



Charles D. Baker, Governor
Karyn E. Polito, Lieutenant Governor
Jamey Tesler, Acting Secretary & CEO



MINUTES

Meeting of the Fiscal and Management Control Board

June 7, 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 Gonneville, Governance Officer Hope Patterson, Chief Financial Officer Mary Ann O'Hara, MBTA Advisory Board Executive Director Brian Kane, Chief Safety Officer Ron Ester, Deputy Director of Safety Assurance and SMS Implementation Michael Catsos, Chief Administrative Officer David Panagore, Director of Capital Program Planning Jillian Linnell, Senior Director of OPMI Jen Elise Prescott, Director of Performance Management Jessica Baas, Senior Manager of Fare Policy Analysis Andy Stuntz, Deputy Director of Policy and Strategic Planning Lynsey Heffernan, Director of Fare Systems and Fare Transformation Adam Veneziano, Chief Commercial Strategy Officer Elizabeth Winters Ronaldson, Senior Manager of Fare Policy Analysis Andy Stuntz, Chief Engineer Erik Stoothoff, 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 p.m. Senior Counsel Amy Nash called the roll of the Members participating remotely, being a quorum of the Fiscal and Management Control Board:

Chairman Aiello	Yes
Vice-Chair Tibbits-Nutt	Yes
Director Kornegay	Absent for vote
Director Lang	Yes
Director Sullivan	Yes

C. Approval of Minutes

Chairman Aiello turned to the approval of the minutes of the May 10, 2021 FMCB meeting.

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 May 10, 2021.

Chairman Aiello	Yes
Vice-Chair Tibbits-Nutt	Yes
Director Kornegay	Absent for vote
Director Lang	Yes
Director Sullivan	Yes

D. FMCB Public Schedule

Governance Officer Hope Patterson provided an update on the public schedule for the June 21, 2021 Joint Board meeting. General Manager Steve Poftak noted that the GLX agenda item is in the schedule as a place holder, as it is uncertain at this whether a vote will

be needed. Chairman Aiello registered support for the completion of the project in a timely fashion.

E. General Manager's Report

F. Deputy General Manager's Report

Agenda Items E and F were presented together by General Manager Poftak and Deputy General Manager Jeff Gonneville. Mr. Poftak reviewed the status of Covid-19 cases at the MTBA, adding that a vaccine clinic in Everett will occur on June 15 for employees wanting a vaccine and that a raffle for a \$500 Visa gift card will be held weekly for the next ten weeks for employees submitting proof of vaccination. He then reviewed ridership statistics. He closed his report by bidding a fond farewell to MBTA Chief Counsel Michelle Kalowski who will be leaving her post on June 11. Chief Counsel Kalowski expressed her thanks. Chair Aiello echoed Mr. Poftak's comments.

Deputy General Manager Gonneville provided an update on the Orange Line derailment and the investigation into causes and contributing factors. He will report back at the next meeting regarding the reintroduction of the cars back into service. A discussion ensued about the term "coefficient of friction" and future switch repairs.

B. Public Comment

Director Kornegay arrived at approximately 1:28 pm.

At this time, Chairman Aiello returned to the Public Comment portion of the agenda. The Directors listened to public comments left via voicemail:

Brian M. Arrigo, Mayor of Revere, expressed his support for the Red/Blue Line Connector.

Thomas G. Ambrosino, City Manager of Chelsea, expressed his strong support for the

Red/Blue Line Connector.

Boston City Councilor Michelle Wu shared her strong support for the Red/Blue Line Connector.

Jim Aloisi, former Massachusetts Secretary of Transportation, thanked the members of the FMCB for their service and urged them to honor their legacy by committing to completing a plan for the Red/Blue Line Connector.

Jarred Johnson of Transit Matters shared his support for the Red/Blue Line Connector.

Staci Rubin of the Conservation Law Foundation thanked the FMCB for their service and expressed her support for the Red/Blue Line Connector and means tested fares.

Maria Belen Power of Grass Roots shared her support for the Red/Blue Line Connector, and low-income fares.

Julia Wallerice of the Institute of Transportation Development Policy commented in support of a low-income fare pilot and the Red/Blue Line Connector.

Fred Salvucci of Brighton expressed support of the Red/Blue Line Connector. He also commented on the Regional Rail report, offering several suggestions, including replacing the Grand Junction bridge and creating an intermodal interchange at Highway 128 and Interstate 90.

Evan Foss of Newton registered support for the Red/Blue Line Connector and asked if the project plan could include keeping riders from being out on the street at stations and commented on the progress of bus transformation and expressed support for means-tested fares and for a low fine for fare evasion.

Richard Prone, an MBTA Advisory Board member from Duxbury, commented on

Agenda Items I, J, and K, and suggested that riders will return to riding the Commuter Rail.

Caitlin Allen-Connelly of A Better City commented on the FY22 Budget, urging the board to restore pre-pandemic service levels and incentivize new riders.

Tom Ryan of A Better City addressed Agenda Item J, the FY22 Budget, challenging the FMCB to set aside \$30 million for various capital investments. He also thanked the FMCB for their work and applauded the staff for their transparency in their presentations.

Mike Vartabedian of Local 265 urged the adoption of a low-income fare pilot program.

Sarah Kurpial Lee, Assistant Director of Transportation for the Metropolitan Area Planning Commission, thanked the FMCB members for their service and urged the FMCB to adopt a means-tested fare program.

Bill Hayden of Local 265 urged the adoption of a low-income fare pilot program.

Darlene Lombos of the Greater Boston Labor Council shared her support for a low-income fare pilot.

Collique Williams of Community Labor United thanked the FMCB for their service and expressed support for a means-tested fare program.

Sylvia Parsons, Co-Chair of 350 Mass, urged the FMCB to adopt a means-tested fare program and to immediately launch a low-income fare pilot.

Pam Edwards of the Mass Senior Action Council shared her support for low-income fares and asked that the senior community be represented on the new MBTA governing body.

Karen Chen of the Chinese Progressive Association thanked the FMCB for their service and urged the adoption of low-income fares.

Mr. Massimoto of the Public Transit Public Good Coalition thanked the FMCB for their

support for a low-income fare and urged the FMCB to act on a low-income fare program now.

Sarah Wang of the Chinese Progressive Association expressed support for the funding of a low-income fare program in the FY22 budget.

Sabrina Davis of the Public Transit Public Good coalition urged the FMCB to fund a low-income fare pilot.

Ron Irmen of the Public Transit Public Good coalition shared his support for a low-income fare pilot funded in the FY22 budget.

Mela Bush Miles of the T-Riders Union thanked the FMCB for their service and spoke in support of a means-tested fare program.

Gabe Cohen-Glinick of Neighbor to Neighbor urged the FMCB to fund a low-income fare pilot in the FY22 budget.

Baolian Huang of the Chinese Progressive Association urged the FMCB to adopt a low-income fare pilot, funded in the FY22 budget.

Rosa Bentley shared her support for a low-income fare pilot.

Louise Baxter of the Massachusetts Senior Action Council commented on progressive funding and expressed support for a low-income fare.

G. Safety Update

Chief Safety Officer Ron Ester introduced Deputy Director of Safety Assurance and SMS Implementation Michael Catsos, who presented information on internal safety audits. He reviewed the process and status of current audits.

Chairman Aiello commented that the Safety Department has grown in positive ways and asked if there would be a cross reporting of previous findings and issues paired with a

report on final resolutions for outstanding audits. Mr. Catsos replied that he could do this in future report.

H. Budget Update

Chief Financial Officer Mary Ann O'Hara provided a summary of the budget results for April and reviewed the budget with and without CARES Act funds and reviewed the Operating Deficiency Fund.

I. Advisory Board Budget Report

MBTA Advisory Board Executive Director Brian Kane presented the Advisory Board's operating budget oversight report. He reviewed several themes of the report including accountability and transparency, as well as cost containment. He relayed the Advisory Board's support for a future seven-member MBTA-only board to maintain the accountability the FMCB has achieved. Mr. Kane concluded his presentation by thanking all FMCB members, present and since the FMCB's inception, for their hard work and dedication.

J. FY22 Budget Approval

Chief Financial Officer Mary Ann O'Hara reviewed eight aspects and sections of the FY22 budget. Her presentation concluded with a request for FMCB approval of the FY22 budget.

A discussion ensued between Chairman Aiello, Chief Administrative Officer David Panagore, and Ms. O'Hara about the projected balance for the end of FY2023 and about sustainable budget planning. Director Sullivan thanked Ms. O'Hara for her comprehensive presentation.

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

VOTED:

- To approve the Authority’s itemized budget of current operating expenses and debt service costs, for a one-year period from July 1, 2021 through June 30, 2022, in the amount of \$2,354,730,793, as presented at the June 7, 2021 meeting of the FMCB; and
- That the General Manager is hereby authorized and directed to submit the approved itemized budget, in the name and on behalf of the Authority, to the MBTA Advisory Board no later than June 15, 2021 in accordance with Section 20 of Chapter 161A of the Massachusetts General Laws; and
- To authorize the transfer of surpluses, defined as total revenues less total expenses, above the amounts identified in the adopted FY22 budget, as may be amended, to the Operating Budget Deficiency Fund to mitigate the projected deficit in FY23 or FY24 and any other current or future obligations.

Chairman Aiello	Yes
Vice-Chair Tibbits-Nutt	Yes
Director Lang	Yes
Director Kornegay	Yes
Director Sullivan	Yes

L. Service Delivery Policy

Director of Performance Management Jessica Baas presented the proposed 2021 service delivery policy. She reviewed aspects of the policy, highlighting accessibility and equity, the latter being a substantial portion of the update to the policy.

With no questions or comments, Chairman Aiello called for the vote.

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

VOTED: To approve the 2021 update to the Service Delivery Policy as presented at the June 7, 2021 meeting of the Fiscal Management and Control Board and as set out in Appendix A, hereto.

Chairman Aiello	Yes
Vice-Chair Tibbits-Nutt	Yes
Director Lang	Yes
Director Kornegay	Yes
Director Sullivan	Yes

N. Means-Tested Fare Discussion

Chairman Aiello began the discussion by presenting a document that he drafted as a potential board resolution. A discussion ensued among the Directors and staff about the feasibility of the potential resolution, whether it should apply to modes of transport beyond bus and rapid transit, and whether the proposed pilot should last six or nine months.

On motion duly made and seconded:

Whereas the FMCB has been working with the staff to advance the implementation of means tested fares since 2017

Whereas the crisis in the EJ community has become more pronounced and understood, by example in the so-called “K” shape of the economy where lower waged workers have experienced higher unemployment levels and continued lagging growth in wealth

Whereas a successful Means tested fare program would enable not only higher net ridership but also an ability to optimize user revenues

Whereas the FMCB has previously approved the implementation of pilot programs (in commuter rail by example) that tested concepts but lacked certainty over permanent funding

Whereas the FMCB believing that the good work of the staff should continue through the transition to the future Governing body

It was by roll call VOTED that:

- 1. Staff shall move from conceptual possibilities to develop two draft MOUs with counter-parties for a pilot program. The counter parties shall be a) with a program operated by MA HHS if practicable and b) a regional CBO. Highly reliable and updated cost profile shall be presented.**
- 2. The pilot shall encompass at least rapid transit and bus and other modes if practicable and be put in place for 9 months in FY 23 subject to the approval of the future Governing Board**
- 3. The draft MOUs shall be presented to the future Governing Board in the first meeting in October 2021, with the intent to seek direction from that Board**
- 4. Subject to the future Governing Board’s decision and direction, the staff shall be prepared to present a final preferred a final unsigned MOU with the preferred**

Counter party, along with an implementation schedule, full program cost, beneficiary summary and any other information that may be added by the future Governing Board. This final set of facts shall be presented to the future Governing Board on their last meeting of December, 2021. This would enable the Board to enter an FY23 implementation of the Pilot program.

Chairman Aiello	Yes
Vice-Chair Tibbits-Nutt	Yes
Director Lang	Yes
Director Kornegay	Yes
Director Sullivan	Yes

Directors Lang and Sullivan left the meeting at 3:01 p.m.

M. Fare Transformation Update

Deputy Director of Policy and Strategic Planning Lynsey Heffernan, Director of Fare Systems and Fare Transformation Adam Veneziano, and Chief Commercial Strategy Officer Elizabeth Winters Ronaldson presented an update on fare transformation. Mr. Veneziano began the presentation with a review of the project's history and key milestones throughout the project. Ms. Ronaldson discussed the issues of mobility of the marketplace. Ms. Heffernan reviewed policy opportunities, such as fare integration.

Chairman Aiello recalled comments that Vice-Chair Tibbits-Nutt shared with him about fare transformation in 2015 at the FMCB's inception and thanked her for her leadership making it a prominent goal for the FMCB. Chairman Aiello also complimented the staff on their excellent work. Vice-Chair Tibbits-Nutt thanked Chairman Aiello for his kind words and praised the staff's hard work and dedication to the project.

Secretary Tesler echoed the comments of the Chairman and Vice-Chair and stated that the future depends on the ability to deliver, and that all the work done thus far serves to move the project forward.

O. Red-Blue Connector

Chief Engineer Erik Stoothoff presented information regarding the project to connect the Red and Blue subway lines. He reviewed the history of the project and the next steps, including a timeline for a financially unconstrained project. Chairman Aiello thanked Mr. Stoothoff for his thorough presentation.

K. Unconstrained 10-Year Capital Investment Framework

Manager of Capital Programming Jillian Linnell discussed the framework for 10-year capital investment plans. She reviewed what has been accomplished to date and described potential plans for future investments unconstrained by costs. Chairman Aiello encouraged the staff to continue having tough discussions about what can be accomplished with the new governing board with the prioritization report being key.

With no other comments or questions, Chairman Aiello asked for a motion to adjourn.

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

VOTED: to adjourn to Executive Session at 3:59 p.m.

Chairman Aiello	Yes
Vice-Chair Tibbits-Nutt	Yes
Director Lang	Yes
Director Kornegay	Yes
Director Sullivan	Yes

Documents relied upon for this meeting:

- May 10, 2021 Agenda
- FMCB Public Schedule
- Report from the General Manager
- Safety Update
- Safety Update: Supplemental Memo
- Budget Update
- Budget Update – Supplemental Memo
- FY22 Budget Approval
- Unconstrained 10-Year Capital Investment Framework
- Service Delivery Policy
- Appendix A: Updated Service Delivery Policy
- Fare Transformation Update

- Red/Blue Connector Update