



## MINUTES

### Meeting of the Fiscal and Management Control Board

February 8, 2021 AT 12:00 P.M.

10 PARK PLAZA, BOSTON, MA

*This meeting was held virtually in accordance with the Order Suspending Certain Provisions of the Open Meeting Law issued by Governor Baker on March 12, 2020.*

*Members participated remotely and had materials provided to them prior to the meeting. Public participation and comment occurred via written communication, voice message and live public comment through conference call.*

*This meeting was live streamed.*

#### BOARD MEMBERS

##### PARTICIPATING REMOTELY:

Chairman Joseph Aiello, Vice-Chair Monica Tibbits-Nutt, Director Brian Lang, Director Chrystal Kornegay, and Director Tim Sullivan

##### BOARD MEMBERS ABSENT:

None

##### Others Present and/or Participating for Various Portions of the Meeting:

General Manager Steve Poftak, Acting Secretary Jamey Tesler, Deputy General Manager Jeff Gonnevillle, Deputy Director of Stakeholder Engagement Hope Patterson, Chief Safety Officer Ron Ester, Chief Administrative Officer David Panagore, Chief Financial Officer Mary Ann O'Hara, Director of Fare Systems Adam Veneziano, Acting Assistant General Manager for Policy Lynsey Heffernan, Manager of Policy Development and Outreach Anthony Thomas, Assistant Director of Policy Daniel Sullivan, General Counsel Marie Breen, Chief Counsel Michelle Kalowski, and Senior Counsel Amy Nash

#### A. Call to order by the Chairman

Chairman Aiello called the meeting of the Fiscal and Management Control Board to

order at 12:04 PM. Senior Counsel Amy Nash called the roll of the Members participating remotely, being a quorum of the Fiscal and Management Control Board:

<b>Chairman Aiello</b>	<b>Yes</b>
<b>Vice-Chair Tibbits-Nutt</b>	<b>Yes</b>
<b>Director Kornegay</b>	<b>Yes</b>
<b>Director Lang</b>	<b>Yes</b>
<b>Director Sullivan</b>	<b>Yes</b>

**B. Public Comment**

Chairman Aiello asked that any recorded voice mail comments be played for the FMCB. In accordance with the current public health emergency, public comment was taken through an online form, voicemail, email, and regular mail. Written public comments received will be distributed to the Directors as soon as practicable after the meeting.

The Directors listened to public comments left via voicemail:

Staci Rubin of the Conservation Law Foundation urged the MBTA to use federal funds to help with budget shortfalls and complete a fare policy analysis.

Ari Ofsevit of the Institute for Transportation & Development Policy thanked the FMCB for posting today's meeting materials with enough notice to enable public comment on agenda items.

Julie Wallerce of the Institute for Transportation & Development Policy appreciated the posting of today's meeting materials and added that, with favorable December fare revenues, federal funds should be used to restore services.

Caitlin Allen-Connelly, Project Director of A Better City, commented on the FY21 budget and urged that no service cuts be implemented.

Tom Ryan of A Better City said that the MBTA should use federal funding to restore and

improve service and that five percent of such funds should be set aside to fund capital projects.

Jarred Johnson, Executive Director for Transit Matters, urged the MBTA to reverse service cuts and commented on the payment of bonuses to executives when the MBTA is implementing service cuts.

Adam Castiglioni requested that the MBTA restore all current and potential service cuts.

Dave Stevenson, Legislative Representative for Smart Transportation, Local 0898, asked the MBTA to stop any possible furloughs for commuter rail employees.

Mela Miles of the T Riders Union and the Transit Oriented Development Director at Alternatives for Community and Environment commented on Fare Transformation.

Richard Prone of the MBTA Advisory Board and Duxbury urged the FMCB to restore South Shore commuter rail service and weekend service.

Adam, a student in the Boston Public Schools, is disappointed that the MBTA is not using more of the federal stimulus money to roll back service cuts.

Marilyn McNabb commented on RIDE service.

Louise Baxter of the T Riders Union commented on Fare Transformation.

There were no real-time commenters.

### **C. Approval of Minutes**

Before turning to the approval of the minutes of the January 25, 2021 FMCB meeting, Chairman Aiello welcomed Acting Secretary Tesler.

**On motion duly made and seconded, it was by roll call:**

**VOTED: To approve the minutes of the Fiscal Management and Control Board Meeting held on January 25, 2021.**

<b>Chairman Aiello</b>	<b>Yes</b>
<b>Vice-Chair Tibbits-Nutt</b>	<b>Yes</b>
<b>Director Lang</b>	<b>Yes</b>
<b>Director Kornegay</b>	<b>Yes</b>
<b>Director Sullivan</b>	<b>Yes</b>

**D. Public Schedule**

Deputy Director of Stakeholder Engagement Hope Patterson provided an update on the public schedule. She reviewed scheduled meetings and agendas through April.

Chairman Aiello asked if Deputy General Manager Jeff Gonneville would be updating the FMCB in early March on the commuter rail schedule. General Manager Poftak agreed that Mr. Gonneville should be appearing on March 8<sup>th</sup>.

Chairman Aiello also asked when the discussion of service levels would occur. Mr. Poftak said that Vice-Chair Tibbits-Nutt's addition to the Forging Ahead vote called for an update by March 15 but asked if, given the schedule, March 22 would be acceptable. Vice-Chair Tibbits-Nutt agreed, so long as the schedule permitted adequate discussion. Mr. Poftak replied that he would check the agenda and see if there is sufficient time. Mr. Gonneville added that it may be prudent to discuss service levels sooner than later to have time to react to any changes. Chairman Aiello asked to be involved, along with the Vice-Chair, in scheduling.

**E. General Manager's Report**

General Manager Poftak provided his report. Mr. Poftak reviewed current Covid-19 cases and testing, as well as the vaccination roll-out plan. Chairman Aiello asked if ferry operators and other out-sourced operators would be eligible for vaccination. Mr. Poftak replied that they would be eligible.

Mr. Poftak discussed current ridership levels for all modes. Chairman Aiello stated that it would be helpful to see data since January 1, 2021 and data comparing this year's ridership and customer base to last year's ridership and customer base. Mr. Poftak stated that staff can pull together such data. Vice-Chair Tibbits-Nutt asked for the data underlying the slides presented. Mr. Poftak said that he could supply that information.

Continuing his presentation, Mr. Poftak announced an acceleration of the work plan on the Fitchburg commuter rail line with an outage planned in March and April. Chairman Aiello encouraged the acceleration of safety work and praised the tactical response. Mr. Poftak concluded by thanking teams for their work during the recent snow events.

#### **F. Safety Update**

Chief Safety Officer Ron Ester presented his report on safety performance measures and targets. He reviewed each target area, highlighting goals met. Chairman Aiello asked if data collection captures safety performances in areas that are outsourced. Mr. Ester replied that it was capturing information for The Ride, and Mr. Poftak added that data is being captured for bus contractors as well. Chairman Aiello stated that it would be helpful to see what is being reported to the FRA and Coast Guard, even if the data does not match the MBTA metrics exactly. Mr. Ester agreed and said that the FRA and ferry data can be included in the next presentation.

Director Sullivan asked if Mr. Ester could re-review the increase in incidents for rail based on a decline in ridership. A discussion of the data regarding such incidents ensued. General Manager Poftak added that another way of looking at the data is to note that, during the pandemic, the denominator – the number of customer trips – dropped much more dramatically than the numerator, which resulted in an increase in incidents as compared to

the three-year average.

## **G. Budget Update**

Prior to introducing the next presenter, Chief Financial Officer Mary Ann O'Hara, Chairman Aiello said that, in his personal capacity and not on behalf of the FMCB, he disagreed with a recent Boston Globe article concerning the MBTA's budget, praised the MBTA, and commended the MBTA's staff and teams.

Ms. O'Hara provided a budget update concerning December's results. Director Lang asked for clarification about the numbers presented about the Operating Budget Deficiency Fund. Discussion ensued. Chief Administrative Officer David Panagore added that some of the expected savings would come from sales tax acceleration and cost savings and that more detail will be provided at next month's meetings.

Director Sullivan asked if approximately \$600 million in CARES Act money is represented in the totals presented. Ms. O'Hara replied that it was. Director Sullivan asked if it is fair to state that in each month's figures, some amount of CARES Act funds is included, and that, without those funds, the MBTA would have a large monthly deficit. Ms. O'Hara agreed. Director Sullivan said that it would be helpful for the presentation to reflect such detail. Ms. O'Hara stated that she could provide that information.

Chairman Aiello asked for more information about federal formula money that typically is used for capital items but that has instead been used for operating. Ms. O'Hara said she will provide that information. Vice-Chair Tibbits-Nutt said that this additional information helps better explain the Forging Ahead measures to the public. Director Lang added that the capital budget frequently gets lost in the discussion, noting that, during the pandemic, the MBTA shifted a great deal of funding from capital to operating. He added that the GM wisely

determined that a portion of the supplemental funds that the MBTA received should go to replenishing the capital budget.

#### **H. Fare Transformation Update**

Director of Fare Systems Adam Veneziano and Acting Assistant General Manager for Policy Lynsey Heffernan provided an update on Fare Transformation. They also were joined by Manager of Policy Development and Outreach, Anthony Thomas.

Mr. Veneziano began the presentation by reviewing a field demonstration of new fare reader meters. The presenters each spoke on a different area of the project, detailing future testing and roll-out plans, as well as draft regulations governing fare evasion. Vice-Chair Tibbits-Nutt asked if the draft regulations would include proposed fine amounts. Ms. Heffernan said yes. Vice-Chair Tibbits-Nutt asked how fine amounts will be determined. Ms. Heffernan replied that staff looked to other agencies' practices, as well as to parking fine amounts, for guidance.

Director Kornegay asked if, before the project is finalized, the plan will be presented to the FMCB. Ms. Heffernan said yes and explained that the FMCB is required to vote on the plan. Director Kornegay and Vice-Chair Tibbits-Nutt asked about demographic impacts of the plan. Ms. Heffernan said that, with the current program, information about race and age currently are indicated on the tickets.

Secretary Tesler asked that a copy of a sample citation be included in future presentations, as well as information about the current and proposed process. Ms. Heffernan said staff will provide those pieces of information in the future. Director Kornegay also asked that information about who will issue citations be included in the next presentation.

Chairman Aiello said that vetting, training, and oversight of the employees issuing citations will be very important. Ms. Heffernan stated that the MBTA's authority with respect to the regulations is narrow but assured him that staff is focused on such procedures and on the customer experience.

Mr. Thomas continued the presentation with a discussion about making CharlieCards more available. Director Lang asked for more data about where in the system CharlieCards are available, as this issue is extremely important to riders and the community. Mr. Thomas said that he would provide such information.

At the conclusion of the presentation, Chairman Aiello asked for a motion to adjourn.

**On motion duly made and seconded, it was by roll call:**

**VOTED: to adjourn at 2:04 p.m.**

<b>Chairman Aiello</b>	<b>Yes</b>
<b>Vice-Chair Tibbits-Nutt</b>	<b>Yes</b>
<b>Director Lang</b>	<b>Yes</b>
<b>Director Kornegay</b>	<b>Yes</b>
<b>Director Sullivan</b>	<b>Yes</b>

Documents relied upon for this meeting:

- February 8, 2021 Agenda
- FMCB Public Schedule
- Report from the General Manager
- Safety Update
- Safety Update Supplemental Memo
- Budget Update
- Budget Update Supplemental Memo
- Fare Transformation Update