

August 26, 2020

Dear Colleague,

First, I want to recognize and thank you for all your efforts these past months, during this unprecedented public health crisis. While much of New York was on pause, you continued to show up every day to keep the region moving and ensure other essential workers could get to their jobs and help save lives.

That's what makes this letter so hard. At the special August Board Meeting today, we outlined the steps we might have to take, if we don't receive immediate relief from the federal government. We previously told the Board in June and July that, without the additional \$12 billion we are seeking from Congress, we would be facing hard choices – including wage freezes, fare and toll increases beyond those already scheduled, potential service and headcount reductions and a gutting of our historic \$51.5 billion 2020-2024 Capital Program. At today's meeting, we filled in some of the blanks. While no decisions have been made, we laid out the order of magnitude impacts of these actions that we'll need to take, unless we receive immediate federal aid.

Potential scenarios include reducing service on the subway, bus and Staten Island Railway systems by up to 40 percent, and on the commuter rails by up to 50 percent. Needless to say, that would affect every aspect of operations, including thousands of positions that could be lost. We're also looking at potential fare and toll increases beyond those already planned and continuing to pause new capital projects. This would be in addition to the \$540 million in savings we've identified, in controllable overtime, consulting contract reductions, and other non-personnel expense reductions. Even if Washington does come through, we will still face tough choices due to the ongoing impact of this crisis that has significantly reduced ridership and increased costs.

To contextualize the severity of this problem: at the height of the pandemic, we saw ridership across the system drop by more than 90 percent - a level unmatched even during the Great Depression.

To be clear, this is not something we want to do or even thought we might be forced to do. When the new year began, we expected to build on the recent successes we all helped achieve, including six straight months of on-time performance on our subways that topped 80 percent, historic highs in ridership across our system, and the adoption of a new four-year Capital Program that would help replace an aging signal system, undertake important accessibility projects, and purchase new buses and train cars.

But the COVID crisis changed all that. We have already exhausted the \$4 billion federal CARES Act money we received back in March, and it doesn't seem like Washington is in any hurry to offer us an additional lifeline. Without the \$12 billion we are seeking from Congress to help get through 2021, there is simply no way the MTA can continue operating without making draconian decisions that we know will be painful to you and our customers. That's grossly unfair, but that is our reality today. By law we must balance our budget and unlike Washington, we can't print money.

I know this has been an incredibly difficult few months, and the coming months will be challenging as well. As hard as it might be in these uncertain times, our focus must continue to be on the safety, security and reliability of the transportation services that we provide every day. We thank you for everything you've done during this challenging time, and we will continue to keep you updated as we move forward, as the crisis we all face develops.

Patrick J. Foye

Pat Koye

Chairman and Chief Executive Officer

The agencies of the MTA

## SSSA SURBICE NOWING BY Exhibited 1970

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## Michael Carrube President

September 1, 2020

Mr. Patrick Foye Chairman MTA 2 Broadway New York, NY 10004

Dear Chairman Foye,

I am writing to address your letter dated August 26, 2020, which was sent out to SSSA members, as well as to all MTA operating agencies.

Your intentions are a complete slap in the face to all transit workers, regardless of their union affiliation and/or title. In your letter, you mention the "potential" scenarios that will have to take place, such as wage freezes, layoffs, and service reductions if you don't get \$12 billion dollars from Congress.

Well Mr. Foye, why don't you start with all the vendors the MTA has hired over the years and the enormous sums of money paid out to these vendors, which was more then what the actual going rate was for their services. Also, most of the work that your agency has outsourced can actually BE DONE IN HOUSE WITH THE MEN AND WOMAN WHO CURRENTLY WORK IN MTA AGENCIES ALREADY!

The MTA has been mis-managed for decades. Under your administration it continues to be mis-managed and you should be ashamed of yourself. You are no different than your predecessors. If you don't know how to run a company/agency, maybe you should ask a few labor leaders how it's done and done correctly.

I have worked for Transit for over thirty years and I am appalled to see how the MTA treats their front-line, essential workers. Use us when you need us, and discard us when you think you don't need us.

In closing, I want to make it crystal clear that Labor will never be forced to comply with any of your "potential scenarios," should you try to enforce them.

Sincerely,

Michael Carrube

President

John Deliso Executive Vice-President William Torres Financial Treasurer Thomas Tocco Recording Secretary