rail stations in

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2 New York City. Our budget also assumes that the
3 MTA will receive 161 million to pay the local
4 match for state aid payments and about 336 million
5 to reimburse the MTA for the cost of MTA Bus, the
6 agency that the MTA created to run the formerly
7 private bus lines at the City's request. In
8 total, New York City's budget will supply about 7%
9 of our total operating funds.

10 We know that millions of your
11 constituents use MTA's services every day and
12 every night. We at the MTA look forward to
13 continuing to work closely with all of you and to
14 strengthening the partnership between the MTA and
15 New York City that contributes so much to this
16 whole region's success.

17 Once again, thank you for inviting
18 us here today, and my colleagues and I would now
19 be happy to answer any budget questions you may
20 have.

21 CHAIRPERSON VACCA: Thank you.
22 Thank you. We've been joined by Council Member
23 Jessica Lappin. Okay. Oh, and Council Member Dan
24 Garodnick as well.

25 Okay. Thank you very much. How

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much money does the MTA expect from the asset sales that we've spoken about?

HILARY RING: We expect about \$250 million.

CHAIRPERSON VACCA: In this fiscal year, in the coming fiscal year?

HILARY RING: In our financial plan period.

CHAIRPERSON VACCA: In your financial plan for the next how many years?

HILARY RING: Oh, the capital plan, excuse me. So we intend to finance about \$250 million worth of projects in the '10 to '14 plan from asset sales.

CHAIRPERSON VACCA: Ten to 14, so over the next three years, you expect that money.

HILARY RING: We expect the money to come in time to finance the projects that will be initiated during this time, yes.

CHAIRPERSON VACCA: Okay. Recently, there was a court decision regarding about 3,000 workers, they were given a pay increase based on an arbitration decision, the ATU.

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2 HILARY RING: An arbitration
3 decision, yes.

4 CHAIRPERSON VACCA: Yes.

5 HILARY RING: Mm-hmm.

6 CHAIRPERSON VACCA: All right, how
7 much money does that arbitration decision require
8 the MTA to spend?

9 HILARY RING: Do you know the
10 answer?

11 DOUG JOHNSON: Hi--

12 CHAIRPERSON VACCA: [Interposing]
13 Identify yourself--

14 HILARY RING: Doug Johnson.

15 CHAIRPERSON VACCA: --please.

16 DOUG JOHNSON: This is Doug
17 Johnson, I'm the MTA Budget Director. The third
18 year of that award was not budgeted by us, the
19 impact to the financial plan is an approximate \$7
20 million per year in 2011, 2012, 2013, which then
21 reduces down to about \$2 1/2 million in the out
22 years.

23 CHAIRPERSON VACCA: Okay. Do you
24 think that that decision is precedent setting
25 insomuch as other pending negotiations are

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concerned?

DOUG JOHNSON: No.

CHAIRPERSON VACCA: And have you budgeted in that regard for that possibility?

HILARY RING: No, the arbitrator is very clear that that award was following the pattern that had previously been set with the TWU, and we are carrying net zeros going forward for the contracts that are yet to be started.

CHAIRPERSON VACCA: The arbitrator referred to a reserve fund that the MTA has?

HILARY RING: Yes.

CHAIRPERSON VACCA: What is the reserve fund and how much is in there?

HILARY RING: Doug can tell you the exact amount that's in there, but what the reserve fund is is it's a fund to pay for employee retiree health care that's collected from all, you know, it's to be paid to all MTA employees when they retire. And the amount is?

DOUG JOHNSON: There's a liability that's right now estimated at \$17 billion, so what we're trying to do is establish a trust that will generate a return on investment that will

1 ultimately help fund those future payments and
2 actually reduce the amount of the liability.

3 There are approximately--I don't have the exact
4 number, it's about \$500 million in that fund with
5 annual contributions in the range of \$60 million a
6 year, that's on top of the pay as you go payments
7 that we pay currently.

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9 CHAIRPERSON VACCA: In the fund
10 right now, we have \$500 million.

11 DOUG JOHNSON: Approximately.

12 CHAIRPERSON VACCA: All right.
13 This fund is being reinvested every year or this
14 fund--has it declined over the years, has it
15 increased over the years?

16 HILARY RING: No--

17 CHAIRPERSON VACCA: Tell me about
18 this fund.

19 HILARY RING: --no, we're using the
20 fund to invest it so that it grows and can help
21 meet the \$17 billion liability that Doug just
22 referred to.

23 CHAIRPERSON VACCA: Speaking of
24 liability, is the MTA concerned about a \$39
25 billion debt that they will have by 2015?

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2 HILARY RING: Concerned? You know,
3 no, I think that we have been able to demonstrate
4 that our financial plan has all the funds
5 necessary to pay for all the debt that will be
6 incurred through this financial plan.

7 CHAIRPERSON VACCA: How much of the
8 next fare increase is going to go to debt? Debt
9 has gone up at the MTA significantly in the past
10 three years and we are at the point where we're
11 going to have \$39 billion in debt by 2015. So my
12 statement to you is, since the rate of the fare
13 increase so far exceeds inflation, how much of the
14 fare increase is going to go to pay off debt that
15 the MTA has incurred over the past several years?

16 HILARY RING: Debt service is how
17 much in the budget?

18 DOUG JOHNSON: Debt service is over
19 \$2 billion and growing at a rate beyond inflation.
20 The other reason that we have the 7.5% fare slash
21 toll increases is it's really used to offset
22 growth and what we call uncontrollable expenses or
23 non-discretionary expenses, like pension, health
24 and welfare, paratransit, that are growing at a
25 rate well beyond the rate of inflation.

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2 CHAIRPERSON VACCA: So are you
3 telling me that the entire fare increase is going
4 to go to finance worker benefits?

5 HILARY RING: No, the fare
6 increase--

7 CHAIRPERSON VACCA: [Interposing]
8 Where is this money going to that we're going to
9 pay? I want the people--

10 HILARY RING: The fare--

11 CHAIRPERSON VACCA: --to know where
12 it's going from.

13 HILARY RING: It goes into
14 operations, it goes into debt service, it goes
15 into fuel, it goes into the whole operations of
16 the MTA. Fares cover about a little less than
17 half of our operating revenues and--

18 CHAIRPERSON VACCA: [Interposing]
19 But where is this--we are entitled to know where
20 is it going. I want to know where the money is
21 going that's going to be raising the fare.

22 HILARY RING: It goes into our
23 budget.

24 CHAIRPERSON VACCA: I understand, I
25 hope it doesn't go into my budget, I mean, but I

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2 want to know where is it going specifically. How
3 can straphangers have an accountability? Where is
4 this money going?

5 HILARY RING: Councilman, that's
6 like saying, for example, which property taxes
7 that the City raises goes into the City budget and
8 then it's used for general expenses. Our fare
9 goes into our general fund and is used for general
10 expenses. Among those general expenses are wages
11 and salaries and pensions and fuel and everything
12 else that we do, other than the capital program.
13 It's impossible to segregate where a specific
14 dollar is going to go like that, but, you know,
15 the--and the fares and tolls together cover about
16 half of the expenses, the other half is covered by
17 subsidies, mostly from the state.

18 CHAIRPERSON VACCA: I understand,
19 but I think if people knew that there was going to
20 be an increase, but with the increase was going to
21 be service restorations, with the increase was
22 going to be an acceptance that the cuts that were
23 made have been very telling. I don't hear
24 anything about restoring any of the cuts, I don't
25 hear about any kind of service improvements, I

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2 only hear that to keep ourselves as we are, I hear
3 to keep the MTA doing what they're doing the way
4 they're doing it, we need this increase, and I
5 don't know if most people accept that. I don't
6 know if most people accept that.

7 Also, I have to tell you something
8 else. There was a remark made, I understand, at
9 the MTA meeting today about some people at the MTA
10 don't know why they have to come to the City
11 Council for these budget hearings. I am a little
12 ticked off, and let me tell you something, I'll
13 defend this institution anytime because I know
14 what we have done. A lot of the things that this
15 institution has done, at least since I've been
16 chair of this Committee, we were the ones that
17 took the bull by the horns when it came to the
18 snowstorm of 2010 where everybody was left
19 stranded. And we were the ones that took the bull
20 by the horns when it came to all the tampering of
21 the signal station reports that now is the subject
22 of a grand jury investigation. And we got the
23 MetroCards restored, and we give the MTA \$800
24 million a year. So I'm not going to have anybody
25 go to an MTA meeting and say something like that,

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2 that they don't want oversight and that they don't
3 want a body like this doing what we're supposed to
4 do on behalf of the taxpayers. I want answers to
5 a lot of these questions and I'm going to have
6 more questions, and I will have any question I so
7 deem I want to pose. So take that back to the
8 person who said that because it's unacceptable for
9 this body to be treated in that way.

10 All right, next questions. Who's
11 first? Oh, Chair Recchia.

12 CHAIRPERSON RECCHIA: Sorry--

13 CHAIRPERSON VACCA: Don't sneak up
14 on me like that.

15 CHAIRPERSON RECCHIA: I just want
16 to introduce Council Member Debbie Rose from
17 Staten Island. But I just want to follow up on
18 what Council Member Vacca said. You know, we want
19 to work with the MTA, we give you guys money, but
20 we also give you capital money to help improve
21 stations, and for people at the MTA to say that we
22 don't have a right to have oversight hearing, you
23 know, it's just not right, okay? If we wanted to,
24 okay, we could have an oversight hearing every
25 other week and then we'll see on many, many

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2 issues. 'Cause I have to tell you something, one
3 of the largest complaints that we get in our
4 offices are dealing with MTA, whether it's buses,
5 trains, buses, you know, being taken away without
6 any notice. And it's we that try to work with you
7 and if you want, if people are going to knock us
8 for doing our job, then we could come down hard on
9 you. And you have to remember, we have subpoena
10 power and we have no problem using it if we have
11 to.

12 So I think you should just take it
13 back to your people and make them clearly
14 understand what the role is for us and how we work
15 together, not against each other.

16 LOIS TENDLER: I--

17 CHAIRPERSON RECCHIA: Yes, Ms.
18 Tandler.

19 LOIS TENDLER: --I would just note--
20 -Lois Tandler, New York City Transit, excuse me.
21 I would just note we are here today, we were here
22 in March, we've been here to every hearing we've
23 been invited to by the City Council, so I would
24 suggest that our presence here says something.

25 CHAIRPERSON VACCA: Okay.

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2 CHAIRPERSON RECCHIA: Council
3 Member Jackson.

4 COUNCIL MEMBER JACKSON: Well thank
5 you, and I'm so happy that you guys have taken the
6 bull by the horns on behalf of the City Council.
7 I appreciate that because if you're not, then all
8 of us will. Considering the fact that all of the
9 New York City residents and approximately 1.5
10 billion people ride the MTA buses and subways and,
11 for the most part, you know, it's okay for the
12 most part.

13 But let me just say that when it
14 comes to the expense budget, I have some concerns
15 and I express the concerns that have been
16 expressed to me by constituents. And one of those
17 constituents, I happen to live with. And
18 basically, there's a young woman up in northern
19 Manhattan that's a college student, she's
20 collected thousands of signatures concerning the
21 station closure at 181st Street and Fort
22 Washington Avenue. You've heard the saying that
23 all politics are local? Well this is local and
24 this is not about politics, it's about service to
25 constituents and at 5:30, 6, 6:30 in the morning

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2 at 181st Street and Fort Washington Avenue, people
3 are concerned about their safety, that's number
4 one.

5 People are concerned about the lack
6 of continuous cleanliness that exists. And people
7 want that token booth back. Okay? Considering
8 the fact that, as you know, northern Manhattan is
9 you have to go all the way down in order to get on
10 the subways and a constant complaint over the
11 years has been the escalators not working over the
12 years and people have to walk down the stairs and
13 what have you and so forth, so safety is the
14 primary issue.

15 But then constituents are
16 complaining to me, and especially around Monday or
17 Tuesday, that the machines are not working. And
18 so one example is I got a call--an irate call
19 about ten minutes to seven in the morning from my
20 wife at home about the fact that she was going to
21 get a monthly, and the machines are broken and she
22 could not get a MetroCard. So you know what I
23 advised her? Just go under, it's okay. When I
24 say it's okay, because what is someone to do if
25 the machines are not working? They have to now

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2 travel to another location which is three blocks
3 away and now everyone, as you know, in the
4 morning, they're running late for work or wherever
5 they're going. So now that's another 15, 20
6 minutes. And so when people, the machines are not
7 working and so people says, you know, I'm just
8 going to go under and if there is a police officer
9 there, they're going to write them up and give
10 them a ticket for evading the fare. So I'm just
11 raising a problem situation that I would love to
12 have and I feel it should be corrected.

13 At that location and at 168th
14 Street and Broadway, as you know, you have
15 Columbia and Presbyterian Medical Center there,
16 you have the hospital, you have the medical school
17 there, that is a major, major thoroughfare, and
18 people have talked to me about 168th Street and
19 Broadway, the need to have those services back
20 there. So I raise that because, all things
21 considered, I don't see why that cannot be
22 restored considering the fact of the amount of
23 money that goes into the MTA. So maybe you can
24 respond to me in relationship to that, especially
25 about the safety, security, and cleanliness, and

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the restoration of the token booth.

LOIS TENDLER: Okay. I'll try. As you know, we removed token booths from stations where we now have one operating booth 24/7 in all our stations and that's not going to change anytime, so..

COUNCIL MEMBER JACKSON: Well this is not one station, you know. You know, you know the location.

LOIS TENDLER: Yes, and I was going to say to you--

COUNCIL MEMBER JACKSON: Okay. So you know--

LOIS TENDLER: It's far, yes.

COUNCIL MEMBER JACKSON: --it's far apart and, and--

LOIS TENDLER: [Interposing] It's deep, and it's deep down--

COUNCIL MEMBER JACKSON: --it's deep, I think it's the--

LOIS TENDLER: --I understand that.

COUNCIL MEMBER JACKSON: --deepest in the system. So when you say one station, people are using 181st Street and Fort Washington

1 Avenue, that's one station. There's not like
2 there's another station that's connected to that,
3 that's one station. The one at 183rd Street is
4 one station. They're handling different areas,
5 even though from a subway point of view, it's the
6 181st Street stop.
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8 LOIS TENDLER: No, I understand,
9 and it is--while the deepness is somewhat unique
10 in our system, the geographical distance between
11 each side of the station is not all that unique,
12 we have other stations like that. But that being
13 said, what I would like to do, first, of 168th
14 Street and 181st Street on the 1 train, we are
15 this fall, when the process of bidding out the
16 ceiling rehabs of both those stations. And at
17 168th Street with the help of Columbia, we are
18 doing some other stuff, which we'll announce soon,
19 we're doing more--we are improving the stations in
20 other ways working cooperatively with the
21 institution.

22 I would like to meet you up at
23 181st Street and Fort Washington--

24 COUNCIL MEMBER JACKSON:

25 [Interposing] I would like that--

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LOIS TENDLER: --and I would like to--

COUNCIL MEMBER JACKSON: --and bring your whole crew. Bring the one the people that don't live in the area so I can show them.

LOIS TENDLER: I would like to do that, and--

COUNCIL MEMBER JACKSON: Okay.

LOIS TENDLER: --I'll have our elevator and escalator people there--

COUNCIL MEMBER JACKSON: [Interposing] But what I don't want you to do is I don't want you to send a cleaning crew up there to clean it before I arrive.

LOIS TENDLER: Promise.

COUNCIL MEMBER JACKSON: No, that's what we don't want you to do.

LOIS TENDLER: Well I don't--

COUNCIL MEMBER JACKSON: We want you--

LOIS TENDLER: --play that way.

COUNCIL MEMBER JACKSON: --to see it like it is.

LOIS TENDLER: We will--

1
2 COUNCIL MEMBER JACKSON: And then I
3 want to introduce you to this young lady, who has
4 collected thousands of signatures and concerned
5 about the safety and security of people riding
6 that subway, especially in the morning. And
7 supposedly you have an individual there that--and
8 these individuals, you know, they try to swipe and
9 get some money, okay?

10 LOIS TENDLER: I will--

11 COUNCIL MEMBER JACKSON: And they
12 may jam the machines up so that people, you know,
13 are in a bind and either they go under and get a
14 ticket if the police are there or they have to
15 then to go to another location.

16 LOIS TENDLER: I will actually ask
17 the Transit Bureau to join us on this walkthrough
18 and I look forward to meeting your young
19 constituents.

20 COUNCIL MEMBER JACKSON: Well I
21 appreciate that. And, listen, I understand that
22 the MTA system needs a lot more money, I do
23 understand that, and I only wish that if I was in
24 the federal government, the federal government
25 should give you more money for mass transit, at

1
2 the state level, even though they gave money for
3 the capital plan, there needs to be more money,
4 and the City needs to give more money, but we need
5 better services for the constituents that we
6 serve.

7 LOIS TENDLER: We will set that up,
8 I will call your office this afternoon.

9 COUNCIL MEMBER JACKSON: Thank you.

10 CHAIRPERSON RECCHIA: Thank you.
11 Every Council Member has five minutes. Jackson,
12 you have 20 seconds left.

13 COUNCIL MEMBER JACKSON: I give it
14 to my next person.

15 CHAIRPERSON RECCHIA: Peter Koo.

16 COUNCIL MEMBER JACKSON: Peter, you
17 got it.

18 CHAIRPERSON RECCHIA: Five minutes
19 on the clock.

20 COUNCIL MEMBER KOO: Thank you, Mr.
21 Chair. Mr. Ring, you and your staff were here
22 like last time and we have--

23 [Pause]

24 COUNCIL MEMBER KOO: --about
25 cleanliness and you mention--

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CHAIRPERSON RECCHIA: Yeah, you--

[Pause]

CHAIRPERSON RECCHIA: It's the mic
I give the republicans.

[Laughter]

COUNCIL MEMBER KOO: Let me start
this over. Mr. Ring, you were here last time, I
believe in March, and we were talking about
station cleanliness and you were saying the
stations were so clean that you can eat off the
floor, you know. So a few months have gone and I
mentioned to you, I only compare about two
stations, one station is the one where [off mic]
Park Place, every time I use it, if I take the
escalator, I look up, the paint is peeling, it's
going to come off anytime soon, it might hit
somebody. The [off mic] are so dirty and the
tiles. So I wonder, do you guys have a budget to
clean the stations? I mean, or you haven't
delivered our message? I mean, when you talk
about the Park Place, you said, these are station
I use almost every day.

LOIS TENDLER: Okay.

COUNCIL MEMBER KOO: The tiles on

1
2 the wall on the escalators and the ceilings is
3 going to come off, peel off soon.

4 LOIS TENDLER: Okay. I would have
5 to check where Park Place is on the list, but Park
6 Place is involved in our FASTRACK project, and
7 doing something like the painting you're talking
8 about is something within the scope of that--

9 [Crosstalk]

10 COUNCIL MEMBER KOO: [Interposing]
11 There's no painting, I said the ceiling tile is
12 going to come off, yeah.

13 LOIS TENDLER: Okay.

14 COUNCIL MEMBER KOO: Yeah, it's
15 going to hit somebody.

16 LOIS TENDLER: The work you're
17 talking about is certainly within the framework of
18 what we're doing on FASTRACK. If this work has
19 not been scheduled at Park Place yet, I will make
20 sure that that gets done.

21 COUNCIL MEMBER KOO: [Interposing]
22 I just wonder, a station we--a Council Member use
23 every day and do you do anything--

24 [Crosstalk]

25 LOIS TENDLER: [Interposing] When I

1
2 leave this hearing, I will go downstairs and look
3 at the station and go back and get it scheduled.

4 COUNCIL MEMBER KOO: So my question
5 to you, do you have people cleaning, mopping the
6 floor every day or no? Or--

7 LOIS TENDLER: Yes.

8 COUNCIL MEMBER KOO: --once a week
9 you do it?

10 LOIS TENDLER: No. We mop every
11 day? Yes.

12 COUNCIL MEMBER KOO: Do you hold an
13 accountable for it? Do you have a checklist that
14 a manager sign off so that the station--

15 LOIS TENDLER: [Interposing]
16 Supervisors follow around the cleaners to make
17 sure that their work is done, yes.

18 COUNCIL MEMBER KOO: So let me make
19 a suggestion to MTA, we rate the restaurants,
20 right? A, B, C, D? So we should rate all the
21 stations on the MTA system.

22 LOIS TENDLER: We do with the--

23 [Crosstalk]

24 AARON STERN: Well we do--

25 CHAIRPERSON VACCA: [Interposing]

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That's a good idea.

COUNCIL MEMBER KOO: Yeah. So--

CHAIRPERSON VACCA: That's a good idea.

COUNCIL MEMBER KOO: Yeah, we just--
-

[Crosstalk]

CHAIRPERSON VACCA: [Interposing] I would like every station rated.

COUNCIL MEMBER KOO: Yeah.

CHAIRPERSON VACCA: Yes, we rate the restaurants and every takeout place, why can't we rate stations on cleanliness, rats, water, garbage--

COUNCIL MEMBER KOO: Yeah.

CHAIRPERSON VACCA: --graffiti, that's a good idea, Council Member.

COUNCIL MEMBER KOO: Well thank you, Chairman.

CHAIRPERSON VACCA: I'm with you. What do you think of that? I would like a response. Have you considered having a rating system for all subway stations so that people can know in a transparent way about cleanliness,

1
2 safety, graffiti, safety, cleaning? I'd like to
3 have a rubric created. I think it's a good idea.

4 AARON STERN: Aaron Stern, MTA New
5 York City Transit Budget Director. Surveys are
6 done each month and the reports reported at the
7 board meeting in a passenger environment survey
8 that includes ratings of all passenger stations
9 and all passenger cars on their cleanliness. And
10 it rates various conditions, including the litter,
11 the graffiti, and other conditions.

12 CHAIRPERSON VACCA: Is that rated
13 A, B, C, D, E, whatever? A, B, C, D, E, F?

14 COUNCIL MEMBER KOO: Yeah, I'm
15 suggesting--

16 LOIS TENDLER: No, it's--

17 COUNCIL MEMBER KOO: --we post a
18 sign on each station say A, B--

19 CHAIRPERSON VACCA: Yes.

20 COUNCIL MEMBER KOO: --C, D, you
21 know.

22 CHAIRPERSON VACCA: Yes.

23 LOIS TENDLER: We're not doing
24 that.

25 CHAIRPERSON VACCA: That's what I'm

1
2 requesting, I think it's a positive contribution
3 that this body is making, despite what somebody
4 said at the MTA meeting, that we have no function
5 to--it's a good function we just fulfilled.

6 COUNCIL MEMBER KOO: I have a
7 second question--

8 [Crosstalk]

9 CHAIRPERSON VACCA: [Interposing] I
10 like it. Well I would like a response from them.
11 You never--

12 LOIS TENDLER: [Interposing] And
13 actually we will take it back, but--

14 CHAIRPERSON VACCA: [Interposing]
15 Take it back.

16 LOIS TENDLER: --it actually
17 exists. The passenger environment survey, which
18 is reported monthly publicly on our website and in
19 our materials to the board rates all these
20 conditions, they are rated from--

21 CHAIRPERSON VACCA: [Interposing]
22 Is there one cumulative total given? Is there one
23 cumulative grade given to every station and is
24 there a transparent rubric that we could see that
25 is the rationale for that rating?

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2 LOIS TENDLER: There is not one,
3 the station is rated according to these elements
4 and the rubric is right in front of you because it
5 lists every single element in the rating it gets
6 on each.

7 CHAIRPERSON VACCA: All right, so
8 what is the rating of A, B, C, D--you use A, B, C,
9 D, F?

10 LOIS TENDLER: No, it's--what is
11 it--good, no--like if the measure is litter, it's
12 no litter and I will tell you that one, one piece
13 of paper on the floor is litter--

14 CHAIRPERSON VACCA: No, but--

15 LOIS TENDLER: --it's no litter--

16 CHAIRPERSON VACCA: Lois--

17 LOIS TENDLER: --it's light litter,
18 it's moderate.

19 CHAIRPERSON VACCA: No, but I
20 understand that, Lois--Ms. Tendler, I'm sorry.

21 LOIS TENDLER: Yes.

22 CHAIRPERSON VACCA: I would like a
23 cumulative grade given to every station based on a
24 rubric that is transparent. Whatever you say
25 about the Department of Education, and we have

1
2 said it here many times, they do have a posting
3 for every grade, whether we agree or not, and
4 there is a transparent rubric as to what
5 determines that school's grade. I would like to
6 have that posted, as the Council Member Peter Koo
7 suggested, and I would like to have it
8 transparent, I would like to have stations rated
9 so people can see for themselves what their
10 station is rated and why.

11 LOIS TENDLER: I understand what
12 you're asking for, we will get back to you.

13 CHAIRPERSON VACCA: Okay. Thank
14 you. I'm sorry, Council Member Koo, that I
15 interrupted.

16 COUNCIL MEMBER KOO: Yeah, no, let
17 me, I have a second question, it's on the Long
18 Island Railroad station in Flushing. The two
19 entrances, I mentioned this numerous times, I have
20 even mentioned it yesterday, I saw some city
21 workers on the station and I mentioned to them
22 too. Their response, oh, it's a shame, it's so
23 dirty. So I wanted to get your response to it.
24 Do you have station cleaning people there every
25 day or once in a while when they show up? Or they

1
2 just pretend they're there? And nobody doing the
3 job.

4 HILARY RING: I don't know what the
5 frequency is for Long Island Railroad station
6 cleaning, but I can get back to you. I know that
7 at the Flushing station we are planning to put in
8 elevators there to make that handicap accessible
9 and, you know, I imagine that there will be some
10 improvements to the station like that when we do
11 that. That money is already in the budget.

12 COUNCIL MEMBER KOO: So I want to
13 make sure you do the job, deliver the message, and
14 make sure people, they're accountable. I know you
15 have people cleaning, but if they're just there
16 and read the paper and leave after half an hour of
17 reading the paper, that's not doing the job.

18 CHAIRPERSON RECCHIA: All right,
19 Council Member, you want to sum up, please?

20 COUNCIL MEMBER KOO: Thank you.

21 CHAIRPERSON RECCHIA: Thank you.
22 Council Member Leroy Comrie, to be followed by
23 Council Member James Oddo. [Pause] Five minutes.

24 COUNCIL MEMBER COMRIE: Thank you.

25 CHAIRPERSON RECCHIA: And we've

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been joined by Julissa Ferreras.

COUNCIL MEMBER COMRIE: Thank you, Mr. Chairs. I was curious about the--I got a complaint from a constituent the other day regarding the Jamaica depot, are there upgrades or work that's being done over at the moment? Any additional work in the back area of Jamaica depot? 'Cause I got a complaint from a constituent that there seems to be some work being done on the back end and it--

LOIS TENDLER: You mean the one off--

[Crosstalk]

COUNCIL MEMBER COMRIE: The one off Merrick, the one by the Merrick Boulevard between Merrick and Liberty and 107.

LOIS TENDLER: Not that I know of, but I will look into that and--

CHAIRPERSON VACCA: [Interposing]
Could you please speak into the mic?

LOIS TENDLER: Sorry.

CHAIRPERSON VACCA: Thank you, Ms. Tandler.

LOIS TENDLER: Not that I know of,

1
2 but I will look into it and get back to you,
3 Councilman.

4 COUNCIL MEMBER COMRIE: Okay. And
5 I hate to keep bringing up stations, but
6 Parsons/Archer is one of the busiest stations in
7 the system. The elevators always--the escalator's
8 always breaking, my constituents are always
9 complaining about the level of cleanliness.
10 There's supposedly a station manager at that
11 station, but the station manager has never done
12 any outreach to the constituents, especially the
13 ones that are consistently making detailed
14 complaints about the station. And so I wanted to
15 know if there's a full elevator upgrade for those
16 main elevators scheduled in your capital budget
17 for Parsons/Archer since they seem to break down
18 on a regular basis. And if not, when would that
19 be scheduled?

20 LOIS TENDLER: I will get back to
21 you on that, but I also would make the same offer
22 I made to Councilman Jackson, I will come out with
23 the station manager and--

24 COUNCIL MEMBER COMRIE: Well I'll
25 look--

1
2 LOIS TENDLER: --meet you at the
3 station, we could do it at rush hour, we could
4 talk to your constituents.

5 COUNCIL MEMBER COMRIE: Okay. And
6 I'll look forward to making that happen. And just
7 also the opportunity to access the your college
8 property for temporary parking, how are we doing
9 with that project, Mr. Ring?

10 HILARY RING: We have looked into
11 it, there are no plans to do that right now. I
12 know that the union brought it up and we've
13 investigated that--

14 COUNCIL MEMBER COMRIE:
15 [Interposing] Well the community would like to see
16 some of the off-street parking that happens over
17 there. You know, the union right now parks
18 anywhere they can, there's not a lot of legal
19 parking in that area and it would relieve a lot of
20 congestion--

21 HILARY RING: [Interposing] This is
22 for employee vehicles?

23 COUNCIL MEMBER COMRIE: It would be
24 for both.

25 HILARY RING: Okay. I was not

1
2 under that impression, I thought it was for, you
3 know, bus parking.

4 COUNCIL MEMBER COMRIE: Right.

5 HILARY RING: We'll look at it and
6 when Lois gets back to you on Archer, she'll--
7 we'll have an answer for you on that.

8 COUNCIL MEMBER COMRIE: Okay. And
9 then just finally, you said that paratransit
10 program is going to cost about \$510 million to
11 run. Has there been any looking--there was
12 supposedly a plan to improve the paratransit
13 program and to reduce the deficiencies in it, do
14 you have any update on what has been done to that
15 regard? 'Cause I'm getting multiple complaints
16 from people that have to now pay a fee for
17 paratransit and still can't get service.

18 AARON STERN: There's been no
19 change in the fee schedule. Paratransit users pay
20 the regular transit fare to use the service. We
21 have initiated a number of efforts over the past
22 two years to contain costs so they don't grow as
23 quickly as they had been. As Doug Johnson had
24 mentioned earlier, that is one of the areas of the
25 budget that's been growing the fastest, putting

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pressure on the overall financial plan.

One of the initiatives that's been most successful is the diversion of riders to lower cost voucher and taxi service. In 2009, about 10% of the paratransit trips were by taxi and voucher, and in 2011, in the second half of the year, we've raised that to a 30% level. So it's been a dramatic improvement and that's been-- that's accounted for substantial savings in that service.

In addition, I can share with you the respondents' sense of the quality of the service. Based on our surveys, 80% were very or somewhat satisfied with the black car or the voucher service, and about the same, 79%, very or somewhat satisfied with taxi service. So we consider that--

COUNCIL MEMBER COMRIE: Okay.

AARON STERN: --a pretty reasonable level of customer satisfaction.

COUNCIL MEMBER COMRIE: And who did that survey? That was done by your office or was that done by straphangers?

AARON STERN: The surveys are done

1
2 by vendors that our paratransit division has hired
3 to carry them out.

4 COUNCIL MEMBER COMRIE: Okay.

5 Finally, I'm running out of time, the Queens
6 Boulevard line, you talked about improving
7 signaling, would that be able to improve the
8 amount of trains that run through there? Because,
9 as you know, it is totally congested, and is there
10 any--there was at one point in time, a proposal to
11 put additional trains or additional cars, has any
12 of that been looked at and updated?

13 LOIS TENDLER: The whole point of
14 the signal upgrades on Queens Boulevard line is to
15 increase capacity.

16 COUNCIL MEMBER COMRIE: Okay.

17 LOIS TENDLER: CBTC allows us to
18 run more trains on the line. It's a expensive,
19 long process, but at the end of the day, you get
20 more trains.

21 COUNCIL MEMBER COMRIE: Do you know
22 when that would be done and how many more trains
23 we could look forward to?

24 LOIS TENDLER: I don't know the
25 answer to the second part, and I think--

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MALE VOICE: Twenty fifteen.

LOIS TENDLER: --2015.

COUNCIL MEMBER COMRIE: Twenty fifteen. All right, okay. And is there any long-term plan to increase the overall capacity of the tunnels for Queens, our main route?

HILARY RING: Excuse me, 2015--

LOIS TENDLER: Fifteen--

HILARY RING: --is when we'll be starting.

COUNCIL MEMBER COMRIE: When you'll be starting.

HILARY RING: --work on Queens Boulevard line.

COUNCIL MEMBER COMRIE: So is there any other long-term--

LOIS TENDLER: [Interposing] The most direct way, and even though it's very, very expensive, it's less expensive than building a new tunnel, for instance--

COUNCIL MEMBER COMRIE: Right.

LOIS TENDLER: --is the hope is CBTC adds capacity to the line and it goes--that capacity will be able to flow through the tunnel

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as well.

COUNCIL MEMBER COMRIE: And so do we need the SCBTT to do some additional permissions or is that something that--

LOIS TENDLER: [Interposing] No, it's first off, you can't--we're in the process, as you might know, of converting the seven line to CBTC, Queens Boulevard line is up next, and we will fund that job in our next plan and look to completing it.

COUNCIL MEMBER COMRIE: Okay. It's just so long ago and the congestion there is so profound so--

CHAIRPERSON RECCHIA: All right.

COUNCIL MEMBER COMRIE: --a way that it could be--

LOIS TENDLER: Appreciate it.

COUNCIL MEMBER COMRIE: --moved up, that would be great for that. The entire borough depends on those two lines between the 7 line and the Queens Boulevard lines, many people are--

CHAIRPERSON RECCHIA: Okay.

COUNCIL MEMBER COMRIE: --
frustrated.

CHAIRPERSON RECCHIA: Council Member, your time is up, I have to move on to the next Council Member.

COUNCIL MEMBER COMRIE: [Interposing] I'm sorry, I just want to apologize, all my constituents--

CHAIRPERSON RECCHIA: That's okay.

COUNCIL MEMBER COMRIE: --that are upset in the morning when they have to stand like 45 minute trip, so...

CHAIRPERSON RECCHIA: Listen, I feel your pain 'cause I have constituents also that feel the same pain. All right, Jimmy Oddo.

COUNCIL MEMBER ODDO: Thank you, Mr. Chairmen. Good afternoon. I just want to start by saying that Council Member Ignizio and Council Member Rose wanted me to let you know that our subway stations don't have any litter.

COUNCIL MEMBER ROSE: That's right.

COUNCIL MEMBER ODDO: Oh wait, that's right, we don't have any subway stations. I have two questions, one for each side of the ledger. I heard the gentleman say--I'm sorry, I don't your name--the gentleman sitting on the

1 right used the phrase uncontrollable or
2 nondiscretionary. Our City budget has four major
3 uncontrollables--pension costs, health care costs
4 for city workers, Medicaid, and debt service. And
5 if you look at the Mayor's executive budget,
6 you'll see that two of those four seem to be
7 somewhat under control, at least to growth.
8 Medicaid because of what the state has done in
9 terms of capping it, pensions because of what the
10 governor is doing. Our health care costs though
11 are growing at around \$600 million a year and that
12 eats up all the money that my colleagues and I
13 want for whatever services we hold dear.

14
15 So my question to you is, just
16 detail for us the quote unquote uncontrollables
17 that you have. You mentioned pensions, debt
18 service. And which of the three or four that you
19 have continue to grow at a market rate? So let's
20 start with that and then I'll go to the revenue
21 side.

22 DOUG JOHNSON: Oh sure, so we
23 talked about paratransit costs and those increased
24 primarily based upon the increase in volume,
25 there's just been a tremendous annual increase in

1
2 the number of riders utilizing that service and,
3 as I'm sure you're aware, it's very expensive, so
4 we at the MTA have taken some steps, which Aaron
5 spoke about earlier, to try to do that as
6 efficiently as possible. Of course, it's always
7 going to be more expensive than, say, a subway
8 ride. So and there, you know, right now, we're
9 looking at some other potential solutions whereby
10 people could possibly qualify for a free ride on
11 the subway in lieu of a paratransit ride, but
12 that's not something that's in the budget right
13 now. But paratransit continues to--we expect it
14 to continue to increase based upon projections of
15 ridership and there's not really much that we can
16 do, it's never going to be a, you know, something
17 that grows at CPI.

18 Pensions, of course, you're not
19 going to see savings unless you're able to, you
20 know, legislate new tiers, you know, of pension
21 benefits, but the vast majority of our employees
22 get the pension benefits that, you know, they
23 started with and, of course, those costs are, you
24 know, they've been impacted by life expectancy
25 increases and market returns in 2008, where, you

1
2 know, the entire stock market got hammered. So
3 those losses had to be made up by employer
4 contributions, and it's not just not the MTA and
5 New York City, that's something that's done MTA-
6 wide. Those are actuarially determined, those
7 projected costs.

8 Health and welfare, we have some of
9 our employees are in the New York State Empire
10 plan; at New York City Transit, we have some
11 private plans, and the management at New York City
12 Transit has done lots of good things that have
13 controlled some of the projected costs there.
14 It's still, you know, as everyone knows, health
15 costs nationwide are just increasing at a rate,
16 you know, beyond inflation and that, of course,
17 that would impact both our current employees and
18 our retirees. And those are significant--

19 COUNCIL MEMBER ODDO: --Okay. All
20 right--

21 DOUG JOHNSON: --costs to our
22 budget.

23 COUNCIL MEMBER ODDO: --I would
24 like--

25 DOUG JOHNSON: In aggregate,

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they're growing at around 8 plus percent a year.

COUNCIL MEMBER ODDO: Eight, okay,
that's the number--

DOUG JOHNSON: Yeah, mm-hmm.

COUNCIL MEMBER ODDO: --I was
looking for, okay. That could be a hearing onto
itself, but since I'm running out of time, I want
to go on the other side of the ledge. And I get
that, you know, for the most part, mass transit is
subsidized by the riders and the taxpayers, or
overwhelming, you know, bulk of it will always be,
but I guess my question is, can you just share
with us who is the individual or who are the folks
within your group that are charged with the
responsibility of sitting in a room and sort of
thinking outside the box to try to come up with
non-fare revenue? Like, is there a team? Do you
get six guys, you throw them in a room, you buy a
couple of cases of beer, and say come out with
some good ideas? Is there anyone sort of
aggressively pursuing--

HILARY RING: Sure.

COUNCIL MEMBER ODDO: All right, so
could you give us some details about that?

1 [Off mic]

2
3 HILARY RING: Sure. For example,
4 advertising. We're very much looking at how to
5 maximize our advertising revenue by taking new
6 approaches to advertising, whether it's digital
7 advertising, things like that. For example, in
8 Fulton Street Transit Center, which is the Fulton
9 Center, which you're building downtown here, that
10 is going to be a master lease space so that a
11 private entity can come in and figure how to
12 maximize the rental income from that, how to
13 maximize the advertising revenue from that. We
14 have a group of people who are working with New
15 York City on how to capture some of the value with
16 the Deputy Mayor's office on how to capture some
17 value from our investment in different regions in
18 the city where we bring a new subway line in and
19 the property values go up, how can we, you know,
20 use some of that to support transit. And just
21 our, you know, every day our CFO office and the
22 budget office and, you know, the executive staff
23 think about different ideas and different ways to
24 do it. So that is, you know, a very big activity.

25 [Pause]

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2 CHAIRPERSON RECCHIA: You can ask
3 one more question, Council Member.

4 COUNCIL MEMBER ODDO: I guess the
5 only follow up I would have to that is could you
6 put a dollar amount on what you think in the near
7 term that means and how significant amount of
8 revenue could that create?

9 HILARY RING: Sure, and, but, you
10 know, at the end of the day, the vast majority of
11 our expenditures or our revenues are going to come
12 from fares, tolls, and subsidies, and the, you
13 know, the new things that you could do are going
14 to be in the, you know, the hundreds of millions.
15 You know, we spend just on our operating budget,
16 we spend \$250 million a week so, you know, if you
17 come up with a new idea that is huge and generates
18 \$250 million worth of revenue, that's a week, so
19 you still have 51 more of those to get through.

20 COUNCIL MEMBER ODDO: Thank you.
21 Thank you, Mr. Chairmen.

22 CHAIRPERSON RECCHIA: We've been
23 joined by Council Member Greenfield, Council
24 Member Brewer. Debbie Rose will be next, Council
25 Member Rose from Staten Island, then be followed

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2 by Jessica Lappin, and Julissa Ferreras. Council
3 Member Rose.

4 COUNCIL MEMBER ROSE: Thank you,
5 Mr. Chair, and good morning, Chair.

6 You know, recognizing that the MTA
7 has a \$4 billion gap and a \$30 billion in
8 outstanding debt, with such a outstanding debt
9 load, you know, I'm sure making progress on
10 commuter issues are a problem, however, I just
11 want to start my remarks by saying thank you on
12 behalf of the ferry riders who now have been given
13 dispatchers at the ferry terminal to make sure
14 that there's now seamless service so that they now
15 no longer miss their connection with the bus when
16 the ferry comes in. So I thank you for that.

17 But my concern, my overarching
18 concern is about crime and the MTA and the fact
19 that the crime is up, assaults against employees
20 are up, and fare evasion is at an all-time high.
21 Our Staten Island Advance ran an article where it
22 was quoted that \$328 million a year is lost to
23 fare beaters, and this situation not only results
24 in a lack of--a decrease in revenue to the MTA,
25 but it also puts the riders and the employees in

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2 danger. And in the budget, there is \$6 million
3 that New York City gives to the MTA for police.
4 Could you please tell me, you know, where these
5 police officers are assigned, what percentage of
6 them are on buses, if you have considered having
7 them on buses, and what is your plan to recoup the
8 lost revenues that you're experiencing due to fare
9 beating?

10 HILARY RING: Maybe Aaron might be
11 able to explain the specific of the money that the
12 city gives us right now for the police, he said it
13 was 3.6 million.

14 COUNCIL MEMBER ROSE: Oh, on our
15 line, it said 6 million. New York City--

16 AARON STERN: [Interposing] No, no,
17 let me clarify, it's not--

18 COUNCIL MEMBER ROSE: Okay.

19 AARON STERN: --money the city
20 gives us, it's money we give the city--

21 COUNCIL MEMBER ROSE: For police.

22 AARON STERN: --the responsibility
23 for--

24 COUNCIL MEMBER ROSE: Okay.

25 AARON STERN: --law enforcement in

1
2 the subway system is the New York City Police
3 Department responsibility, we, from our operating
4 budget, give 3.6 million of additional funding to
5 the police bureau--

6 COUNCIL MEMBER ROSE: Okay.

7 AARON STERN: --to supplement their
8 workforce to specifically target fare evasion in
9 high impact stations in the subway.

10 COUNCIL MEMBER ROSE: [Interposing]
11 And so do you think there needs to be an increase
12 in that amount?

13 HILARY RING: I think that any
14 additional funds are always be welcome, I think
15 that if the City Council has the ability to add
16 discretionary funds to the budget, that, you know,
17 we would be happy to use that for fare evasion,
18 for fighting employee assaults, for police, you
19 know, fighting crime. I know that the MTA
20 Chairman Lhota and Police Commissioner Kelly have
21 a good relationship and have been talking
22 regularly about, you know, how to tackle these
23 issues. So I think any help would be appreciated.

24 COUNCIL MEMBER ROSE: I beg to
25 differ, I beg--

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CHAIRPERSON RECCHIA: [Interposing]
If I could just jump in here for one second,
Council Member, I just want to jump in for one
second.

COUNCIL MEMBER ROSE: Okay. Chair.

CHAIRPERSON RECCHIA: I just want
you to know, Mr. Ringer, okay, you're given a
gift. The Housing Authority pays New York Police
Department \$72 million, so when you come in here
and say the Council could put discretionary
funding, we're giving you a gift 'cause we passed
a budget. So maybe you should pay \$72 million, is
that what you're saying? That you should give us
and pay \$72 million? Is that what you're saying?
Yes or no.

HILARY RING: No.

CHAIRPERSON RECCHIA: Before you
open your mouth, I think you should think twice.
Seventy-two million dollars they pay, the Housing
Authority, and the Transit is much bigger than the
Housing Authority.

[Pause]

Council Member, I'm sorry.

COUNCIL MEMBER ROSE: Thank you,

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2 Chair. That was my point exactly. The amount of
3 money is seems to be inappropriate, inadequate in
4 terms of what the value could be. The system is
5 hemorrhaging over \$328 million to fare beating,
6 and I'm sure that's modest because you only
7 consider revenue generated by the number of people
8 who pay. And so if a significant number of people
9 on Staten Island, it's a modest number of 18.5 are
10 not paying, then that's a lot of revenue that
11 you're not collecting, and so I would think that
12 you would want to give much more money to that
13 line for police protection in order to see it as
14 being beneficial to recouping the revenue. It's
15 not an insignificant sum of money that could be
16 recouped because if you put in additional funding
17 for police in order to safeguard, not only the
18 employees and the riders, but to also institute or
19 maybe you want to put cameras on all of the buses,
20 I don't care how you do it, but you are
21 hemorrhaging money and this is a line in which you
22 should increase in order to get the bigger
23 benefit.

24 HILARY RING: I appreciate what
25 you're--

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2 COUNCIL MEMBER ROSE: [Interposing]
3 What you put in is not going to--is far less than
4 what you would get in benefit.

5 HILARY RING: --I appreciate what
6 you're saying and, you know, what we should do is
7 maybe schedule a follow-up and we can have this
8 discussion and see what kind of ideas we have and
9 what kind of details.

10 AARON STERN: Let me just add that
11 the--just to put it into perspective, we've done
12 systematic measurements of the level of fare
13 evasion in the subway system and those are now
14 reported on a quarterly basis. The overall fare
15 evasion rate on a subway system is 1.4% and it
16 translates into a revenue loss of around a little
17 over 40 million a year. It's not in the hundreds
18 of millions.

19 In addition, I just want to add
20 that about one-third of that fare evasion rate
21 represents children over the height of 44 inches,
22 which is the official standard when you have to
23 start paying. So while we are doing our best to
24 encourage those individuals to pay the fare, we
25 don't see that as quite the same law enforcement

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issue as the other--

COUNCIL MEMBER ROSE: [Interposing]

I'm sorry, I know my time is up--

[Crosstalk]

COUNCIL MEMBER ROSE: --but I beg to differ. I have met with bus drivers on Staten Island and they are not talking about young children who are the height of whatever, they are talking about adults, there are adults that take the express buses that are not paying, they are people--and it's a significant number of people who are not paying.

[Pause]

CHAIRPERSON RECCHIA: Okay. Thank you. Been joined by Council Member Mealy, Council Member Rodriguez, and Council Member--

FEMALE VOICE: Ulrich.

CHAIRPERSON RECCHIA: --Ulrich. Jessica Lappin, Council Member Lappin--

COUNCIL MEMBER LAPPIN: Thank you.

CHAIRPERSON RECCHIA: --to be followed by Council Member Ferreras, then Council Member Reyna.

COUNCIL MEMBER LAPPIN: Well

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2 they're not beating the fare on the SBS line on
3 1st and 2nd Avenues, holy cow do you guys do
4 enforcement. And I've done a couple of report
5 cards on the 2nd Avenue, 1st Avenue select bus
6 service and people love it and, overall, it's
7 doing really, really well, but the enforcement is
8 particularly aggressive. And we've had, you know,
9 a couple of instances that we've brought to your
10 attention, you know, a vet on his way to the VA, a
11 woman who had just had eye surgery at the eye and
12 ear and throat hospital getting kicked off the
13 bus. So I just wanted to repeat that a little
14 leniency sometimes for people, I think would be
15 appreciated.

16 I wanted to ask about the 2nd
17 Avenue subway. I just want to confirm phase one
18 is fully funded?

19 HILARY RING: Yes.

20 COUNCIL MEMBER LAPPIN: One hundred
21 percent.

22 HILARY RING: Yeah.

23 COUNCIL MEMBER LAPPIN: Okay. And
24 you still anticipate a completion date of the end
25 of 2016?

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HILARY RING: Yes.

COUNCIL MEMBER LAPPIN: Okay. And we're on--where are we in terms of the budget, under, over, right smack on?

HILARY RING: I think we're pretty good, I think we're right on.

COUNCIL MEMBER LAPPIN: Okay. We're going to hold you to that, that's great.

HILARY RING: That's fine.

COUNCIL MEMBER LAPPIN: And the last thing--

HILARY RING: [Interposing] And I think that the--a lot of the community issues have been taken care of to the extent that--

COUNCIL MEMBER LAPPIN: Well--

HILARY RING: Well I think that we've--okay.

[Off mic]

HILARY RING: I think we've been-- my point is--

COUNCIL MEMBER LAPPIN: I mean, come on--

HILARY RING: --I think we've been making an effort to really address the community

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issues.

COUNCIL MEMBER LAPPIN: You know, I think it's an ongoing struggle for the businesses that are there. It is an ongoing struggle in terms of the air quality and the monitoring, although I do think we're making some progress there. And it's a struggle for the people who are dealing with the constant construction and the noise and the blasting and the traffic, and for them, 2016 is still pretty far off. Okay.

The escalator, Lois, Ms. Tendler, my favorite subject, the escalators at 53rd and Lex have been out for years.

LOIS TENDLER: Okay. You're going to have to help me, Councilwoman, because I get confused between the two of--

COUNCIL MEMBER LAPPIN:
[Interposing] There's so many escalators that--

LOIS TENDLER: Right, right.

COUNCIL MEMBER LAPPIN: --have been out for years, it's hard to remember which one I'm talking about?

LOIS TENDLER: There is one that is in the process of being rehabbed. These are

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2 easement escalators, these are escalators that
3 private owners have the responsibility to provide
4 for--

5 [Crosstalk]

6 COUNCIL MEMBER LAPPIN:

7 [Interposing] Got a really sweet deal in exchange
8 for maintaining elevators they don't maintain.

9 LOIS TENDLER: A very long time
10 ago. And so two things are happening, the
11 specific escalator I believe you're speaking about
12 will be online by the end of June. We had an
13 issue with the owner there, we strongly encouraged
14 him to replace the equipment instead of repairing
15 it, we did not have any legal hook to force him to
16 do that, so he has done a overhaul of an escalator
17 that was never very good in its heyday, and it's
18 beyond its useful life.

19 COUNCIL MEMBER LAPPIN: I feel like
20 we should have balloons--

21 LOIS TENDLER: Okay.

22 COUNCIL MEMBER LAPPIN: --and cake
23 and a ribbon cutting at--

24 LOIS TENDLER: Okay. We could do-

25 COUNCIL MEMBER LAPPIN: --this

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escalator--

LOIS TENDLER: --well I--

COUNCIL MEMBER LAPPIN: --I mean,
it's been so many years.

LOIS TENDLER: We should make the--
anyway, so but what we've done, because we've
realized that in the past, our easement agreements
didn't give us the teeth we would like to have to
enforce them, there is a working group at the MTA,
I just finished reading a whole set of new
regulations and procedures that would go into--put
into place to deal with the responsibilities of
the owners of easement equipments.

COUNCIL MEMBER LAPPIN: Okay. As
you know, it's an issue that I feel very strongly
about and--

LOIS TENDLER: I do.

COUNCIL MEMBER LAPPIN: --if there
are legislative suggestions--well 'cause I just
think it's wrong. If we give somebody a break and
say you get to build higher or you get to pay less
and in exchange, you have to maintain this
escalator, and then they don't, it really drives
me nuts, it's not right.

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2 LOIS TENDLER: We couldn't agree
3 with you--

4 [Crosstalk]

5 COUNCIL MEMBER LAPPIN:
6 [Interposing] So I would like to, you know,
7 continue to work with you and if there are things
8 that come out of this working group that you would
9 like me to tackle, I'm very happy to do that.

10 LOIS TENDLER: That's great.

11 COUNCIL MEMBER LAPPIN: Okay.
12 Thanks.

13 LOIS TENDLER: Thank you.

14 CHAIRPERSON VACCA: Can I just ask
15 about a savings? The legislature and the governor
16 approved a Tier 6 pension plan and I would like to
17 know how that impacts the MTA. How much of a
18 savings is the MTA anticipating from the state
19 approving Tier 6, long-term, short-term savings?

20 HILARY RING: I can get you the
21 actual dollar amount, it's not that many, not that
22 much in that the most of our employees are in the
23 portion of the retirement system called the
24 operating plans--so they're bus drivers, subway
25 workers, track workers, people like that--where

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2 the big savings from Tier 6 was in changing the
3 retirement age, whereas, the retirement age for
4 the operating plans was not changed and so the
5 savings wasn't as great as you may think. But
6 I'll get you that number.

7 CHAIRPERSON VACCA: You mean that
8 the retirement age was changed, I think, from 62
9 to 63.

10 HILARY RING: Well not for the
11 operating plan.

12 CHAIRPERSON VACCA: What do you
13 mean the operating plan?

14 HILARY RING: Well the operating
15 plan, like I just said, are people who are
16 working, who get hired to work in certain titles,
17 such as bus operators, subway driver, maintainer,
18 you know, the blue collar titles essentially, that
19 those plans, I believe, have a 25, 55 year
20 retirement.

21 CHAIRPERSON VACCA: But how about
22 new employees?

23 HILARY RING: New employees, most
24 of them come into the operating plan.

25 CHAIRPERSON VACCA: And, therefore,

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2 even new employees of the MTA would not be in Tier
3 6?

4 LOIS TENDLER: No, in those titles,
5 in title--

6 CHAIRPERSON VACCA: In those
7 titles. In those title--but those titles seem to
8 be the bulk of employees of the MTA.

9 AARON STERN: New employees in the
10 operating plan do go into Tier 6, but the benefit
11 structure for Tier 6 for the transit operating
12 plan is different from for the typical state
13 employees. In particular, the age requirement at
14 retirement was left unchanged at 55-years old,
15 however, other changes as part of Tier 6, for
16 example, increased employee contributions,
17 limitation on the inclusion of overtime earnings
18 in final average salary, those elements were put
19 in and do apply to new employees. So we will get
20 savings, although, because it applies to new
21 employees only, that phases in over a long period
22 of time. And I might add that the Office of the
23 Actuary, which is responsible for the NYCERS
24 system that covers the bulk of our employees, has
25 currently proposed a whole set of actuarial

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2 assumption revisions, which overall, will result
3 in a significant increase in pension expense. So
4 while we do expect to get some savings from Tier
5 6, we're also expecting very soon to be getting a
6 final actuarial evaluation from the Office of the
7 Actuary with increased expenses. So we don't know
8 exactly where we're going to come out as a result
9 of those two things that are being folded into the
10 plan.

11 CHAIRPERSON VACCA: Were you the
12 only authority exempted from the 63-years old
13 retirement? Were other authorities exempted?

14 AARON STERN: Well for example--

15 CHAIRPERSON VACCA: Were not
16 included?

17 AARON STERN: --as you're aware,
18 police and fire were substantially exempted from
19 the increased age and service requirements of
20 other employees. So different groups got
21 different deals.

22 CHAIRPERSON VACCA: So the MTA got
23 a different deal. The MTA got a deal that's not
24 what most state employees got.

25 HILARY RING: Well most of our

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titles aren't the same as other employees, right?

CHAIRPERSON VACCA: Okay. I would like to know the savings.

HILARY RING: Happy to get that for you.

CHAIRPERSON VACCA: Back to us. Okay.

[Pause]

CHAIRPERSON RECCHIA: Council Member Ferreras, then Council Member Reyna, to be followed by Council Member Greenfield.

COUNCIL MEMBER FERRERAS: Thank you, Chairman, Chairs. Good afternoon. My question is specific--I have two questions actually. One is on the bus routes on Northern Boulevard, which is my number one complaint in my district office. In the morning, the rush hour is incredible and buses kind of just fly right by and they're packed. So I think there needs to be a study done and there's an incredible need, there's about four schools, we're building a new school on that route. And I want to know, do you take into consideration when there's new development and when there's schools being built in a route, like,

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2 do you have a conversation on the demands that
3 this new line will have?

4 LOIS TENDLER: Yeah, we do. We
5 work with the Office of Pupil Services, the Board
6 of Ed, the Department of Education--excuse me,
7 that's how old I am. So we try to identify as
8 early as possible new schools that are emerging
9 along our routes. Often principals will reach out
10 to us, we'll hear about something, we'll be at a
11 community board, it'll be raised. So we try to
12 get a sense of what the population is, which buses
13 they're going to come from, and we do try to
14 increase service if it's warranted. All buses are
15 scheduled based on service guidelines. If I will
16 go back and look at the buses on Northern
17 Boulevard, if we haven't checked their ridership
18 recently, we could do that. And if you, it's
19 helpful for us--

20 COUNCIL MEMBER FERRERAS: Yeah.

21 LOIS TENDLER: --if you could tell
22 us if there's a particular time of day, that
23 there's--

24 [Crosstalk]

25 COUNCIL MEMBER FERRERAS:

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Absolutely, we--

LOIS TENDLER: --route at.

COUNCIL MEMBER FERRERAS: --will follow up with you.

LOIS TENDLER: That's right.

COUNCIL MEMBER FERRERAS: Now I wanted to talk about the elevator trains, in particular, the 7 line. It seems that the 7 line gets a facelift right around City Fields or Willets Point, and it always looks great right during--it might not be the case, but it sure seems that way--right before opening day, gets spruced up again just before the tennis open. I live off Roosevelt Avenue and the rest of the elevator train looks absolutely horrible. I also park my car beneath the elevator train--

[Off mic]

COUNCIL MEMBER FERRERAS: Yes. And there is something that falls on my car that I have to get compounded every time, probably every two months, it costs me \$60 because I know, and it's parked in my car right now this morning, interestingly enough, as I'm driving to this hearing, I have this soot pouring down--it's not

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soot, it's like an oil--

LOIS TENDLER: [Interposing]

Creasite [phonetic], it's called creasite.

COUNCIL MEMBER FERRERAS: Well it's disgusting--

LOIS TENDLER: Okay.

COUNCIL MEMBER FERRERAS: --and I can't get it off with soap, with anything, it has to be compounded and it's now on my windows. So right now, after I leave this hearing, I have to go deal with that. And I think that it's not just me, it's many constituents, anyone that parks-- there's no signs that say if you park here, this is the stuff that might fall on your car, besides the rust and all the other things. And not to say that we have food vendors under the elevator train, so I can only imagine what's falling into our foods. So I just want to hear what can a constituent do, first of all. What is it that's falling on our cars? And, you know, is there any signage or anything that you can put up to say if you park here, you just might have this? Because I've been parking there and, like I said, it's at least a little gift that the MTA gives me at least

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every two months.

LOIS TENDLER: It's creasite, usually I would suspect this happens in the warm weather.

[Off mic]

LOIS TENDLER: It's stuff we use to put the track ties together. We can and we will go walk the line, there are things we can do to mitigate it, there are drip pans we put in effect. So we will walk the 7 line, I'm thinking you're talking about--

[Crosstalk]

COUNCIL MEMBER FERRERAS:
[Interposing] From all the way 114th--

LOIS TENDLER: Out to--

COUNCIL MEMBER FERRERAS: --to 90th Street.

LOIS TENDLER: Okay.

COUNCIL MEMBER FERRERAS: You know, I live right not too far from City Field and there are no pans. My car is the pan.

LOIS TENDLER: No, no, no, we will--the track guys will go out and they'll do a survey and do whatever they can to mitigate the

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situation.

COUNCIL MEMBER FERRERAS: And now for the maintenance of those tracks. The rust, the chunks of rust fall onto cars, onto the street. So what's the plan? You have a capital plan for maintenance and I think it's very important that we maintain the stops, but we also have to maintain the tracks because you're a part--this huge system is part of our community, everyone else has it underground, we have to live with it aboveground. So what is the maintenance plan? 'Cause--

LOIS TENDLER: Well we will--

COUNCIL MEMBER FERRERAS: --I know you stopped at 104th Street where it was just repainted and then we--

LOIS TENDLER: [Interposing] And I believe the Long Island City parts [off mic] there's the gap in the middle--

COUNCIL MEMBER FERRERAS:
[Interposing] My whole district.

LOIS TENDLER: --and, David, do we know when that's in the plan for, the structural-- I'll have to get back to you, but there is a

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structural job in the--

COUNCIL MEMBER FERRERAS:

[Interposing] And how often is that done? 'Cause I know, you know, like you prune trees, Parks department says and we're never happy, it happens every ten years. So what is the structure of maintenance on these tracks? Like, when does this happen? Every ten years? Every 20 years?

LOIS TENDLER: [Interposing] Well

we do continual maintenance, we inspect the track, we continually maintain, talking about like a repainting, a scraping, repainting and stuff, that's done on a much less often and--

COUNCIL MEMBER FERRERAS: I agree.

LOIS TENDLER: --and that is also

the frequency in which that could happen is also dependent upon our capital budget.

[Crosstalk]

COUNCIL MEMBER FERRERAS:

[Interposing] So is this in your capital budget?

LOIS TENDLER: [Interposing] I'm

going to have to get back to you because I do know that there was this piece in the middle and I don't want to speak, but I'm pretty sure it's--

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[Crosstalk]

COUNCIL MEMBER FERRERAS:

[Interposing] It's about a good maybe mile and a half, two miles of--

LOIS TENDLER: [Interposing] I'm going to get back to you.

COUNCIL MEMBER FERRERAS: --just nothing. So it's Long Island City, Corona was left out completely and Willets Point or, you know, City Field. So I don't know how you just skip an entire community and then go over there. I don't--

LOIS TENDLER: [Interposing] Well part of it though is because we're doing the CBTC, the scheduling--the signal upgrade on the 7 line, which ultimately will bring more trains to the 7 line, and we try to piggyback the track work with this other work so that we wouldn't divert the trains twice for jobs that could be done together. But I will get back to you on where Corona is--

COUNCIL MEMBER FERRERAS: Please.

LOIS TENDLER: --on the structural work.

COUNCIL MEMBER FERRERAS: Thank

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you.

CHAIRPERSON VACCA: Okay. Thank you. Who's next now? Council Member Reyna, and then Council Member Greenfield.

COUNCIL MEMBER REYNA: Thank you, Mr. Chair. I just wanted to take a moment to just concentrate on the local stuff first. The issue of the MJ line rear exits, what would be Flushing Avenue stop, Hugh [phonetic] Street stop, Laura Muir [phonetic] stop, those are rear exit that are affecting tremendous commercial traffic, pedestrian traffic, for the commercial strip along Broadway. I don't understand the reason why we continue to have those rear exits closed and I've requested this in the past and I've received an explanation something along the lines of security matters, security issues, crime issues, but just last week we're hearing that there is an all-time low concerning crime. I don't know what the stats as far as transit crime along the MJ line, but I am requesting once again because, right now, we're working with the Brooklyn Chamber of Commerce organizing all of our small businesses along the corridor and that is their number one issue.

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2 LOIS TENDLER: I remember talking
3 to you and actually going out to Hughes a long
4 time ago and I actually believe that at that
5 point, neither the Community Board nor the Transit
6 Bureau, were all excited about opening the back
7 entrance to Hughes. We're happy to have the
8 conversation, we're happy with consensus to reopen
9 stair, you know, those staircases, but last time
10 we tested the water, Councilwoman, there was not
11 unanimity about what should happen there.

12 COUNCIL MEMBER REYNA: Mm-hmm, I
13 think we need to revisit and I'm happy to hear
14 that you are willing to, and I know that you hold
15 true to that particular solution as far as making
16 sure that we are able to achieve the goal of
17 opening those rear exits.

18 On another note, I just came back
19 from the sixth annual M/WBE procurement fair for
20 the City of New York and I'm going to take
21 advantage to ask the MTA if you can just share
22 with us the percentages of contracts with M/WBEs
23 and the dollar value achieved.

24 HILARY RING: Sure. During New
25 York State fiscal year 2011, we paid a total of

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2 \$159 million, or 15%, to New York State Certified
3 M/WBES. For 2012, we have a 20% goal.

4 COUNCIL MEMBER REYNA: And that's a
5 dollar value of?

6 HILARY RING: I don't know what the
7 dollar value is of that. I can get you the dollar
8 value--

9 [Crosstalk]

10 COUNCIL MEMBER REYNA:
11 [Interposing] I'd appreciate that. And then this
12 is the capital?

13 HILARY RING: Yes.

14 COUNCIL MEMBER REYNA: What is on
15 the expense side?

16 HILARY RING: I don't have those
17 numbers, but I will get those for you,
18 Councilwoman.

19 COUNCIL MEMBER REYNA: I would
20 appreciate it, thank you very much.

21 And then my last question, what is--
22 -and I'm sorry, I know I heard part of your
23 testimony--what is in the pipeline as far as the
24 MTA and green initiatives? You know, to achieve
25 cost savings?

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2 HILARY RING: Well I guess there
3 are several things, one is, for example, we're
4 moving where we can to LEAD buildings, LEAD
5 certified buildings, for example, Mother Clara
6 Hale Depot in Manhattan. We are, you know, that's
7 a building that will, you know, greatly, you know,
8 have indoor parking and green roof and things like
9 that. We're looking at using rain runoff for bus
10 washes, things like that, reducing the weights of
11 our vehicles, and, you know, we use hybrid buses.

12 COUNCIL MEMBER REYNA: What about
13 the lighting within the train stations? Have they
14 been transitioned into energy efficient bulbs or..

15 HILARY RING: I'm not aware of
16 LEDs, for example, in the stations. I'm not aware
17 of that.

18 COUNCIL MEMBER REYNA: And that's
19 not part of any green initiative or planning in
20 the future.

21 LOIS TENDLER: I think we--

22 HILARY RING: Tunnel lighting--

23 [Off mic]

24 HILARY RING: David says tunnel
25 lighting we use--

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[Crosstalk]

LOIS TENDLER: [Interposing] Yes, with tunnel lighting we put in more efficient lights. I think there's a whole bunch of initiatives, I don't think any of us at this table here can go through the whole list with you--

COUNCIL MEMBER REYNA: Right.

LOIS TENDLER: --but I'm pretty sure I can put my hands on a report that I'd be happy to share with you.

COUNCIL MEMBER REYNA: I'd appreciate it. I just want to understand what is in the future, what does the future lie regarding any green initiatives and what is the cost savings, right? Like, there has to be this brainstorming that should have already taken place and are we achieving those milestones.

HILARY RING: Right, we had a-- there was a Sustainability Commission that was convened that I didn't sit on, I didn't work on, but I'm happy to send you their report and recommendations.

COUNCIL MEMBER REYNA: I'd appreciate it very much. And I look forward to,

1
2 you know, the conversation concerning the rear
3 exits.

4 CHAIRPERSON VACCA: All right,
5 thank you, Council Member. Council Member
6 Greenfield, to be followed by Council Member
7 Rodriguez, then Council Member Brewer. We've also
8 been joined by Council Member Helen Diane Foster.
9 Council Member Greenfield.

10 COUNCIL MEMBER GREENFIELD: Thank
11 you, Chairs. I don't want to start off with--I
12 don't know what the echo is, sorry--I want to
13 start off paratransit and Access-A-Ride. You
14 folks spend around a half a billion dollars a year
15 on that?

16 HILARY RING: That's correct.

17 COUNCIL MEMBER GREENFIELD: Why do
18 we get so many complaints then? I mean, that's
19 like a lot of money and we get people who are
20 complaining about, you know, the location, the
21 service, the pickups, in terms of now, as you
22 probably know, they're dropping them off at other
23 locations, many of which don't even have benches,
24 and they're, obviously, disabled folks. I mean,
25 so what's the story with that? I mean, why is

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2 nobody ever happy? I know you're laughing, but
3 it's seriously, it's the number one complaint--

4 HILARY RING: Yes, and I think
5 that--

6 COUNCIL MEMBER GREENFIELD: --that
7 I get from my constituents--

8 HILARY RING: --I--

9 COUNCIL MEMBER GREENFIELD: --is
10 regarding Access-A-Ride--

11 HILARY RING: Yes.

12 COUNCIL MEMBER GREENFIELD: --and
13 you're spending a half a billion dollars.

14 HILARY RING: Access-A-Ride is a
15 very--

16 COUNCIL MEMBER GREENFIELD:
17 [Interposing] Give me a half a billion dollars,
18 I'll make a lot of people happy.

19 HILARY RING: --Access-A-Ride is a
20 very expensive program. A ride on average costs
21 upward of \$60 per trip. So as a result, we are
22 doing everything we can to reduce those costs.
23 There are many customers who are, what's
24 determined to be conditionally eligible, which
25 means that, for example, they can walk a short

1 distance, but they can't walk a far distance, they
2 could take the transit system as long as the
3 weather is decent, but in cold weather they can't
4 walk, for example. So what we've been doing is
5 being more strict on eligibility and, as a result,
6 there are people who in the past may have taken a
7 full Access-A-Ride trip from Point A to Point B,
8 where now they may take a trip from Point A to an
9 accessible bus stop and take the bus for the rest
10 of the way.
11

12 COUNCIL MEMBER GREENFIELD: Is it
13 true that in some situations you're taking them to
14 the bus stops that don't have seats there?

15 HILARY RING: I don't know that.

16 LOIS TENDLER: That could be true.

17 COUNCIL MEMBER GREENFIELD: Okay.
18 So we're taking people who have accessibility and
19 disability issues and we're just dropping them off
20 and they have to sit there and wait, wait for a
21 bus standing on the street corner? I mean, it
22 doesn't seem a very pragmatic or practical
23 solution for those folks.

24 LOIS TENDLER: The conditional
25 eligibility that's granted to a particular Access-

1
2 A-Ride user relates to what their condition is
3 which qualifies them for Access-A-Ride. So some
4 people have mobility issues, some people have
5 other issues, I think that the conditional trips
6 we plan for these people take into account their
7 qualifying condition.

8 COUNCIL MEMBER GREENFIELD: I've
9 seen the folks and, quite frankly, I'm not
10 convinced, but I'm running out of time, I have
11 another question for you. See Something, Say
12 Something, right? Your tagline, your slogan, you
13 licensed it, it's great, t-shirts, the whole nine
14 yards. Who are they supposed to tell? What's the
15 number they're supposed to call? Do you know the
16 number?

17 HILARY RING: one (212) NYC-SAFE.

18 COUNCIL MEMBER GREENFIELD: I think
19 it's actually--is it 888 or 212?

20 HILARY RING: I think both work,
21 but you may have caught me.

22 COUNCIL MEMBER GREENFIELD: I think
23 it's 888. No, my point is why can't we do it
24 simpler? Everybody knows 9-1-1, why can't we have
25 a three or four digit number for people to report

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these kinds of incidents?

HILARY RING: I think that's a good suggestion, I don't know what the answer is.

COUNCIL MEMBER GREENFIELD: Okay. Would you look into that perhaps?

HILARY RING: Absolutely.

COUNCIL MEMBER GREENFIELD: I appreciate it. Getting back to those bus shelters--

CHAIRPERSON RECCHIA: [Interposing] Council Member, the MTA is going to want you to pay for it. Just a joke.

COUNCIL MEMBER GREENFIELD: No problem, I've got a MetroCard on me, I'm sure we could swipe it. The bus shelters, we're noticing increasingly a lot of bus shelters, the benches and the chairs are disappearing. Is that a trend? Is there a reason? Why is that the case?

LOIS TENDLER: I'm afraid you'll have to ask that to DOT on Tuesday. The bus shelters are a franchisee of DOT, it's Cemusa, so I have no information on that.

COUNCIL MEMBER GREENFIELD: Blame Cemusa, got it. Next, you guys follow zoning

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2 regulations when you put up those ads? I know
3 that you guys are very concerned about maximizing
4 revenues. It seems like a lot of those ads that
5 go up, go up in neighborhoods where other ads
6 would not be allowed, which obviously, is an
7 eyesore for many communities. Do you follow local
8 zoning regulations?

9 HILARY RING: I know that there are
10 discussions going on right now regarding the
11 extent to which we follow local zoning.
12 Generally, New York City Transit and the MTA are
13 exempt from local zoning, but I know that there
14 are some discussions about, you know, advertising
15 right now in New York City.

16 COUNCIL MEMBER GREENFIELD: Okay.
17 When you say they're--I mean, for me, it's a
18 serious concern 'cause the neighborhoods where
19 there's not supposed to be these signs, there are
20 these big blaring, you know, shocking signs and
21 the whole purpose of why we pass zoning
22 regulations is we like people to follow them, it's
23 a little frustrating considering especially how
24 much money we give you that you guys don't follow
25 those regulations. I'm not saying that by law,

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2 you may have a state exemption perhaps, but I
3 still think that it's something that you should
4 consider in terms of the work that you do. So
5 when you say discussions, what kind of discussions
6 are we talking about?

7 HILARY RING: I can't tell you
8 exactly with whom in New York City, I know that
9 our real estate folks who are managing the
10 advertising portfolio have been having talks with--
11 --and I can't tell you, I can get back to you with
12 some information--but I know that New York City
13 has raised this issue and there are ongoing
14 discussions, and I'm happy to follow up with you.

15 COUNCIL MEMBER GREENFIELD: I would
16 appreciate it, and I would definitely appreciate
17 it if you were to consider the fact that we have
18 zoning regulations for a reason and we'd
19 appreciate it if you follow those regulations.

20 I am running out of time, I just
21 have another question. You know, I actually
22 tweeted if anyone has questions and one of my
23 followers, I hope it was a joke, their response
24 was See Something, Say Something, does that apply
25 to humans or also to rats. And so I guess my

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2 question is, my question is what is the best way--
3 there is a positive question here, don't worry--
4 what's the best way for folks to contact you if
5 they have complaints and what's the follow up
6 cycle generally like from the MTA?

7 LOIS TENDLER: They can call my
8 office, they can call 5-1-1, which is a general
9 number for MTA information and lodge a complaint.
10 Those complaints are forwarded to the department
11 and we go and be as quickly as we can--

12 COUNCIL MEMBER GREENFIELD:
13 [Interposing] What's the turnaround time in terms
14 of getting back to folks who file a complaint
15 through 5-1-1?

16 LOIS TENDLER: I don't know.

17 COUNCIL MEMBER GREENFIELD: I mean,
18 do you track it? Do you know how many complaints
19 you get? I mean, how does--

20 LOIS TENDLER: [Interposing] I
21 don't, but we do and I can get back to you on what
22 kind of--

23 [Crosstalk]

24 COUNCIL MEMBER GREENFIELD:
25 [Interposing] And we can get the information, how

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2 many complaint are you getting, what is the
3 turnaround time when someone gets a complaint, how
4 quickly do you resolve it, do you get back to
5 them? I think basic customer service issues seem
6 to be frustrating folks, I think it would be
7 helpful to know that.

8 LOIS TENDLER: Okay.

9 COUNCIL MEMBER GREENFIELD: Thank
10 you, folks.

11 CHAIRPERSON VACCA: Thank you,
12 Council Member Greenfield. Just quickly, I wanted
13 to come back to the fare increase issue and we've
14 discussed overruns and we've discussed cost, don't
15 you think riders are justified in demanding to
16 know why the fare is going up while the MTA has
17 cost overruns in the billions of dollars on their
18 existing projects? Don't you think straphangers
19 are entitled to an explanation and would be
20 outraged that they are getting the fare increase
21 while the MTA has overruns like in the billions on
22 so many of the projects?

23 HILARY RING: I'm not sure I
24 understand your question, but if the question is
25 are our customers entitled to understanding what's

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2 behind how the numbers work and, you know, what
3 goes on, absolutely, and I think we make every
4 effort possible to be as transparent as possible.

5 CHAIRPERSON VACCA: No, I think
6 customers are entitled to an explanation when they
7 have to pay more and the money that the MTA uses,
8 which is taxpayer money, always ends up above
9 expectations with overrun after overrun, delay
10 after delay. That's what I think. [Pause] Okay.
11 I said it. Next, Council Member Rodriguez.

12 [Pause]

13 COUNCIL MEMBER RODRIGUEZ: Thank
14 you. I have two local questions about northern
15 Manhattan is the area that I representing and
16 another one [off mic] citywide. On the northern
17 Manhattan questions about the diamond train
18 renovation station, when is the date, what is the
19 date for that one?

20 LOIS TENDLER: I will have to
21 confirm with you, but I think it's in the fall
22 we're going to be done, although we've just
23 started, as you know, putting in an elevator on
24 the southbound platform. So the work will be done
25 prior to the elevator being done, the track work

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and the station.

COUNCIL MEMBER RODRIGUEZ: Okay.

What about 181st Street? Number--

[crosstalk]

LOIS TENDLER: [Interposing] One eighty-first Street and 168th Street, we're doing the roofs, the ceilings on the platforms, we expect to award that job in the fall.

COUNCIL MEMBER RODRIGUEZ: So this going to be a much better work than they had done in the past because, as you know, the roof collapsed, what was it, like, two years ago, three years ago?

LOIS TENDLER: [Interposing] It's been a long time coming, as you know, it's a historic station so there were several issues we had to work out with Shippo [phonetic], but the work should be out on the street for bids sometime, I believe, in the next month or two, and we hope to begin in the fall.

COUNCIL MEMBER RODRIGUEZ: Okay.

So my other question is about CUNY students. Have you looked at the possibility of providing CUNY students a special reduced fare?

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2 HILARY RING: No. I mean, we, you
3 know, there's--we have certain reduced fares for
4 handicapped, you know, people with disabilities,
5 for senior citizens, but that's where it stops. I
6 mean, at the--go ahead.

7 LOIS TENDLER: I would just say
8 that you're not the first one to suggest that CUNY
9 students, college students, we're always--we're
10 often asked to do special fare deals for special
11 classes of people. With what money would be our
12 answer.

13 COUNCIL MEMBER RODRIGUEZ: Well but
14 I think especially there's a number of passenger--
15 I don't have the accurate number right now, but
16 it's like, I know it's in the more than 10,000
17 students that they give financial aid, that they
18 receive public assistance and this particular
19 group is around and it's more than 10,000. They
20 struggle every day because not only in order to
21 get the small amount of money that we as a city
22 provide to them, they are also required to work 35
23 hours a week, besides taking the 12 or 15 credits.
24 So I think if we can look starting with a specific
25 group such as the population which is another

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2 large one, that population of student at CUNY,
3 that they could get public assistance, that they
4 just struggle to survive to pay the rent, I think
5 you can look--if we can work on it, if we can look
6 at it, say, at least to open the conversation the
7 [off mic] to look on. And I know don't bring back
8 to all the answer as okay, you put the money and
9 we work it out, I think it's about can you look at
10 the possibility of providing some special fare for
11 a specific, especially starting with the student
12 who get public assistance that they go to CUNY.

13 LOIS TENDLER: We could probably
14 figure out what that would cost. I'm not saying
15 you should pay for it, we could probably figure
16 out what it would cost. It's a, I believe, a
17 slippery slope to walk down with special classes
18 getting reduced fares, but we could look at what
19 it would cost. I just--if you heard all our
20 testimony about all the money we don't have, so
21 it's hard for me to see where the money would come
22 from.

23 COUNCIL MEMBER RODRIGUEZ: Are you
24 aware about any college and SUNY that they do some
25 type of special fare for students?

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LOIS TENDLER: Who does--

HILARY RING: Any--

COUNCIL MEMBER RODRIGUEZ: Any--are you aware of how any--

LOIS TENDLER: No. No, no.

COUNCIL MEMBER RODRIGUEZ: --like in Albany, any other town?

LOIS TENDLER: No.

COUNCIL MEMBER RODRIGUEZ: Because I think that we have definitely to look at it, we [Off mic] some model about some other college where a student, based on level of agreement on how especially in the university in Albany, I think that [off mic] provide, I know that there's a fee that the student also gets charged in their tuition, but they set a special fare so that particular--

[crosstalk]

LOIS TENDLER: [Interposing] But I don't know whether that then translates into an agreement that the university would have with the provider. But we'll look into it.

COUNCIL MEMBER RODRIGUEZ: Okay.

Thanks.

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2 CHAIRPERSON RECCHIA: Thank you,
3 Council Member Rodriguez. Council Member Brewer
4 will be the last Council Member to ask questions.

5 COUNCIL MEMBER BREWER: Thank you
6 very much. The number 2 train was running very
7 well this morning, just to all let you know.

8 Question about the seniors.
9 There's two issues, one is this issue of where do
10 you find a token booth person. And I know it's
11 supposed to be one uptown, downtown, and
12 somewhere, but it's hard for the seniors, I see
13 them struggling with the card and then climbing up
14 the stairs and down the stairs. Are you doing any
15 surveys on whether this is a problem, even though
16 all of us see it with our own eyes, are you
17 addressing this issue in any way, shape, or form?
18 It obviously applies to seniors, disabled, and
19 people who are temporarily disabled probably.

20 LOIS TENDLER: Is the issue that
21 there isn't a token booth at--

22 COUNCIL MEMBER BREWER: Yes, the
23 issue is--

24 LOIS TENDLER: --every entrance?

25 COUNCIL MEMBER BREWER: --the issue

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2 is that. In other words, I understand that's a
3 problem, but I can tell you, it makes it very,
4 very difficult for people who are having a problem
5 with their MetroCard, which is often the case.
6 There are many issues that come up, and for those
7 who can climb up and down the stairs, it's fine,
8 but for those who can't, it is a constant struggle
9 and I get a lot of complaints about it.

10 LOIS TENDLER: We have no plans of
11 restoring any booths--

12 [crosstalk]

13 COUNCIL MEMBER BREWER:
14 [Interposing] All right, well do you have any
15 plans of--and is it clearly marked that this is
16 where the token booth person is? It is an uptown,
17 it is a downtown, it is not both?

18 LOIS TENDLER: It is the signage at
19 every staircase says whether it's MetroCard only,
20 which is the indication. If you think it has a
21 value and if it's not readily apparent to people
22 where the token booth is at a particular station,
23 we could look at what we could do--

24 COUNCIL MEMBER BREWER:
25 [Interposing] I think it would be good to have a

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2 discussion with DFTA or some of the senior
3 organizations on this topic. I can tell you, I
4 see seniors constantly at the token machines
5 confused, there are also language issues. It's
6 not an easy machine to operate, to be honest with
7 you, and so it needs attention. That particular
8 issue needs attention.

9 Number two, Jessica Lappin brought
10 up the issue of the select buses, yes, they work,
11 but it says no fare necessary. Well some people
12 think that means that the fare box is broken and
13 so you have to make that clear. So they don't
14 pay, they get on, and they get a summons. And I
15 brought that issue to your attention. I can't
16 believe there's only one person or two people that
17 has happened to. So, again, education is not
18 clear on that--

19 LOIS TENDLER: [Interposing] That's
20 a very good--

21 [Crosstalk]

22 COUNCIL MEMBER BREWER: --it is not
23 clear, they actually think it's broken, never been
24 on the bus before, you don't know.

25 Number three, the issue of the

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2 senior who does not get--or the disabled person--
3 their half-fare card easily. What's the status of
4 that procedure? As you know, we had a press
5 conference with the borough president on it,
6 constant complaints about how long it takes to
7 get. What's the procedure and how are we going to
8 improve it?

9 LOIS TENDLER: We understand the
10 issue, the backlog is a function of staffing, our
11 staffing is a function of our budget. That being
12 said, I know people are looking at ways to cut
13 into that backlog and get onto a better schedule,
14 if you--

15 COUNCIL MEMBER BREWER:
16 [Interposing] Do we know what the backlog is in
17 terms of a number and timing?

18 LOIS TENDLER: I'm going to have to
19 get back to you, Councilwoman.

20 COUNCIL MEMBER BREWER: All right,
21 'cause I can tell you, again, it just gives all
22 government, and the MTA in particular, a bad
23 reputation why we can't improve that situation and
24 people are strapped for cash and it is a challenge
25 to be able to bring the paperwork that you need in

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2 order to get the half-fare card while you're
3 waiting for the one that you just lost, et cetera,
4 et cetera, et cetera.

5 Technology. Maybe you've done this
6 already, if so, you can tell me that you have, but
7 obviously, people like to know when the subway and
8 the bus are coming. What's the status of making
9 that system-wide?

10 LOIS TENDLER: The A division,
11 which are our numbered lines, have it. The B
12 division is being done in a different manner and
13 it's being rolled out in pieces.

14 COUNCIL MEMBER BREWER: The timing
15 is?

16 LOIS TENDLER: Over several years,
17 Gale--excuse me, Councilwoman, I'll have to get
18 back to you. Bus Time--

19 COUNCIL MEMBER BREWER:
20 [Interposing] Gale is fine.

21 LOIS TENDLER: --Bus Time, which is
22 coming to a bus near you very soon. Bus Time has
23 been employed on all Staten Island buses, it will
24 be employed on all Bronx buses by the end of
25 August, and or the whole city, it'll be on the

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whole city by the end of 2013.

COUNCIL MEMBER BREWER: The whole city will have when our buses coming by the end of 2013--

LOIS TENDLER: Twenty thirteen.

COUNCIL MEMBER BREWER: --we had it for a while and then it disappeared.

LOIS TENDLER: Well no, it's a little different--

COUNCIL MEMBER BREWER: On the M66.

LOIS TENDLER: --than what you had on--

COUNCIL MEMBER BREWER: You had the M66, long time ago.

LOIS TENDLER: And this is all mobile device screens and stuff, it's great.

COUNCIL MEMBER BREWER: Okay. By the end of '13 for the buses and a rollout sometime in the future on the B line, okay.

LOIS TENDLER: The B division.

COUNCIL MEMBER BREWER: B division. Final question is what is the status with platform connectivity, 'cause we're not doing subway car connectivity, I understand that, but what's the

1
2 status with connection to your device, your
3 wireless device, on any platform, is that
4 something that's happening or not?

5 LOIS TENDLER: Yes, it's being
6 rolled out in the--

7 COUNCIL MEMBER BREWER:
8 [Interposing] I try to put out my device every
9 time I get to a station, but it doesn't always
10 work.

11 LOIS TENDLER: It's been rolled
12 out, Chelsea, we're working up to West Side there,
13 it's going on schedule.

14 COUNCIL MEMBER BREWER:
15 [Interposing] Is there a listing somewhere online
16 where we can discover some of these pieces of
17 information about when it--

18 LOIS TENDLER: [Interposing] I
19 don't know if it's online, but I mean, we're--I
20 don't know if it's online, but I can certainly get
21 it to you.

22 COUNCIL MEMBER BREWER: Okay. But
23 I think that's something that you might want to
24 put online.

25 LOIS TENDLER: Yeah, sure.

2 COUNCIL MEMBER BREWER: People were
3 interested in this topic, right? So it is truly
4 it's going to be on the platforms, but not the
5 cars themselves, is that a correct statement?

6 LOIS TENDLER: Yes.

7 COUNCIL MEMBER BREWER: Is there
8 any other technology question I should be asking,
9 Hilary? 'Cause you always tell me I don't ask the
10 right question so I don't get the right answer.
11 Are there any other questions I should be asking
12 about--are there any other technology budget
13 allocations that would be of interest to the
14 public?

15 HILARY RING: No. No, I think
16 those--you got the big ones.

17 COUNCIL MEMBER BREWER: All right.
18 And you don't handle the easy--what is it, there's
19 some--

20 HILARY RING: EasyPay?

21 COUNCIL MEMBER BREWER: Yeah, you
22 don't--EasyPay card, what is--that's not you?
23 That is you.

24 HILARY RING: Yeah, it's--

25 COUNCIL MEMBER BREWER:

1 [Interposing] Okay. So people are complaining
2 because they called to get it and it is very hard
3 to apparently get it through the service number
4 when they lose their EasyPay card. I'm just
5 saying the issue of cards and follow-up and
6 backlog seems to be a problem.
7

8 HILARY RING: And we're struggling
9 with that, that's something which, as Lois pointed
10 out, is, you know, when we cut 15% of our non-
11 operating staff and--

12 COUNCIL MEMBER BREWER:

13 [Interposing] What's the difference between a
14 senior and then me losing my card? In other
15 words, if I go to the booth and I find, amazingly,
16 a booth operator, I tell them I've lost my card,
17 how long does it take me to get my card versus the
18 senior? It seems like I can get it faster, that's
19 what everybody--so I'm just saying you need to
20 look really careful at these systems. Thank you.

21 CHAIRPERSON RECCHIA: All right,
22 thank you, Council Member Gale Brewer. I just
23 want to follow up with one or two questions. The
24 5-1-1 number, that is to file complaints, to
25 follow-up, what exactly should people--

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2 HILARY RING: [Interposing] It's a
3 single phone number that when you dial 5-1-1, it
4 will take you through some prompts and at the end,
5 you will get a live MTA person. We used to have,
6 I don't know, 19 numbers, 100 numbers, something
7 like that, that's been now whittled down to one
8 number, 5-1-1.

9 CHAIRPERSON RECCHIA: Okay. And
10 when was this implemented?

11 HILARY RING: Last year, I think.

12 CHAIRPERSON RECCHIA: Okay. And,
13 right, where can we get information on this?

14 HILARY RING: I'm happy to send you
15 information on it.

16 CHAIRPERSON RECCHIA: Yes, all
17 right, send it to my attorney--

18 HILARY RING: Sure.

19 CHAIRPERSON RECCHIA: --Tanisha
20 Edwards. I just want to just follow up on one
21 thing in my district is the B64 bus, I've been
22 hearing a lot, people have been getting very vocal
23 about it. Is there any chance of getting that
24 back or what's the problem? I know Ms. Tendler
25 and I spoke about this many, many times, she said

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the number of riders was down--

LOIS TENDLER: [Interposing] We appreciate what your constituents are complaining about. It was a 2010 service--

CHAIRPERSON RECCHIA: Service.

LOIS TENDLER: --reduction--

CHAIRPERSON RECCHIA: Right.

LOIS TENDLER: --we have--we continue to strive to find a dollar neutral way of addressing the issue, it's--

[Crosstalk]

CHAIRPERSON RECCHIA: [Interposing] 'Cause they can't get to the end, they can't get to the supermarket.

LOIS TENDLER: Yeah, yeah, I know, they can't get to Pathmark, right?

CHAIRPERSON RECCHIA: Exactly.

LOIS TENDLER: I know.

CHAIRPERSON RECCHIA: They have nowhere--my seniors have nowhere to go shopping.

LOIS TENDLER: It's on the list, we don't have money, our planning people are looking at ways to perhaps do something--

CHAIRPERSON RECCHIA: [Interposing]

1
2 'Cause I know at one time, Marty Golden [phonetic]
3 contributed, we contributed, you know, Marty--

4 LOIS TENDLER: [Interposing] We
5 won't take capital dollars for operating expenses,
6 Councilman.

7 CHAIRPERSON RECCHIA: I know, we've
8 been through that, but this is something we--

9 LOIS TENDLER: [Interposing] For
10 what it's worth, we both appreciate the issue and
11 understand the impact it has on your constituents.

12 CHAIRPERSON RECCHIA: All right,
13 we'll try to figure out a way, hope when you do
14 come back into money, that's one of the routes to
15 be brought back. I just want to follow up with
16 one thing, you know, Council Members would love--
17 I'm sure if you approach Council Members about
18 projects that you would like to do in their
19 district for capital funding, I believe Council
20 Members would work with you and give you--

21 LOIS TENDLER: They have.

22 CHAIRPERSON RECCHIA: --some
23 capital money. And they have in the past. So I
24 think that, you know, if you go to them before the
25 budget within the next few days 'cause it's moving

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2 quickly and want them to contribute, 'cause I know
3 if I can get something quicker in my district and
4 I put capital money, I have no problem with doing
5 that, I've done it in the past and I will continue
6 to do that, 'cause I do believe that it is a
7 partnership. Okay? So--

8 LOIS TENDLER: I would--

9 CHAIRPERSON RECCHIA: --I'm sure a
10 lot of my colleagues would follow up on that.

11 LOIS TENDLER: I'm already in
12 conversations with several of your colleagues--

13 CHAIRPERSON RECCHIA: Okay.
14 Because if--

15 LOIS TENDLER: --so yes, yes.

16 CHAIRPERSON RECCHIA: You know, and
17 if there's anything that's a big borough-wide
18 issue, I think we should talk about it and go to
19 the delegations and sit down with each borough's
20 delegations to figure out how you might be able to
21 get a lump sum of money if you need, you know, a
22 lot of money, for a project that affects the whole
23 borough, so I know they would work with you.

24 So I just want to bring that up.

25 And, Jimmy, you have any other questions? Okay.

I want to thank you all for coming today and we will take a two-minute adjournment and we'll start with Taxi and Limousine.

[Long pause]

Testing one, two, okay. Moving on from MTA to Taxi and Limousine.

COUNCIL MEMBER BREWER: Nobody's interested but me--

[Off mic]

CHAIRPERSON RECCHIA: We're interested, Gale.

[Off mic]

CHAIRPERSON RECCHIA: Listen, we will soon. We're going to have the green ones, you're going to be jealous.

COUNCIL MEMBER BREWER: I'll have--

[Crosstalk]

CHAIRPERSON RECCHIA: [Interposing] We have a beautiful green, they won't be able to be missed.

[Crosstalk]

CHAIRPERSON RECCHIA: Okay.

SERGEANT-AT-ARMS: Quiet, please.

CHAIRPERSON RECCHIA: We will now

1
2 resume the City Council hearing on the Mayor's
3 Executive Budget for Fiscal Year 2013. The
4 Finance Committee and the Transportation Committee
5 will now hear from the Taxi and Limousine Chairman
6 and former Council Member David Yassky.

7 But before I do that, I would like
8 to remind everyone that the public hearing is
9 scheduled for June 6th, and the public could
10 testify from 4 o'clock on. We encourage anybody
11 from the public to testify. If you can't make it
12 that day, you could submit your testimony to
13 Tanisha Edwards, my wonderful attorney sitting to
14 the right of me, and the fax number is (212) 788-
15 7061.

16 Council Member Vacca, would you
17 like to say a few words?

18 CHAIRPERSON VACCA: I did speak of
19 the Taxi and Limousine Commission in my opening
20 statement, so why don't we just go directly to the
21 chair, former Councilman Yassky.

22 DAVID YASSKY: Thank you, thank
23 you. Good morning, Chairman Recchia, Chairman
24 Vacca, good morning to you, Chairman--really, more
25 good afternoon to you, and members of the City

1 Council Committees on Finance and Transportation.

2 My name is David Yassky, I serve as the chair of
3 the Taxi and Limousine Commission. Thank you for
4 the opportunity to speak to you today regarding
5 the TLC's fiscal year 2013 budget. Two thousand
6 twelve has been a very busy year, with many new
7 projects, initiatives, and a continued high level
8 of performance on our day-to-day operations and I
9 look forward to a 2013 that only exceeds 2012.
10

11 Our budget for fiscal year 2013 is
12 \$64.8 million, of that 30.9 million is for
13 personal services, and 33.9 million is for other
14 than personal services. The OTPS budget is, of
15 course, the big expansion item, it's more than
16 three times the amount that was allocated in FY
17 2012. That is largely due to \$18 million in
18 accessibility grants. As you know and I will
19 discuss in a moment--no, I'll discuss right now
20 really, we are rolling out a new initiative for
21 five-borough taxis, we will be issuing up to 6,000
22 licenses over the next year and 18,000 over the
23 next three years to livery vehicles that then will
24 be permitted to accept street hails anywhere in
25 the boroughs of Brooklyn, the Bronx, Queens, or

1 Staten Island, and anywhere in northern Manhattan.
2 Of those vehicles, 20% will be wheelchair
3 accessible, meaning that we will be putting out
4 over the next three years some 3,600 wheelchair
5 accessible borough taxis--a huge expansion in
6 service to people with disabilities and wheelchair
7 users in particular. That will be facilitated by
8 grants, grants of up to \$15,000 per vehicle, and
9 that is what that \$18 million is for.
10

11 I will note that the borough taxi
12 plan is almost underway, the TLC has adopted rules
13 for that. Beginning in June, we will be issuing
14 those licenses, in fact, there is a prototype that
15 has already been available, you can see it right
16 there, it's a beautiful apple green. For those of
17 you--well, I guess it was none of you, but that
18 ran in the Brooklyn half-marathon this past
19 weekend, the borough taxi prototype served as the
20 pace car, two of your colleagues--Council Member
21 Garodnick and Council Member Lander--were there in
22 person and they ran and saw it, and I think they
23 can tell you that it looks quite beautiful in
24 person.

25 Providing this new service to

1 residents and visitors is a very exciting
2 opportunity for the TLC. As you know, currently,
3 the L taxi industry serves about 95% of their
4 service in Manhattan under East 96th Street or
5 West 110th Street and at the airports, therefore,
6 this will be a significant expansion in service to
7 New Yorkers, as well as to, in particular, to New
8 Yorkers who use wheelchairs.
9

10 We are also gearing up for the
11 issuance of new taxi medallions for the first time
12 in several years, 2,000 medallions in total,
13 beginning in early in fiscal year 2013. Every
14 single one of those medallions will require that
15 the taxi be wheelchair accessible so when they are
16 fully sold, we will have a total of 2,231
17 wheelchair accessible yellow taxis. That will be
18 far more than any other city in the U.S. and we'll
19 continue our leadership and service to people with
20 disabilities.

21 To ensure that license for our
22 vehicle drivers and vehicle owners who are
23 interested in operating a hail livery--a borough
24 taxi--that to ensure that they know all about the
25 program, we are doing considerable amount of

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2 outreach. TLC staff is visiting livery bases
3 throughout the five boroughs. So far, we have
4 been to 21 bases and met with over 475 drivers. I
5 can report a great deal of enthusiasm for the
6 program and we are look forward to implementing
7 it.

8 I want to talk to you a little bit
9 about our uniformed services bureau. I'm joined
10 here--and I should have noted at the outset--I'm
11 joined by Deputy Commissioner for Administration
12 and Finance and Chief Operating Officer Conan
13 Freud to my right; to my left, Deputy Commissioner
14 for Uniform Services Bureau, including Enforcement
15 and Inspections, Ray Scanlon.

16 Our Uniform Service Bureau has been
17 very active so far in fiscal year 2012. As of
18 April of this year, we have seized more than 2,100
19 vehicles. Whoops, I'm sorry, we have seized now
20 over 2,500 vehicles to date and, in fact, here's a
21 chart that shows you the activity. You can see
22 the red bars are FY 2012 to date, the--actually, I
23 guess the red bars are FY 2012 through April, the
24 blue bars are the same period in FY 2011. As you
25 can see, the key really is the final number, as of

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2 April, 2,174 compared to 1,195 in that period the
3 previous year. That's more than 80% growth in
4 vehicles seized, and that's a real public safety
5 improvement because when an unlicensed vehicle is
6 operating as a taxicab or a for-hire vehicle,
7 members of the public really have no assurance
8 that the driver is properly licensed, the driver
9 is almost certainly not drug tested in the way
10 that TLC licensed drivers are, the vehicle is
11 almost certainly not insured properly for carrying
12 for-hire passengers, so the public really is at
13 risk and every one of those 2,174 vehicles, now
14 more than 2,500, that is taken off the street
15 protects the public safety.

16 We are continuing to build our
17 enforcement capacity. I will show you, in fact,
18 our staffing, and this is another big piece of our
19 budget is increased enforcement staffing. We are
20 more than doubling our enforcement staff, as you
21 can see, May 2011, and this is in field
22 enforcement. Obviously, we have support staff, we
23 have prosecutors or enforcement staff who serve to
24 ensure that our summonses are not dismissed, but
25 looking at field enforcement, people out in the

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2 field, May 2011, 60; as of now, May 2012, we're up
3 to 120; July, we'll be adding an additional 30.
4 So we've already doubled and we will continue to
5 go like a rocket.

6 So and not just as more staff, but
7 they've been very productive, let me show you the
8 summonses that they have issued. As you can see,
9 this is summonses specifically for poaching--
10 illegal street hails, people acting like taxis
11 without being taxi cabs. As you can see,
12 averaging somewhere around the 300 level for most
13 of 2009, 2010, but beginning in February 2011, we
14 really kicked it up, not just a notch, but I would
15 estimate eight to ten notches, and have continued
16 at that pace, and I think it is having an impact.
17 The passing of the Street Hail Livery license
18 program will only make it all the more important
19 that we continue to ensure that people without
20 proper license do not pick up off the street and
21 I'm pleased to say that I think that we now have
22 the capacity to do that.

23 Our S and E, our Safety and
24 Emissions, division has also been very efficient.
25 Starting in January of this year, we increased the

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2 number of days scheduled for inspections. We used
3 to schedule four days a week, we're now scheduling
4 five days a week to make sure that we don't have
5 long wait times, and Ray's staff has done an
6 excellent job there in making sure that we process
7 people, they get in and out of our Woodside
8 facility with good speed.

9 We are excited to open an
10 additional inspection facility, Mr. Chair and Mr.
11 Chair. I know that this has been of great
12 interest to you and your colleagues and Council
13 Member Rose, in particular, the issue of FHV, for-
14 hire vehicles, based in Staten Island having to go
15 to Woodside, Queens, which, you know, some parts
16 of the city are further from Woodside than others,
17 but with Staten Island, we do recognize in
18 particular there's not just the distance, but the
19 toll that people have to pay, so we are
20 implementing a pilot program to allow Staten
21 Island-based vehicles to get their inspect their
22 biannual inspection in Staten Island, rather than
23 go to Woodside.

24 Council Member Rose, I will kind of
25 fill in a little bit of time here to let you get

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2 settled because we were just talking about the
3 Staten Island inspection program. As you, indeed,
4 as you have called for and, you know, thanks in
5 part to your leadership here, we at the TLC are
6 implementing a pilot program to enable Staten
7 Island-based for-hire vehicles to get inspected on
8 Staten Island. That item is on the agenda for our
9 monthly meeting in May, which is next week, next
10 Thursday, I don't want to prejudge the vote, but
11 it's nine commissioners, but I fully expect that
12 the commissioners will approve the pilot program
13 and we'll be able to begin.

14 [Crosstalk]

15 CHAIRPERSON VACCA: [Interposing]
16 Can anybody go there or just Staten Island?

17 DAVID YASSKY: Just Staten
18 Islanders to start, we want to see how it works,
19 you know, kind of crawl before you--what's that?

20 COUNCIL MEMBER ROSE: We welcome
21 everyone in Staten Island.

22 DAVID YASSKY: As you do.

23 [Crosstalk]

24 DAVID YASSKY: I do want to say for
25 the record, every visit I've ever made to Staten

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2 Island, I felt quite welcomed and I know that the
3 people of Staten Island are very welcoming, even
4 to Brooklynites. But given the capacity there,
5 let's make sure that we can handle the Staten
6 Island vehicles before we get carried away with,
7 you know, any grander visions. So that will be
8 voted on next week, a week from today--nope, a
9 week from tomorrow, and, again, I fully expect
10 that the commissioners will approve it.

11 The Taxi of Tomorrow project, I
12 just want to fill you in very briefly, is moving
13 along with great speed. We have partnered, as you
14 know, with Nissan to produce a purpose designed
15 vehicle to serve as a New York City taxicab. I
16 think that, you know, we call--we have a kind of
17 prototype passenger that we have in mind, we refer
18 to as Gale Brewer at the TLC and we think that
19 Gale Brewer, meaning the prototypical passenger,
20 will be very happy with the new vehicle. It has
21 much more leg room even than the Crown Vics that
22 are on the street and considerably more than the
23 Escapes. It has a panoramic roof so people can
24 enjoy the New York City skyline. And most
25 important, I think, is that the partition is

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2 factory--is manufacture designed and factory
3 installed, meaning that it can be crash tested so
4 the vehicle will be safer than a taxi that has
5 been on the street heretofore, and it can be
6 designed for passenger comfort and a more pleasing
7 passenger environment than when the partition is
8 installed after the fact. So the completed
9 prototype at the New York Auto Show, I hope some
10 of you had a chance to go and check it out, it got
11 a terrific reception there from drivers and
12 customers alike, and we expect to register the
13 contract this summer so that the NV200, that's the
14 Taxi of Tomorrow, will be hitting the streets in
15 October 2013.

16 I do want to note, 'cause, and
17 again, I know that the issue of accessibility has
18 been one we've talked a lot about, that the Nissan
19 vehicle is factory designed to be easily upfitted
20 for accessibility. The conversion does not
21 require compromising the vehicle's frame, as is
22 the case with most conversions today, which really
23 do have safe--that has grave safety and comfort
24 implications. The conversion will not void the
25 vehicle warranty--that has also been a problem for

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2 the current generation of converted vehicles, and
3 the upfitter will be providing a separate warranty
4 for the accessible components. Once upfitted, the
5 converted vehicle will be crash tested to ensure
6 that safety will not be compromised. What all
7 that adds up to, Council Members, is that a lot of
8 the concerns that the taxi industry and, frankly,
9 the TLC have had about the adequacy of the
10 accessible vehicles that are on the market, really
11 will disappear. There still will be a price
12 difference, to be sure, you know, some 10 to
13 \$15,000 more for vehicle owners, so that remains,
14 but we will have, thanks to our partnership with
15 Nissan, an accessible vehicle that is every bit as
16 reliable as the non-accessible vehicles.

17 This concludes my testimony for the
18 TLC's budget for fiscal year 2013. Thank you for
19 the opportunity to testify today about our
20 programs and operations, and I'm happy to answer
21 any questions that you have.

22 CHAIRPERSON VACCA: Thank you,
23 Chair Yassky and TLC representatives. I did have
24 several questions, I do know that in the news
25 recently, there has been talk of a fare increase

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2 and it looks like the Taxi and Limousine
3 Commission is poised to adopt a fare increase at a
4 meeting coming up in the next week or so or to
5 begin consideration. Can you tell me where you're
6 at with that and--

7 DAVID YASSKY: Sure.

8 CHAIRPERSON VACCA: --I read 20%,
9 and can you just fill me in?

10 DAVID YASSKY: Well we have before
11 us two petitions, one filed by the Metropolitan
12 Taxi Board of Trade, that's, essentially, the
13 fleet owners that calls for a fare increase of
14 around 19%; one filed by the New York Taxi Workers
15 Alliance, essentially drivers, that calls for a
16 fare increase of roughly 16%. So those petitions
17 are before us. The TLC is not obligated to adopt
18 either of those and if it acts to increase the
19 fare, it's not obligated to adopt either of those
20 specifically, but could adopt a fare increase
21 different from those petitions. That's before us
22 and that's been the reported range.

23 I do think--we're beginning the
24 process, I will tell you I think that the
25 proposals to increase the fare are appropriate.

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2 Gasoline is up some 45% since the fare was last
3 increased in 2006, that comes right out of the
4 drivers' pockets. As a result, primarily of gas,
5 but of other costs too, a driver today is actually
6 taking home less and significantly less, about 15%
7 less for each shift than he or she was in 2006.
8 Now, it's not a well paid job to begin with, when
9 your take home pay goes down 15%, I do think it
10 raises an issue about drivers being able to
11 support their families, pay the rent, put food on
12 the table, so I think that it was appropriate to
13 put this before us at this time.

14 In terms of the magnitude, Mr.
15 Chair, that I do think remains to be decided. We
16 will have our first public hearing a week from
17 tomorrow, May 31st. The staff will take the
18 evidence and the data that comes forward there,
19 you know, work through it with its usual diligence
20 and acuity, come out with a proposal, I would
21 hope, you know, reasonably quickly after the
22 hearing so that we can move forward. My goal will
23 be to have a proposal to be voted on by July. I
24 mean, to be voted on in July.

25 CHAIRPERSON VACCA: Now,

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2 Commissioner, I must indicate, and this is not to
3 comment on the appropriateness of a fare increase
4 because since 2006, there's not one, so without
5 commenting, that's something that the TLC will
6 consider based on testimony, but I do want to ask
7 quickly before I go into this, when did the
8 request come in from the two stakeholder groups
9 for the fare increase?

10 DAVID YASSKY: Oh some time ago.

11 CHAIRPERSON VACCA: Some time ago.

12 DAVID YASSKY: Yes.

13 CHAIRPERSON VACCA: Several months
14 ago or--

15 DAVID YASSKY: [Interposing] More
16 than a year ago.

17 CHAIRPERSON VACCA: More than a
18 year ago.

19 DAVID YASSKY: More than a year
20 ago. And--

21 CHAIRPERSON VACCA: Okay.

22 Commissioner, when you came to my hearing before
23 this committee on March 6th--

24 DAVID YASSKY: Yes.

25 CHAIRPERSON VACCA: --I questioned

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you on this--

DAVID YASSKY: Yes.

CHAIRPERSON VACCA: --I said is the TLC looking for a fare increase within the next fiscal year, now this was March 6th, so the next fiscal year is July 1st, 2012, to June 30th, 2013. And then you said, well we're looking at it in the sense that there have been requests from various stakeholders in the industry, both on the owner side and the driver side, for a fare increase, and of course, you know, we evaluate requests according to the process that we have in place to do that, but that certainly is not on the agenda. So I then said, are you committing to no fare increase for the next year or are you saying that you have no intention today to have an increase, I just want to make sure I heard right. And you said, you know, not knowing what circumstances will arise in the future, look, gas prices are already a burden on drivers and it's really operated to reduce the real income of taxi drivers over the past couple of years. You know, since their take home pay is the amount they collect in fares and the fare is set, minus the expense,

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2 which is renting the car, which is also set, but
3 gas, and that's their second biggest expense after
4 renting the car, you know, if gas shot up to \$10 a
5 gallon, who knows. So what I don't want to--I
6 never want to on any issue, including the fare,
7 say something that would preclude the ability of
8 the administration to respond to dramatic changes
9 in circumstances, but it's not on the agenda. So
10 how could you say that it's not on the agenda when
11 you had these letters from the industry, when you
12 have a public hearing scheduled already for May
13 31st, you knew--I don't think that you were
14 forthcoming with this committee at that time. You
15 were not forthcoming in your testimony.

16 DAVID YASSKY: I have to disagree
17 with that, Mr. Chair. The proposal was not on the
18 commission agenda at that time for action. We--

19 CHAIRPERSON VACCA: Technically,
20 you're correct, I know--

21 DAVID YASSKY: No, and not just--

22 [Crosstalk]

23 CHAIRPERSON VACCA: --technically,
24 it was not on your agenda, but you knew that--

25 DAVID YASSKY: Not just

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technically--

CHAIRPERSON VACCA: --you knew that
this was coming--

DAVID YASSKY: No.

CHAIRPERSON VACCA: --and you knew
that there--

DAVID YASSKY: [Interposing] That's
not the case.

CHAIRPERSON VACCA: --were these
requests and you said it's not on the agenda, and
I did ask you for the next fiscal year. So when I
left the hearing, I thought it was not on the
agenda for the next fiscal year.

DAVID YASSKY: Well, Mr. Chair,
when that was in March, is that when that was?

MALE VOICE: Yes.

CHAIRPERSON VACCA: March 6th.

DAVID YASSKY: I can say with
certainty that on March 6th, there had been no
decision to move forward with a fare proposal and--
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CHAIRPERSON VACCA: [Interposing]
Was it made on March 7th?

DAVID YASSKY: No, of course not.

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CHAIRPERSON VACCA: No, really--

DAVID YASSKY: Well and--

CHAIRPERSON VACCA: --maybe on March 8th, you could say the same thing or maybe on March 9th you started considering it, but it's not forthcoming when you say something like this because any observer has to believe that at this point in time there were discussions about raising the fare. And--

DAVID YASSKY: [Interposing] We have internal discussions about many policy items and I think that would be equally misleading, to be honest, I mean, it would be more misleading, honestly, to say we're talking about this, we're talking about that, without knowing that it's actually going to move forward. So any rate, all I can tell you, Mr. Chair is--

CHAIRPERSON VACCA: [Interposing] Well it's nuanced, if nothing else, and I certainly will in future testimony realize that something I may be told may be nuanced, maybe I was not told what I thought I was told and maybe I did not hear what I thought I heard, but maybe I heard what I should have been told but wasn't

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told.

DAVID YASSKY: Actually, I thought when--

CHAIRPERSON VACCA: You know, this can go on.

DAVID YASSKY: --reading--

CHAIRPERSON VACCA: I have to departmentalize what I thought I heard which I may not have heard.

DAVID YASSKY: Well listening to the statement that you read back to me, that struck me as an entirely accurate and, frankly, full disclosure statement about the factors that go into thinking about the fare and at that point, those factors were out there, no decision had been made over the subsequent couple of months, staff continue to process all the data and I decided that the time is ready now to move forward and put it on the agenda and I think now is the time. I think, frankly, well I think the more important question that I would welcome, I would be curious to know what Council--you know, I would like to get some guidance from the Council, and I think we certainly would value it, as to whether it is a

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2 good time to move forward with the fare and what
3 the magnitude should be if there should be an
4 increase. This is an important topic of public
5 policy and, you know, I--

6 CHAIRPERSON VACCA: [Interposing] I
7 don't think you need guidance from the Council,
8 your commission will do what you want to do.

9 DAVID YASSKY: Yeah, well, yeah--

10 [Crosstalk]

11 CHAIRPERSON VACCA: [Interposing]
12 You said here that you would only--you know if gas
13 shot up to \$10 a gallon, well gas has not shot up
14 to ten--gas in the last couple of weeks is going
15 down. I'm led to believe that if gas went to \$10
16 a gallon, you may reconsider your statement that
17 it is not on the agenda, but gas did not go up to
18 \$10.

19 DAVID YASSKY: Gas, over this year
20 to date, the average price of gasoline in 2012 is
21 45% higher than what it was in 2006, the last--

22 CHAIRPERSON VACCA: [Interposing]
23 I'm not arguing the gasoline--

24 DAVID YASSKY: --time the fare was
25 set.

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2 CHAIRPERSON VACCA: You're right,
3 gasoline prices have gone up, but this statement
4 says one thing. Okay. Let me go on. I want to
5 question about the fare increase. Now the five
6 borough taxis that are going to be allowed to do
7 the hailing, are they going to be getting 20%
8 increase?

9 DAVID YASSKY: Well our position
10 has been that the borough taxis should have the
11 same fare as the yellow taxis, you know, it's one
12 city and Brooklynites, Queensites, Bronxites,
13 Staten Islanders shouldn't pay more or less than
14 Manhattanites for the same service.

15 CHAIRPERSON VACCA: Are you
16 concerned that that may discourage many people
17 from going into the five borough plan or are you
18 concerned that with that 20% fare in the Bronx in
19 poorer communities, that people may seek out taxis
20 that are not legally TLC vehicles, not properly
21 inspected, registered, that it becomes
22 unaffordable for them?

23 DAVID YASSKY: Well, you know,
24 you're using the 20% figure and, as I said before,
25 I--

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[Crosstalk]

CHAIRPERSON VACCA: [Interposing] I only know what I read, Commissioner. You never called me to consult with me on what you were doing, I know what I read in the newspaper and that's what I read.

DAVID YASSKY: So whatever magnitude increase the commission adopts, I'm certainly concerned in the sense that, you know, when passengers have to pay more, first of all, you have some impact on the ridership, I mean, we saw that last fare increase when the fare went up, ridership dropped about 4%, so some people are dissuaded, and not just dissuaded, it means the service becomes unavailable to some, even those that pay more, even those rider that are not dissuaded, they're paying more and, you know, I don't think one should ever raise costs lightly and certainly we would not do that. You have to balance that against the fact that the workforce does need to make a living and so I think our goal will be to have a fare increase that is reasonable for the passengers, while still enabling the drivers to earn a decent living.

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2 I would note that, you know, even
3 with an increase in the range that has been
4 proposed, taxi service in New York City would
5 still be a good value, cheaper than Los Angeles,
6 cheaper than San Francisco, much cheaper than
7 London, and much, much cheaper than Tokyo, our
8 competitor cities in the world economy. So, you
9 know, we have to factor all that in in terms of
10 setting an appropriate amount.

11 CHAIRPERSON VACCA: Let me ask
12 this, regarding enforcement, I thought I saw the
13 number 20, but you used the number 30, you're
14 hiring 30 new enforcement people? Is that 20 or
15 30? I'm just not sure.

16 MALE VOICE: Thirty in July.

17 CHAIRPERSON VACCA: Thirty July
18 1st.

19 DAVID YASSKY: Yeah, I think in
20 truth--

21 MALE VOICE: [Interposing] We hired
22 20 in May.

23 DAVID YASSKY: Yeah, we hired 20 in
24 May, you're right, that chart does say 30 for
25 July. You know, what we do is we invite many more

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2 than that to begin the process and then as they go
3 through the medical and psychiatric examinations
4 and then the training process, it kind of winnows
5 down. I'll ask Deputy Commissioner Freud, what's
6 your best guess how many we'll actually bring
7 onboard in July. Twenty-five?

8 CONAN FREUD: Twenty-seven.

9 DAVID YASSKY: Twenty, we'll bring
10 25 to 30 in July, but probably my guess is closer
11 to 25.

12 CHAIRPERSON VACCA: Am I correct in
13 saying that most of these people you hire for
14 enforcement are self-funded? Or what I'm trying
15 to say is that most of the people you hire pay for
16 their own salaries based on the violations they
17 give or the summonses they give, so it's a revenue
18 neutral thing? At best, well at worst, I should
19 say, it's a revenue neutral?

20 DAVID YASSKY: Well not quite in
21 truth. Given the current rate of summons
22 issuance, our inspectors do not fully pay for
23 themselves with fine revenue, but part of the fee
24 revenue covers that as well. We are making a
25 major investment in technology, we are acquiring

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2 handheld summons issuance devices that we will
3 begin to rollout in June, should be throughout
4 the--every inspector will have one by September.
5 If those go as expected, they will increase the
6 productivity of our workforce considerably and, at
7 that point, they'll be roughly self-funding.

8 CHAIRPERSON VACCA: Do you think 20
9 is enough?

10 DAVID YASSKY: Well--

11 CHAIRPERSON VACCA: Because of what
12 we're facing insomuch as the whole--

13 DAVID YASSKY: You know--

14 CHAIRPERSON VACCA: --modernization
15 or modification of the whole taxi industry, is 20
16 enough?

17 DAVID YASSKY: If I have to say yes
18 or no, I'd say yes. I always want more, can
19 always do more with more. Part of our job in
20 government, as you know, is to do more with as
21 much as you can have, so, you know, we've had very
22 good support from OMB and from City Hall. I think
23 the administration commitment to the TLC
24 enforcement mission is quite strong, we've hired
25 whatever, as you can see, 60 over the last year,

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2 the next 30 will make it 90. We have funding for
3 another, I think, 70 to 80 in addition to that
4 that our practice will be, as we assimilate and,
5 you know, Deputy Commissioner Scanlon has had a
6 daunting task, which he has handled with, you
7 know, just astonishing success, of integrating
8 each new group into our workforce. You want to
9 make sure that you don't bring on so many people
10 that they're not managed as effectively as the
11 preexisting ones. As we integrate each new class
12 and are confident they're there, and that there is
13 work for them to do--I don't want to spend
14 taxpayer money unnecessarily--I expect that there
15 will be work for the next 70 after that, that's
16 my, if I have to predict, but we will put the next
17 30 or 20, you know, 25, 27, out in the field when
18 they've been integrated into the operation and
19 we're confident that there's work for them to do,
20 then we'll bring on the next group and then the
21 next.

22 So that's my long answer to your
23 question. Is it enough? I'm confident that we
24 can do what we need to do. As we hire more, we
25 can do it even better.

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2 CHAIRPERSON VACCA: One last
3 question, are we on schedule regarding the new
4 medallions? Is the city--

5 DAVID YASSKY: [Interposing] We are
6 on schedule. I'm sorry, Mr. Chair.

7 CHAIRPERSON VACCA: That's okay.
8 The City can expect the \$1 billion in the next
9 fiscal year from the sale of new medallions that
10 is in the financial plan, that's my question.

11 DAVID YASSKY: We are on schedule.
12 There are risks that are well, you know, that are
13 known to you, as well as to myself. We need state
14 approval, we can issue 400 medallions without any
15 further state approval. To issue the 401st
16 through the 1,000th requires state approval. We
17 have no reason to think that we won't get that,
18 but I just want to give you a kind of full answer
19 and disclose the risks that are out there. State
20 approval is one, there are lawsuits that have been
21 filed. The corporation counsel is highly
22 confident that those lawsuits are without merit
23 and they will not be an impediment, but, you know,
24 I guess if it were SEC standards, I would want to
25 disclose that as a risk. You know, and then our

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2 best guess as to the market, our best estimate,
3 you know, is that the billion dollars in revenue
4 will come in as scheduled.

5 CHAIRPERSON VACCA: Are you
6 considering a lease cap increase?

7 DAVID YASSKY: Well the petition
8 from the Metropolitan Taxi Board of Trade, the
9 fleet owners, does propose a lease cap increase.
10 You know, there, as with everything, there are
11 tradeoffs. Any lease cap increase would, of
12 course, reduce drivers' take home income by that
13 same amount and if, since the main reason for the-
14 -that the fare increase is on the table is gas
15 prices, which are borne by the drivers, I think
16 there'd be an argument that if what you're trying
17 to do is deal with that gas price issue, that if
18 you raise the lease cap, then you just have to
19 raise the fare more to accomplish your goal.

20 Having said that, we have a hearing
21 May 31st, you know, I'm sure we will hear a full
22 day's worth of argumentation and evidence and data
23 from the fleet owners and other stakeholders.
24 We'll process that and have a proposal by, I would
25 hope, early mid-June.

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2 CHAIRPERSON RECCHIA: Just to
3 follow up, Commissioner. So if this fare hike
4 goes through, the drivers that lease their
5 vehicles, the owners, the lease owners of the
6 fleets, they will not be able to increase, is that
7 correct, their rates?

8 DAVID YASSKY: Well the TLC does
9 regulate the amount of lease payment that the
10 fleet owner can charge to the driver. When
11 Chairman Vacca asked is an increase in that lease
12 rate on the table, he was asking whether the TLC
13 intends to change that amount, and what I'm saying
14 is that's been proposed, along with a fare
15 increase, we will hear the evidence to support it.
16 I think the case for a fare increase is quite
17 strong in terms of the fact that drivers really
18 are struggling to be able to earn a living. Now,
19 you know, we'll see how strong the case is for
20 the--on the lease issue.

21 CHAIRPERSON RECCHIA: So--

22 DAVID YASSKY: If the lease issue,
23 if the Taxi and Limousine Commission does not act
24 to change the lease gap, then my answer to your
25 question would be, no, the fleet owners could not

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2 charge the drivers any more than they are charging
3 today.

4 CHAIRPERSON RECCHIA: Right,
5 because if there's a lease cap--if there is no
6 lease cap and we increase the fares, help pay off
7 more gas--

8 DAVID YASSKY: Yeah.

9 CHAIRPERSON RECCHIA: --okay--

10 DAVID YASSKY: Then the benefit of
11 that fare increase would go entirely to the
12 drivers.

13 CHAIRPERSON RECCHIA: [Interposing]
14 So the real people who are being penalized are the
15 passengers.

16 DAVID YASSKY: So you're right to
17 say this, that a fare increase is asking
18 passengers to pay more to benefit drivers.

19 CHAIRPERSON RECCHIA: Right.

20 DAVID YASSKY: A lease cap
21 increase--

22 CHAIRPERSON RECCHIA: [Interposing]
23 To help offset the price of gas.

24 DAVID YASSKY: Yeah, a lease cap
25 increase--

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[Crosstalk]

DAVID YASSKY: --is asking passengers to pay more to benefit fleet owners, and you're right, those--

CHAIRPERSON RECCHIA: Right.

DAVID YASSKY: --are two different questions.

CHAIRPERSON RECCHIA: Right. Okay. I just want to be clear on that. And we'll follow up, see what happens. All right, in addition, I just want--so when are the yellow medallions, when are they going to go up for sale? You have to get permission from the state.

DAVID YASSKY: The first 400 we can sell without state permission, we are looking to begin that in July, we--

CHAIRPERSON RECCHIA: Okay.

DAVID YASSKY: --want to make-- yeah.

CHAIRPERSON RECCHIA: And your new hail in the outer boroughs, when are those--

DAVID YASSKY: [Interposing] Those licenses will be available for issuance in June--

CHAIRPERSON RECCHIA: [Interposing]

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And how does someone apply for that?

DAVID YASSKY: They can starting--

MALE VOICE: Tuesday.

DAVID YASSKY: --Tuesday, this coming Tuesday, May 29th, they call 3-1-1--

CHAIRPERSON RECCHIA: Three one one.

DAVID YASSKY: --to--yes, it's the City's, you know, overall--

CHAIRPERSON RECCHIA: Yeah.

DAVID YASSKY: --number, to reserve a spot. Rather than kind of have everybody show up, we're asking people to make appointments, so you call 3-1-1 to reserve a spot and then we'll send people an appointment date.

CHAIRPERSON RECCHIA: Appointment date to come in--

DAVID YASSKY: [Interposing] To come in to our licensing center in Long Island City--

CHAIRPERSON RECCHIA: [Interposing] Now do you have to be--

DAVID YASSKY: --and you have to be--I'm sorry.

2 CHAIRPERSON RECCHIA: Go ahead, and
3 that's my next question.

4 DAVID YASSKY: Yes, it is, you are
5 right, it's--that license is available only to
6 existing holders--

7 CHAIRPERSON RECCHIA: [Interposing]
8 Car services.

9 DAVID YASSKY: --of a car service
10 vehicle license and they've--

11 CHAIRPERSON RECCHIA: [Interposing]
12 Now what about--

13 [Crosstalk]

14 DAVID YASSKY: --have to have had
15 it for a year.

16 CHAIRPERSON RECCHIA: Okay.

17 DAVID YASSKY: So--

18 CHAIRPERSON RECCHIA: What happens
19 if someone does not own a car service, how could
20 they buy one of these medallions?

21 DAVID YASSKY: So to be clear,
22 it's--this new license will be available to anyone
23 who has been licensed as a car service driver or a
24 vehicle owner for at least a year.

25 CHAIRPERSON RECCHIA: At least a

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year.

DAVID YASSKY: So if you are a licensed driver, of whom there are some 50,000 car service drivers, then that's open to you, or a vehicle owner.

CHAIRPERSON RECCHIA: Okay. And is there a limit on how many they could buy?

DAVID YASSKY: There is. The statute, the state statute, you know, and there was some in the legislature, limits the licensees to one per person, so--

CHAIRPERSON RECCHIA: One per--

DAVID YASSKY: --a car service owner--a car service vehicle owner can just get one license for a hail vehicle. The exception to that is that if you are going to use a wheelchair accessible vehicle, you can get up to five licenses for that, so you can have up to five wheelchair accessible vehicles or up to one non-accessible vehicle.

CHAIRPERSON RECCHIA: So someone that owns a car service can only get--what if they have like five cars? They can only get one.

DAVID YASSKY: So bear with me and

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2 let me, you know, if this is too much detail, stop
3 me and tell me. So we license bases--when you say
4 a car service or I say a car service--

5 CHAIRPERSON RECCHIA: Base.

6 DAVID YASSKY: --we call that that
7 license is for a base, that's the company, the
8 dispatcher company.

9 CHAIRPERSON RECCHIA: Right.

10 DAVID YASSKY: Most bases, but not
11 all, and I'll get to that in a second, most bases
12 do not themselves own the vehicles, the base is
13 operated by the car service company, if you will,
14 and then they may have 100 cars affiliated with
15 them, each of those is owned generally by the
16 driver.

17 CHAIRPERSON RECCHIA: Okay. But
18 let's say if the base does own the car.

19 DAVID YASSKY: The base will be
20 limited to one per person or five accessible,
21 wheelchair accessible.

22 CHAIRPERSON RECCHIA: Not one per
23 car. So let's say if they have five or six cars
24 under their base--

25 DAVID YASSKY: [Interposing] Then

1 they will only be able to get one hail license.
2 That is, you know, that was a policy decision made
3 the legislature, that was not part of our
4 proposal, but it's in the law, so we have to
5 respect it.
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7 CHAIRPERSON RECCHIA: All right,
8 thank you.

9 [Pause]

10 DAVID YASSKY: Right, I mean, and I
11 will say, Council Member, Mr. Chair Recchia, that
12 there--we can talk more if you like, there's
13 flexibility within our rules, so for example,
14 let's say you are a base that has 30 cars and you
15 own the cars, the driver--and you must have at
16 least 30 drivers 'cause they're driving the cars--
17 the driver can obtain a license for a vehicle.
18 You could have 30 drivers obtain licenses for the
19 vehicles, the driver does not have to own the
20 vehicle, the driver will have to get that license
21 issued and that license has to pertain to an
22 identified vehicle, but you could have each driver
23 get a hail license. And so we are working with
24 bases that do own their vehicles and are
25 interested in getting the hail license to help

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2 them understand that and some have indicated that
3 they intend to proceed in that way.

4 CHAIRPERSON VACCA: Is the EIS
5 statement available for review? I know you said
6 in July you're going to start selling the new
7 medallions?

8 DAVID YASSKY: Yes, the--

9 CHAIRPERSON VACCA: [Interposing]
10 Where is the EIS statement?

11 DAVID YASSKY: That EIS draft, that
12 draft, I should say, EIS should be available by
13 the end of the week?

14 MALE VOICE: Yeah.

15 DAVID YASSKY: Yes. Well that's
16 two days, so by Friday close of business we will
17 publish that draft Environmental Impact Statement.

18 CHAIRPERSON VACCA: And then what
19 is the process after that regarding the EIS, is
20 there a public hearing or is there a public
21 commentary period? It seemed like a very brief
22 window.

23 DAVID YASSKY: Well it's the
24 statutorily prescribed period, there is a both a
25 public comment period and a hearing, at which--and

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2 a hearing. And then, you know, then, is it a 30-
3 day comment period? I actually don't know off the
4 top of my head, I believe it is a 30-day comment
5 period.

6 CHAIRPERSON VACCA: Okay. Next,
7 Council Member--oh, I'm sorry, who's first? I
8 just... Council Member Rodriguez first.

9 COUNCIL MEMBER RODRIGUEZ: Thank
10 you, Chairmen. Thank you, Commissioner. Continue
11 the--

12 [Crosstalk]

13 CHAIRPERSON VACCA: [Interposing]
14 Five minutes per person, I'm sorry.

15 COUNCIL MEMBER RODRIGUEZ: --
16 continue the question about a base that a livery
17 taxi company who have 50 drivers, the drivers get
18 to apply to buy the license, but that car doesn't
19 belong to him, it belong to the base. Who will be
20 the owner of that license?

21 DAVID YASSKY: So if a base owns
22 ten vehicles is that--

23 COUNCIL MEMBER RODRIGUEZ: Mm-hmm.

24 DAVID YASSKY: --then the base
25 could get a hail license for, at most, one of

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2 those vehicles that the base would hold the
3 license. If the base wants all ten of its
4 vehicles that it owns to be able to accept street
5 hails, then it would have to find nine drivers who
6 would like to get a license--

7 COUNCIL MEMBER RODRIGUEZ:

8 [Interposing] To apply to try to get a license.

9 DAVID YASSKY: --and hold a license
10 that's applicable to that vehicle. You know, and
11 then, of course, the licensee has obligations so,
12 I mean, they may not wish to do it, but we think
13 that in many case a driver would be willing to do
14 it because it helps them earn a living.

15 COUNCIL MEMBER RODRIGUEZ: But who
16 will own the license since that license can be
17 transfer in the future. Who will own it?

18 DAVID YASSKY: In that case, the
19 base would own one license and nine drivers would
20 each own one license.

21 COUNCIL MEMBER RODRIGUEZ: Okay.

22 So there's no any way of how if the nine drivers
23 apply for the license and they get to be selected
24 to buy those license, that even if they will
25 continue or the car doesn't belong to them, ten

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2 years from now, unless they decided to sell it,
3 that is something valuable to the driver.

4 DAVID YASSKY: That's correct.

5 COUNCIL MEMBER RODRIGUEZ: Okay.
6 What about those cases where a new way of doing
7 business where there's someone [off mic] 2,000 car
8 and the new whole plan about--

9 DAVID YASSKY: Yes.

10 COUNCIL MEMBER RODRIGUEZ: --you
11 paying \$400 a week and I give you the insurance,
12 the card, and everything, what is going to be the
13 situation with those cars?

14 DAVID YASSKY: I guess, same thing
15 there as with the base, meaning the driver will
16 have to hold the license. So you are a leasing
17 company, you own 1,000 cars and I am a driver, and
18 I have been leasing a car from you to use as a
19 livery, as a for-hire vehicle, now I would like to
20 be able to pick up street hails, I will have to
21 get the--I, the driver, will have to get that
22 license, you have to agree 'cause it's your car,
23 but the license will name that car as the car the
24 license pertains to--

25 COUNCIL MEMBER RODRIGUEZ:

1 [Interposing] And it will belong to the drivers.

2 DAVID YASSKY: --and the license
3 will belong to the driver.

4 COUNCIL MEMBER RODRIGUEZ: So
5 there's no way of how by any shape or form that
6 license will be ended as appropriate to that
7 business company.

8 DAVID YASSKY: Nope, not--

9 COUNCIL MEMBER RODRIGUEZ: No.

10 DAVID YASSKY: --consistent with
11 the statute.

12 COUNCIL MEMBER RODRIGUEZ: Okay.

13 And what about, like, someone, let's say a livery
14 taxi company who decides to get into the business
15 of purchasing the new accessible car, first of
16 all, would those bases also have some type of
17 grants?

18 DAVID YASSKY: Yes, that's a good
19 question because the grant is available to the
20 license holder, so the grant has to be--but, yes,
21 the grant would be--the license holder would be
22 able to use that grant to help the leasing company
23 purchase the vehicle and then make its payments
24 over time.

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2 COUNCIL MEMBER RODRIGUEZ: My
3 concern with the new accessible vehicle is more
4 that I think that those vehicles are going to be
5 more expensive.

6 DAVID YASSKY: They are.

7 COUNCIL MEMBER RODRIGUEZ: They
8 are, and therefore, probably a livery taxis
9 company will be in a better position, seeing they
10 also would be allowed to purchase more and they in
11 better economic situation to buy. So will TLC
12 provide certain help to those livery taxi
13 companies?

14 DAVID YASSKY: Yes, I mean, first
15 of all, I mean, the grants are available but we
16 would welcome companies that--'cause it is more
17 complicated, honestly, more complicated than needs
18 to be. That one person or five per person limit
19 makes it needlessly complex, but it's in the
20 statute so we live by it. For a leasing company
21 that wants to purchase 10, 20, 100 accessible
22 vehicles, it will have to have the grants go
23 through the licensee, the driver, that's all
24 that's--it can be done, but it's complicated and
25 we are more than eager to work with leasing

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2 companies that want to do that to help make sure
3 they understand each step in the process.

4 COUNCIL MEMBER RODRIGUEZ: What
5 about is TLC providing information [off mic]
6 information section to a livery taxi company that
7 they will be purchasing a, let's say, they have
8 many corporation, they get to buy 50 of those
9 vehicles, but then they have to find on who to
10 provide those services. Like, as you know, there
11 hospital and insurance company--

12 DAVID YASSKY: Yes.

13 COUNCIL MEMBER RODRIGUEZ: --that
14 they do contract, will the TLC provide information
15 to those company also on how to navigate the
16 system on doing contract?

17 DAVID YASSKY: I mean, to be honest
18 with you, we have not been doing that heretofore,
19 I'm not adverse to it. I don't know that we would
20 be any more useful than a motivated business
21 person in figuring that out. And I'll just give
22 you an example, this morning, I met a livery
23 business owner who has already purchased ten
24 accessible vehicles, intending to get licenses for
25 them, and he was telling me that, you know, he

1
2 expects a fair bit of business for them to come
3 from insurance companies, they're doing work or,
4 you know, doing work for Medicaid funded trips.
5 So, you know, the business people do know that
6 that's out there and know how to do it, I don't
7 think that we at the moment have much expertise in
8 who those folks are to be able to connect people.

9 COUNCIL MEMBER RODRIGUEZ: My last
10 question is about enforcement.

11 DAVID YASSKY: Yes.

12 COUNCIL MEMBER RODRIGUEZ: As you
13 say, you use say enforcement will be increased as
14 a [off mic], I mean, there's going to be much more
15 enforcement after the first license permit will be
16 sell on the street.

17 DAVID YASSKY: Yes.

18 COUNCIL MEMBER RODRIGUEZ: However,
19 only 6,000 will be sold this coming year, right?

20 DAVID YASSKY: Yes.

21 COUNCIL MEMBER RODRIGUEZ: Then
22 what it means that the vast majority of livery
23 taxi drivers, they wouldn't have the opportunity--

24 DAVID YASSKY: Well--

25 COUNCIL MEMBER RODRIGUEZ: --not

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2 because they don't want to, but yet because of how
3 the system has been organized. So we will be
4 dealing that situation where a large majority of
5 livery taxi drivers in the street without the
6 opportunity to buy that medallion, they will be
7 the victim of not being able--TLC not being able
8 to sell all those 18,000 and, as you say,
9 enforcement will be increased. So what--

10 DAVID YASSKY: [Interposing] Right,
11 I understand the concern that you're raising. You
12 know, the 6,000 number was a number established by
13 the state law. I am optimistic that it will prove
14 to be a good number, 18,000 total phased in at
15 6,000 a year. If there is demand in excess of
16 6,000, then we're going to have to come back to
17 you and to your colleagues in the state, report
18 that fact, and then the lawmakers will, you know,
19 give us instructions as to how to handle it.

20 COUNCIL MEMBER RODRIGUEZ: Ten
21 thousand people apply--and my last question,
22 Chairmen--10 or 15,000 drivers will apply to buy
23 the license.

24 DAVID YASSKY: That's your
25 prediction.

2 COUNCIL MEMBER RODRIGUEZ: Let's
3 say.

4 DAVID YASSKY: Oh, yeah.

5 COUNCIL MEMBER RODRIGUEZ: Like for
6 example.

7 DAVID YASSKY: Yeah, yes.

8 COUNCIL MEMBER RODRIGUEZ: Who and
9 how--

10 DAVID YASSKY: [Interposing] First
11 come, fir--

12 COUNCIL MEMBER RODRIGUEZ: --will
13 the 6,000 will be--

14 DAVID YASSKY: --first come, first
15 served so--

16 COUNCIL MEMBER RODRIGUEZ: And did
17 that started on--

18 DAVID YASSKY: --starting--

19 COUNCIL MEMBER RODRIGUEZ: --this
20 coming?

21 DAVID YASSKY: --starting Tuesday,
22 you got it.

23 COUNCIL MEMBER RODRIGUEZ: Thank
24 you.

25 CHAIRPERSON VACCA: Thank you,

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2 Council Member Rodriguez. Just quickly, if you
3 raise the lease cap, you're raising the value of
4 the medallion, so wouldn't that increase revenue?
5 Is that something that you would look at and that-
6 -

7 DAVID YASSKY: [Interposing]
8 Honestly, not a factor for us because our job is
9 to make sure that the service is available for
10 customers at the best price consistent with
11 excellent service. So if that means that, you
12 know, raising a fare, then that's the right choice
13 to make, but the impact on the sale of the
14 medallions is not a factor.

15 CHAIRPERSON VACCA: Next, Council
16 Member Brewer.

17 COUNCIL MEMBER BREWER: Thank you
18 very much. So the 1 billion that is supposed to
19 be in the budget for next fiscal year, is--that's
20 on track, I assume, question number one. And the
21 second question is how does this lawsuit impact
22 that or any other funding, if at all? On the
23 disabled.

24 DAVID YASSKY: Oh, the lawsuit
25 related to wheelchair accessibility, I don't see

1
2 how that would have an impact on the medallion
3 sale. We are already planning to and are enthused
4 about the fact that every one of the new
5 medallions will be wheelchair accessible. So I
6 don't see why a judge would be interested in
7 halting that.

8 COUNCIL MEMBER BREWER: The
9 question then is, once the yellow medallion taxis,
10 they will be wheelchair accessible for those that
11 are new, the ones that phase out over time, will
12 they be wheelchair accessible in the future?

13 DAVID YASSKY: Well that's not our,
14 you know, plan right now and I don't think even
15 that's a bridge that needs to be crossed for a
16 while yet in that I think the industry will have
17 its hands full putting the 2,000 new vehicles on
18 the street. That will give us, I think, ample
19 time to see how that affects the service that's
20 available to wheelchair users. We are, along with
21 selling the new medallions, enabling 3-1-1 to take
22 calls from wheelchair users and then to dispatch
23 an accessible taxi to pick them up. I expect that
24 once that has been implemented, once a significant
25 portion of the new medallions have been issued and

1
2 those vehicles are on the street, we will have
3 superb service for wheelchair users and at that
4 point, you can cross the bridge of where they need
5 to go further.

6 COUNCIL MEMBER BREWER: Okay.

7 That's an ongoing discussion.

8 DAVID YASSKY: It is, I--

9 COUNCIL MEMBER BREWER: Maybe not
10 to continue here.

11 DAVID YASSKY: I have no doubt that
12 it will continue.

13 COUNCIL MEMBER BREWER: Yes. The
14 TV things in the back that I hate, how much money
15 do you make from those? Are they going to exist
16 in all the new cabs?

17 DAVID YASSKY: Well--

18 COUNCIL MEMBER BREWER: The
19 advertising machines.

20 DAVID YASSKY: --if by you, you
21 mean you, the taxpayers of the city of New York,
22 sadly, they are in--well sadly not, the answer to
23 that remains zero in the fine way. The
24 advertising revenue from the taxi TV screens goes
25 to the companies that operate them, there are two

1
2 of them, and it helps to offset the cost of the
3 equipment and of credit card processing. Now so I
4 guess the theory is that if they didn't have that
5 revenue, then there'd be even greater pressure on
6 the fare.

7 COUNCIL MEMBER BREWER: All right,
8 so my question though is do the new cabs have that
9 same process.

10 DAVID YASSKY: The new yellow
11 medallions, of course, will, that's not what
12 you're asking, you're asking probably about the
13 borough taxis. They do not--they're not required
14 to have the screens in the back, they are required
15 to accept credit cards, but in keeping with the
16 goal in the borough taxis of minimizing costs to
17 the greatest extent possible, we were allowing
18 quite a bit of flexibility as to how people
19 collect credit cards. If they wish to, to be
20 clear, they will be able to have the same kind of
21 screen with advertising that's in the yellows, if
22 they wish to have a simpler set of equipment that
23 only does credit card processing, then they can do
24 that too.

25 COUNCIL MEMBER BREWER: Okay.

1
2 Again, more to be discussed.

3 DAVID YASSKY: Yes.

4 COUNCIL MEMBER BREWER: Those
5 people who lose their cab, you're proud of having
6 taken some of the street, how do they get them
7 back? Do you have some ongoing analysis of who
8 gets them back? That's question number one. And
9 then for those guys who, I know they're at the end
10 of Oliver Koppell's subway line, who have no taxi
11 medallion, TLC interaction, but pick people up all
12 the time, are they going to have any opportunity
13 to become legal?

14 DAVID YASSKY: So to take the last
15 question first, absolutely--well I don't know who
16 is at the 242nd Street--

17 COUNCIL MEMBER BREWER: I do.

18 DAVID YASSKY: --stop in--well I
19 don't know them by name, so I guess the question
20 is if they are licensed liveries, as two-thirds--
21 see when we issue tickets to people who are
22 picking up off the street without being taxis,
23 generally around two-thirds of them are licensed
24 liveries that are supposed to be doing call ahead
25 work and a third of them are wholly unlicensed.

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2 So let's assume that that's the same at 242nd
3 Street. Then of the nine or so people waiting at
4 the subway stop, six of them will be able to get a
5 license for to be a borough taxi, but the three
6 that are not licensed by us will not because that
7 license is available only to existing livery
8 folks.

9 Now just briefly on your question
10 about redemptions, when the vehicles are seized--
11 Ray can speak to that in greater detail--it turns
12 out that the vehicles are all redeemed, you know,
13 very, very occasionally, the owner does not come
14 and redeem a vehicle, but there 100% or
15 effectively 100% are redeemed. Let me say, this
16 is--and we've been working very productively with
17 the chair, with Chair Vacca and the Committee
18 staff on legislation--we would like the ability to
19 forfeit a vehicle if it's used twice to pick up
20 people illegally. So because now we do have a
21 decent number of repeat offenders, we give them a
22 ticket, we take the car, they come right to our
23 impound lot, take the car, and get the car back.
24 And they have every right to do that under current
25 rules and we can't stop them. If we're really

1
2 going to stop the illegal taxis, we need to be
3 able to forfeit the vehicles and, again, we've
4 been working very productively with your
5 colleagues on that. I'm sorry, Ray, can you
6 elaborate?

7 RAY SCANLON: Regarding redeeming
8 the vehicle, essentially, it's a function of going
9 to our Long Island City office to the Office of
10 Judgment Enforcement, they will have to pay a \$200
11 fine, they will pay \$185 tow fee, and \$20 per day
12 storage, and that's essentially--then they would
13 come back--like, this weekend we did a seizure, we
14 seized 95 vehicles this weekend--

15 DAVID YASSKY: Ninety-five.

16 RAY SCANLON: --and 85 of them we
17 somehow shoehorned into our Woodside faculty so
18 what they do is they'll go to Long Island City,
19 pay the fees I just mentioned, they'll come back,
20 come to Woodside, and they'll retrieve the
21 vehicle, and a lot of times we see them the next
22 week.

23 COUNCIL MEMBER BREWER: Thank you
24 very much. I do hope that education is part of
25 the future for the public to know what they are or

1
2 are not supposed to be doing 'cause, you know, for
3 people like me, it's kind of complicated. Thank
4 you.

5 DAVID YASSKY: Thank you for that
6 suggestion, we are, in fact, we're working on
7 materials, not just for our licensees, but also
8 for the public, including, you know, a video, a
9 public service announcement for the back of the
10 taxi cabs, Council Member Brewer, so that
11 passengers will know--

12 COUNCIL MEMBER BREWER:
13 [Interposing] That's why I hit delete.

14 COUNCIL MEMBER BREWER: --
15 passengers will know what to do. Well, you know,
16 I think that you're going to find this one
17 entertaining, as well as instructive.

18 CHAIRPERSON VACCA: Council Member
19 Rose?

20 COUNCIL MEMBER ROSE: Thank you,
21 Chair. You know, recognizing that the TLC's
22 budget is funded entirely out of City Tax Levy
23 funds, are you anticipating an increase in funding
24 coming from the enforcement and implementation of
25 the new five borough livery hail bill? And if so,

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how much?

DAVID YASSKY: Yes, absolutely.

Deputy Commissioner Freud can give you the how much part, but the increase in revenue comes in two ways. First, fees, so the hail licenses, of course, people who get their license will pay a licensing fee, \$500 per year, it's a three-year license and under state law, they're required to pay up front, so that's \$1,500 per license.

Secondly, the enforcement staff that we are continuing to build up, the fines that they collect we expect will continue to increase. In fact, this year, we're well ahead of our projection in terms of fine revenue I'm happy to say thanks to the efficiency of Ray's folks, and, you know, we expect that we'll collect next year than we did this year.

COUNCIL MEMBER ROSE: commissioner, you know, part of making the cabs accessible, 20% of the hail licenses that are going to be issued, the city has agreed to subsidize that \$15,000 each. Are you going to use the money from the enforcement to pay this \$15,000?

DAVID YASSKY: Yes.

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COUNCIL MEMBER ROSE: Yes, okay.

And is this going to be adequate--

DAVID YASSKY: [Interposing] Well from the licensing fees.

COUNCIL MEMBER ROSE: --enough--

DAVID YASSKY: I mean, you said enforcement, but from the licensing fees, yes.

COUNCIL MEMBER ROSE: Okay. And you perceive that it will be adequate for the 20% that you're going to need to be--

[Crosstalk]

DAVID YASSKY: [Interposing] Yes, you know, it's a significant amount of money, \$18 million in the 2013 budget that, you know, all things considered, and of course, there are other use, you know, there are teachers and firefighters and a lot of competing demands for funds, but the state law does mandate that we offer a \$15,000 grant so we will.

COUNCIL MEMBER ROSE: And the livery hail bill allows for reevaluation of exclusionary zones.

DAVID YASSKY: It does.

COUNCIL MEMBER ROSE: Yes. And do

1
2 you anticipate getting any funding, any funds from
3 this reevaluation?

4 DAVID YASSKY: Well I do expect
5 that we'll continue to get license revenue, you
6 know, for the, not just--I was going to say for
7 three years, but really throughout the program.
8 You know, we expect that 6,000 licenses worth of
9 fees will come in each year starting now. I don't
10 think that--I do not foresee any change in
11 exclusionary zones that would affect the level of
12 demand for licenses such that we would see fewer
13 people seeking the license and paying the
14 licensing fees, I don't expect we would see that.

15 COUNCIL MEMBER ROSE: Okay. And
16 then I just want to say that, you know, I
17 requested and my livery drivers had also requested
18 that Staten Island be an exclusionary zone--

19 DAVID YASSKY: Yes.

20 COUNCIL MEMBER ROSE: --and I know
21 it's a year pilot--

22 DAVID YASSKY: Yes.

23 COUNCIL MEMBER ROSE: --I just want
24 you to know we're continue to--

25 DAVID YASSKY: [Interposing] To

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push on it.

COUNCIL MEMBER ROSE: --our fight
for that.

DAVID YASSKY: Yeah, no, I hear
you, you know, look it's an issue that got a great
deal of discussion within the commission and at
the public hearings. I will say the following:
We do see, you know, a certain amount of illegal
street hailing in Staten Island today, less than
in Brooklyn and the Bronx and northern Manhattan,
but we do still see some, so that tells us that
there is some demand for a street hail type taxi
service. That's one.

Two is, as we visited the livery
bases in Staten Island, we have had some bases
that have said no interest in the hail license,
but we have had bases that said they are
interested in the hail license and they believe
there's a market to be served there. So, you
know, our approach has been and will be that we'll
let the market do it. In other words, if livery
drivers want to get the new license and passengers
wish to have that type of service, then they'll
get the license and there'll be customers for it.

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If--

COUNCIL MEMBER ROSE: Commissioner,
could you tell--

DAVID YASSKY: --if not, then not.

COUNCIL MEMBER ROSE: --could you
tell me where you see these illegal street hails
on Staten Island?

DAVID YASSKY: We see around the
mall certainly.

MALE VOICE: Western Beef.

RAY SCANLON: There's Western Beef,
there is the--

[Pause]

DAVID YASSKY: At the Western Beef
indeed, you know, which by the way, offers
excellent value for your groceries, as well as--
and so maybe, you know, that tells you that people
are--

COUNCIL MEMBER ROSE: [Interposing]
And that is exactly why we ask to have a taxi
stand sort of model because we only have--

DAVID YASSKY: [Interposing] I
agree with that.

COUNCIL MEMBER ROSE: --a very

1 limited locations where that takes place--

2 DAVID YASSKY: Right.

3 COUNCIL MEMBER ROSE: --and that
4 could be very easily remedied by a taxi stand type
5 situation.
6

7 DAVID YASSKY: You know, I think
8 there's a lot of merit to that approach, Council
9 Member. In fact, we suggested to some of your
10 industry leaders on Staten Island that they give
11 us a proposed list of taxi stand, if you will,
12 borough taxi stand locations which I would--am
13 still, you know, I still await and would like to.
14 Believe me, we want to see the service available
15 and delivered in the most orderly way possible and
16 I think it is absolutely the case that the vast
17 bulk of Staten Island there and it's not going to
18 be cars cruising around for passengers. You know,
19 I think there still may be some thoroughfare--you
20 know, you have your Victory Boulevards where I
21 think there may well be hail activity or there may
22 not be, we will see.

23 COUNCIL MEMBER ROSE: And you
24 haven't seen hail activity at our train station or
25 our ferry terminal?

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2 DAVID YASSKY: Oh absolutely, I
3 left those out, but--so what I would say is, but,
4 you know, I do think that if you and your
5 colleagues can identify borough taxi stand
6 locations, we can work with you on trying to kind
7 of guide the service there.

8 COUNCIL MEMBER ROSE: Thank you.

9 CHAIRPERSON VACCA: Council Member
10 Jackson.

11 [Pause]

12 DAVID YASSKY: Yeah, come on.

13 COUNCIL MEMBER JACKSON: Well thank
14 you and good afternoon and--

15 DAVID YASSKY: Good afternoon.

16 COUNCIL MEMBER JACKSON: --David,
17 how are you? And hope--

18 DAVID YASSKY: I'm well.

19 COUNCIL MEMBER JACKSON: --the
20 family's well.

21 DAVID YASSKY: Thank you, Mr.
22 Council Member.

23 COUNCIL MEMBER JACKSON: First, I
24 heard about the increase in the taxi fares--

25 DAVID YASSKY: Yes.

2 COUNCIL MEMBER JACKSON: --and I'm
3 in favor of it, let me just tell you that right
4 now 'cause I do know the cost of gas 'cause I do
5 drive and--

6 MALE VOICE: That's how your
7 constituents [off mic].

8 COUNCIL MEMBER JACKSON: Yeah, and
9 quite frankly, gas has gone up so much, an
10 increase is needed, I don't know if it's 20%, but
11 clearly an increase is needed. And I believe you
12 had said in your testimony that the lease rate is
13 remaining the same, or the proposal that's for the
14 lease rate to remain the same, am I right or
15 wrong, did you say that?

16 DAVID YASSKY: Well we have two
17 proposed before us, one--

18 COUNCIL MEMBER JACKSON: Okay.

19 DAVID YASSKY: --from the taxi
20 drivers that--

21 COUNCIL MEMBER JACKSON: Okay.

22 DAVID YASSKY: --proposes the fare,
23 but not the lease rate--

24 COUNCIL MEMBER JACKSON: Okay.

25 DAVID YASSKY: --and then the fleet

1
2 owners propose to raise both the fare and the
3 lease rate--

4 COUNCIL MEMBER JACKSON: I see.

5 DAVID YASSKY: --I guess that is
6 unsurprising. But and, Council Member, I just
7 want to really sincerely thank you for your kind
8 of forthrightness there, it's never easy to say
9 costs should go up, but sometimes it's the right
10 thing, so thank you.

11 COUNCIL MEMBER JACKSON: Listen,
12 one of the things I have a problem with, and
13 you're not the City Comptroller, and I meant to
14 bring it up for a long time even with John--

15 DAVID YASSKY: Yeah, yes.

16 COUNCIL MEMBER JACKSON: --your
17 former--

18 [Crosstalk]

19 COUNCIL MEMBER JACKSON: --
20 colleague, is that when I drive to Albany and take
21 care of business for the City of New York, they
22 only reimburse me 28 cents a mile, that is
23 absolutely ridiculous and the federal rate, as you
24 know, is 50 something cent. It doesn't even pay,
25 you know, my total gas bill. So I'm in favor of

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2 that realistically knowing that the gas is going
3 up so much, so much, that the drivers need an
4 increase. And so I wanted to say that.

5 But also I wanted to ask you a
6 question about M/WBE, do you know what percentage
7 of the TLC's work that you may contract out goes
8 to M/WBEs and, if so, how much money is that and
9 what category?

10 DAVID YASSKY: So first of all, I'm
11 glad you raised that. One thing I'm very proud of
12 is that our licensees, if you will, our business
13 licensees and taxi owners and taxi drivers are
14 business people, especially the owner drivers are
15 really small business people, are overwhelmingly
16 people of color and many, indeed, are, not just
17 many, but, again, overwhelmingly, are immigrants,
18 newcomers to the United States. So the businesses
19 that the TLC licenses and supports really are, I
20 think, just the kind of businesses that we're
21 looking to encourage and to see grow.

22 In terms of our procurement, I'm
23 going to have to get you that, Council Member, I
24 don't have that and--

25 COUNCIL MEMBER JACKSON: Okay.

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DAVID YASSKY: --Deputy
Commissioner, if you do--

[Crosstalk]

COUNCIL MEMBER JACKSON:
[Interposing] If you can get it to us--

DAVID YASSKY: That I will do.

COUNCIL MEMBER JACKSON: --for
example, let's say, whatever your budget is, let's
say, 5%, 10%, 20%, and how many contracts--

[Crosstalk]

DAVID YASSKY: [Interposing] I will
tell you, we do very little procurement--

COUNCIL MEMBER JACKSON: Right.

DAVID YASSKY: --but indeed, there--
our kind of the big items we've done in the last
couple of years are Environmental Impact
Statements, but I'm not even--do we--and just bear
with me--do we do that or agencies do that?

MALE VOICE: We use requirements
contract--

[Crosstalk]

DAVID YASSKY: We use requirements
contract from DOT, so we don't do a lot of
procurement, but I will get you what we do.

2 COUNCIL MEMBER JACKSON: Good. Now
3 talking about the Five-Borough Taxi Plan,
4 obviously, I represent northern Manhattan on the
5 City Council--

6 DAVID YASSKY: Yeah.

7 COUNCIL MEMBER JACKSON: --so I am
8 so pleased now that we're going to have--what
9 color is that, David?

10 DAVID YASSKY: Apple green.

11 COUNCIL MEMBER JACKSON: Apple--

12 DAVID YASSKY: That is an apple
13 green taxi.

14 COUNCIL MEMBER JACKSON: --light
15 apple green taxis rolling around where my
16 residents in my community can go like this because
17 I said before--

18 DAVID YASSKY: You have.

19 COUNCIL MEMBER JACKSON: --going
20 like this as far as we were concerned was always
21 legal and from a practical point of view, hailing
22 is something that we do in our community, now and
23 it's going to be legal, those individuals that
24 pick up, won't be ticketed for illegal hails,
25 that's a good thing. Do you have a guesstimate of

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2 how much money will be generated as a result of
3 either, one, the first phase going in or the full
4 phase, how much money will be generated by the
5 Five-Borough Taxi Plan?

6 DAVID YASSKY: Well in truth, it's
7 cost--it's about cost neutral, revenue neutral,
8 but because we will get--we expect how much in fee
9 revenue this year?

10 [Pause]

11 MALE VOICE: We're going to spend
12 about 54 million--

13 [Crosstalk]

14 DAVID YASSKY: Right.

15 COUNCIL MEMBER JACKSON: Okay.

16 DAVID YASSKY: Okay. Over the next
17 three years, we expect to collect about \$54
18 million in fee revenue, but before we get excited
19 about that, the statute provides that we offer
20 grants of \$15,000 per--

21 COUNCIL MEMBER JACKSON: Fifteen
22 thousand dollars.

23 DAVID YASSKY: --vehicle and that
24 will absorb pretty much the full amount.

25 COUNCIL MEMBER JACKSON: Okay.

2 DAVID YASSKY: Yes.

3 COUNCIL MEMBER JACKSON: Well thank
4 you very much, our--

5 DAVID YASSKY: Yes.

6 COUNCIL MEMBER JACKSON: --five
7 minutes is up. Thank you, Mr. Chair.

8 DAVID YASSKY: Thank you, Council
9 Member.

10 CHAIRPERSON VACCA: Thank you,
11 Council Member Jackson. Commissioner, under the
12 lease cap proposal, increasing the lease cap, what
13 would be the net gain for the drivers under that
14 proposal? And number two, what would--if the
15 drivers' proposal for 20% is enacted, what would
16 be the net gain for drivers there after we
17 subtract cost of gasoline and other expenses that
18 have gone up?

19 DAVID YASSKY: The proposal from
20 the Taxi Workers Alliance, in other words, the
21 drivers, would roughly compensate drivers for the
22 increased costs that they bear over the last six
23 years, plus the effect of inflation in reducing
24 the buying power of their take home pay since
25 2006. So it would roughly bring drivers back to

1
2 the point they were in 2006 in terms of the buying
3 power of their take home. That I can speak to
4 with authority.

5 The Metropolitan Taxi Board of
6 Trade, the fleet owners petition, calls for a
7 approximately 19% fare increase and 19% lease cap
8 increase. Now that doesn't mean it offsets it
9 entirely so I would have to calculate for you what
10 that would do to drivers. I note that they're
11 here and they can probably answer that question
12 better than me.

13 CHAIRPERSON VACCA: But that's part
14 of your assessment when you assess the various
15 proposals.

16 DAVID YASSKY: Oh, of course.

17 CHAIRPERSON VACCA: Okay. Council
18 Member Comrie?

19 COUNCIL MEMBER COMRIE: Thank you,
20 Chair Vacca. Good afternoon.

21 DAVID YASSKY: Good afternoon.

22 COUNCIL MEMBER COMRIE: Is that the
23 only size photo, is that the only size vehicle
24 that you're offering?

25 DAVID YASSKY: No, and the photo

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also is available on a full wall size.

COUNCIL MEMBER COMRIE: No, no, I mean--

DAVID YASSKY: No, no, the--and I when say, I'm sorry--

COUNCIL MEMBER COMRIE: Is that the only vehicle that you're offering?

DAVID YASSKY: No, our--

[Crosstalk]

COUNCIL MEMBER COMRIE:
[Interposing] 'Cause that's not handicapped accessible--

DAVID YASSKY: Our regulations allow any four-door vehicle really to be used as a borough taxi, that's one of--that's a Prius so--

COUNCIL MEMBER COMRIE:
[Interposing] That's an existing Prius.

DAVID YASSKY: Yeah, it's an existing--

COUNCIL MEMBER COMRIE: All right.

DAVID YASSKY: --Prius. We expect that not the 20% that will be wheelchair accessible, the 80% that are not required to be wheelchair accessible, I expect that livery

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2 drivers will overwhelmingly use the car they're
3 using today. They will take their town car, get
4 it painted, put the meter in, and they're good to
5 go. The--

6 COUNCIL MEMBER COMRIE: So, okay,
7 I'm hearing it.

8 DAVID YASSKY: Okay.

9 COUNCIL MEMBER COMRIE: That was
10 just a offset question I was concerned about that.

11 DAVID YASSKY: Yeah.

12 COUNCIL MEMBER COMRIE: I'm
13 concerned that in your testimony, you don't
14 address anything dealing with a division that you
15 cover and that you license and that has been
16 asking you for more support, and those are the
17 legal vans that pick up passengers. I don't see
18 anything in your testimony that addresses what
19 you're doing to try to enhance their ability to
20 maintain a living. And--

21 DAVID YASSKY: [Interposing] Fair
22 enough, and, you know, I will acknowledge, Council
23 Member, our enforcement against illegal van
24 activity has suffered a little bit over the past
25 year. It is as--

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COUNCIL MEMBER COMRIE:

[Interposing] All right, but I mean, you know, we just had a meeting with the--

DAVID YASSKY: We have.

COUNCIL MEMBER COMRIE: --industry and the industry is begging you, pleading with you to try to keep them in business because they are spending a lot of money in insurance and in fines and fees and they are asking for help to try to stave off, you know, illegal people stealing and creating havoc along their route. So I'm--

DAVID YASSKY: I accept--

COUNCIL MEMBER COMRIE: --very disappointed to see that even after that meeting where you made inquiries to us that there's nothing in your testimony describing what would be done to help an industry that's trying to stay legal.

I'm also, you know, disappointed that why are treating the liveries different than we treat the yellow cab, the bases? I don't understand why there is that separation where the liveries are now going to have to deal with one licensed per vehicle, or one license per person as

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2 to creating the opportunities so that they can be
3 just like the yellows. I don't understand why
4 there's this separation and that bespeaks to an
5 element of elitism from one area to the other. I
6 don't understand why they can't have the same
7 opportunities to own a whole multiple licenses
8 because if a person is in a car, if a person has
9 30 or 40 cars, they should have the same
10 opportunity that anyone else has. And to me, this
11 is unfair and definitely smacks of a bias towards
12 an industry that is trying to do the right thing
13 and was willing to be part of the program. So I'm
14 concerned about that.

15 So just to be specific on that, if
16 your hail license is for the individual or for the
17 vehicle?

18 DAVID YASSKY: The vehicle.

19 COUNCIL MEMBER COMRIE: So car
20 number 24, if that breaks down, you're without
21 ability to work for the day. You can't jump in
22 the car 23 with your hail license.

23 DAVID YASSKY: That's correct,
24 you'd have to get the license transferred to a
25 different vehicle.

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2 COUNCIL MEMBER COMRIE: And how
3 would that transfer happen? It couldn't happen
4 the same day.

5 DAVID YASSKY: Realistically not,
6 you'd have to come to our licensing office.

7 COUNCIL MEMBER COMRIE: Right, so
8 it's even deeper than--so there's even a bigger
9 conundrum because now you're asking people that
10 don't have vehicles to get a license for a vehicle
11 that they don't own that's being leased by a
12 livery company that may or may not want the person
13 to have the individual vehicle, and that's just a
14 conundrum that doesn't make sense to a lot of the
15 livery drivers. I've heard you say three times
16 that you've talked to livery owners that want it,
17 but I've been hearing from more and more livery
18 drivers that are expressing this particular
19 frustration to me, that there's no way they feel
20 that they can get their vehicles transferred over
21 because most of their drivers don't have the
22 income to meet your Tuesday deadline. So what's
23 going to happen again is--and my time is up
24 already, but what's going to happen again is those
25 people that have tons of money are going to buy up

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2 the licenses first and the regular man or the
3 person that's trying to get a leg up in this
4 community or even the guys on 234th Street in the
5 Bronx or Jamaica Avenue in Queens are not going to
6 be able to buy a license. So, you know, I'm out
7 of time, so I would appreciate in detailed
8 responses to that issue. I think that--

9 DAVID YASSKY: Okay.

10 COUNCIL MEMBER COMRIE: --we need
11 to go back to Albany and readdress this because
12 there's a grievous error that's done that's going
13 to create another class of people with money
14 buying these licenses, and if they're regular folk
15 that are even trying to get a leg up to do the
16 right thing.

17 DAVID YASSKY: Fair enough. So,
18 Council Member, I'll be--just very briefly, I
19 accept your, you know, chastisement on the van
20 issues. You know, I try and be forthright here
21 and, you know, try and be justifiably proud of the
22 things we've done well, but not everything do we
23 do well every month or every maybe year even. Our
24 van enforcement has suffered, I acknowledge that,
25 I discussed that with you and with your colleague

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2 a short while ago. I do believe, not just
3 believe, but since that discussion, we've been
4 much more active. I will tell you seven vans
5 yesterday, last week seized 17 illegal vans, all
6 in the 103rd and 105th, by the way, so in--
7 precincts, you know, in your territory roughly.
8 We, you know, since that discussion, we've been
9 out and about, it's not long enough period of time
10 that I, you know, I have big numbers I want to
11 boast about yet, like we did last year. I do
12 think we've been responsive when, you know, a year
13 ago when I was here and there were concerns about
14 enforcement.

15 The reason it has suffered is we
16 have focused, it's true, on the Manhattan central
17 business district, downtown Manhattan, midtown
18 Manhattan, concerns raised by many of your
19 colleagues about the prevalence of poaching in
20 those areas. We have adopted an absolutely zero
21 tolerance policy for poaching in the Manhattan
22 central business district and nearby areas and we
23 have our put resource there. But I acknowledge
24 the van part has suffered as a result, we're
25 committed to redressing that, and we already on

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2 our way to doing that.

3 In terms of the issue about one per
4 person. That is not a part of the state law that
5 we sought, but that's what the legislature did and
6 we live by that law. I--

7 COUNCIL MEMBER COMRIE:

8 [Interposing] I would just propose that you give
9 to the Committee after the first sale a list of
10 who the purchasers were. I truly believe that the
11 livery owners that had been purchasing vehicles to
12 make this happen are not going to be able to do it
13 because they were hoping to have the same rights
14 to have multiple licenses so that they could have
15 six drivers to every car just like the yellows do.
16 So, you know, I think that--

17 DAVID YASSKY: I don't--

18 COUNCIL MEMBER COMRIE: --we need
19 to get a breakdown of that because I think that's
20 going to be a real kink in your--well actually,
21 no, you're going to get people with money
22 purchasing, but the folks that don't have but are
23 actually out here working will not be able to
24 purchase.

25 DAVID YASSKY: We will get you

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that--

COUNCIL MEMBER COMRIE:

[Interposing] And I think that the conundrum of not being able to hold the license with the vehicle that you were driving 'cause you can't afford the vehicle is going to be a problem for people. So I would really like to get a breakdown of who is getting the hail license, if that person owned a vehicle previously, and how that breaks down because it's not going to help a lot of the people it was intended to help originally.

DAVID YASSKY: Thank you.

COUNCIL MEMBER COMRIE: Thank you.

CHAIRPERSON VACCA: Thank you.

There being no further questions, I want to adjourn this hearing or adjourn it in recess, we are recessed until May 29th at 12:30 p.m. I thank the Commissioner and his staff for their attendance. Thank you.

It is now 3 p.m., this hearing is adjourned.

CHAIRPERSON RECCHIA: Okay.

SERGEANT-AT-ARMS: Quiet, please.

CHAIRPERSON RECCHIA: This

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2 concludes today's hearing. The Finance Committee
3 will resume executive budget hearing for fiscal
4 year 2013 tomorrow at 11 a.m. This hearing will
5 be located in the Council Chambers. Tomorrow we
6 will hear from the Department of Youth and
7 Community Development and Department of
8 Sanitation. As a reminder, the public will be
9 allowed to testify on the last day of budget
10 hearings on June 6 beginning at approximately 4
11 p.m. For members of the public who wish to
12 testify on June 6 but cannot make the hearing, you
13 can fax your testimony to my attorney Tanisha
14 Edwards and she'll make it part of the official
15 record. Her fax number is (212) 788-7061.

16 FEMALE VOICE: The recess.

17 CHAIRPERSON RECCHIA: Okay? The
18 hearing is now--it's--

19 FEMALE VOICE: It's recessed.

20 CHAIRPERSON RECCHIA: --is recessed
21 until tomorrow.

C E R T I F I C A T E

I, Tammy Wittman, certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature *Tammy Wittman*

Date June 4, 2012