

**Statement of the Permanent Citizens Advisory Committee to the MTA
Before the MTA Board Finance Committee
April 22, 2013**

We are pleased to see that New York City Transit is discussing the progress made on implementing an Enterprise Asset Management program. This program is a major undertaking, but we believe that the benefits gained in ensuring that resources are expended to have the greatest possible positive impact on performance more than justify this effort.

The PCAC has advocated a principle underlying Enterprise Asset Management, linking expenditures to their impacts on performance, in our research reports *Minutes Matter*, which called for performance indicators to reflect the quality of service provided to riders, and *The MTA in the Age of Big Data*, which explores ways of using of the expanding range of available performance data and interpreting these data to illustrate the relationship between performance and decisions about priorities and the allocation of resources.

We believe that it is time to enter a new management phase at the MTA. Since the Capital Program began in 1982, the MTA has expended approximately \$90 billion. Some of this spending was necessary to stabilize the system in the bad old days when subway cars traveled only 7,000 miles between breakdowns, still more funding was spent on restoring assets to a state of good repair. It is now time to move to a third phase where systematic assessment of performance and evaluation of priorities, risks, and expenditures associated with various assets informs the choices made to achieve the MTA's overall goals. This is more than just another analytical tool; it is a cultural change from a buy it and forget it orientation to a continuous process of measurement, assessment and feedback and adjustment. This change is needed to help the MTA meet the challenge of moving this region, not to mention potential changes in federal requirements for transit operators.

To use a medical analogy, thirty years ago, the MTA system was given emergency care, and over the past three decades state of good repair efforts were the therapy that was needed to restore the system. It's now time for the MTA to make lifestyle changes that are needed to maintain and improve its health and capabilities for years to come. We support your efforts to focus NYC Transit and the MTA on institutional wellness.