



## MINUTES

### Meeting of the Massachusetts Bay Transportation Authority Board of Directors

August 22, 2024, AT 10:00 A.M.

10 Park Plaza, 2<sup>nd</sup> Floor Board Room, Suite 2890  
Boston, MA 02116

***Public participation and comment occurred via written communication, voice message and in-person public comment.***

***This meeting was broadcast virtually.***

**BOARD MEMBERS  
PARTICIPATING IN-  
PERSON:**

Chair Tom Glynn, Director Robert Butler, Director Thomas Koch, Director Tom McGee, Director Mary Skelton Roberts, Director Chanda Smart, Secretary Monica Tibbitts-Nutt

**BOARD MEMBERS  
ABSENT:**

Director Eric Goodwine, Director Charlie Sisitsky

**Others Presenting and/or  
Participating for Various  
Portions of the Meeting:**

General Manager Phillip Eng, Deputy Chief of Staff Darrin McAuliffe, Chief Safety Officer Tim Lesniak, Chief Real Estate Officer Richard Henderson, Chief Financial Officer Mary Ann O'Hara, Treasurer Pat Landers, Director of Fare Policy and Analytics Steven Povich, Assistant General Manager for Policy & Transit Planning Lynsey Heffernan, Chief of Staff Katie Choe, Chief of Paratransit Services Michele Stiehler

**Others Present:**

General Counsel Douglas McGarrah, Chief Counsel Kevin Scanlon, Counsel- Corporate Governance Noah Potash

#### 1. **Safety Briefing**

Deputy Chief of Staff Darrin McAuliffe began with a safety briefing, pointing out the board room's safety features and exit routes and reviewing some back-to-school safety tips for drivers.

## **OPEN OF MEETING/Call to order by the Chair**

Chair Tom Glynn called the meeting of the Massachusetts Bay Transportation Authority (“MBTA”) Board to order at 10:00 a.m. Noah Potash called the roll of the MBTA Board of Directors participating, being a quorum of the MBTA Board:

<b>Chair Glynn</b>	<b>Yes</b>
<b>Director Butler</b>	<b>Yes</b>
<b>Director Koch</b>	<b>Yes</b>
<b>Director McGee</b>	<b>Yes</b>
<b>Director Skelton Roberts</b>	<b>Yes</b>
<b>Director Smart</b>	<b>Yes</b>
<b>Director Tibbitts-Nutt</b>	<b>Yes</b>

## **2. EXECUTIVE SESSION**

Chair Glynn said that the next item on the agenda was an executive session to consider the purchase, exchange, lease or value of real property. He said that he had determined that an open meeting could have a detrimental effect on the negotiating position of the MBTA. He noted that the Board would return to open session following the discussion.

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

**VOTED:**

**To enter executive session to consider the purchase, exchange, lease or value of real property if an open meeting may have a detrimental effect on the negotiating position of the public body.**

<b>Chair Glynn</b>	<b>Yes</b>
<b>Director Butler</b>	<b>Yes</b>
<b>Director Koch</b>	<b>Yes</b>
<b>Director McGee</b>	<b>Yes</b>
<b>Director Skelton Roberts</b>	<b>Yes</b>
<b>Director Smart</b>	<b>Yes</b>
<b>Secretary Tibbitts-Nutt</b>	<b>Yes</b>

*Note: The Board entered executive session at 10:02 a.m. and returned to open session at 10:19 a.m. Secretary Tibbits-Nutt recused herself from a portion of the Executive Session discussion and was not present for that portion.*

## **OPEN SESSION/ACTION ITEMS**

### **3. Consent Agenda**

Chair Glynn explained that a vote to adopt the consent agenda would approve the July 25<sup>th</sup> meeting minutes. He noted that the 10 Park Plaza Occupancy Agreement had been deferred.

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

**VOTED:**

**To adopt the consent agenda.**

<b>Chair Glynn</b>	<b>Yes</b>
<b>Director Butler</b>	<b>Yes</b>
<b>Director Koch</b>	<b>Yes</b>
<b>Director McGee</b>	<b>Yes</b>
<b>Director Skelton Roberts</b>	<b>Yes</b>
<b>Director Smart</b>	<b>Yes</b>
<b>Director Tibbits-Nutt</b>	<b>Yes</b>

### **Public Comment Period #1**

Mela Bush thanked the MBTA for the press event on battery-electric trains for the Fairmount Line and emphasized the importance of avoiding having trains idle on the Line. She commented that it would be helpful for the public to have more information on agenda items prior to meetings.

Dan McElhenney said that the lack of public restrooms on the MBTA has gotten worse since his previous comment on the topic.

### **4. General Manager's Report**

General Manager Phillip Eng began his report by updating on the progress on speed restrictions, noting that teams are currently working on the Red Line and outlining

upcoming work. He discussed improved service with more trips and shorter headways on the Red, Orange, Blue, and Green Lines and the bus system. He recognized Heshan de Silva-Weeramuni, who had set a record on visiting every station on the system. Mr. de Silva-Weeramuni discussed his experience riding the system and commended the work of MBTA staff.

The General Manager discussed Red and Orange Line signal upgrades and recapped the announcement of decarbonization for the Fairmount Line. He provided brief updates on the Alewife complex redevelopment and the Riverside TOD project. and the Riverside TOD project. Mr. Eng recapped the August 1<sup>st</sup> launch of contactless payments. He then thanked the administration and the legislature for their support of the Income-Eligible Reduced Fare program. He noted the strong return of ridership on commuter rail and thanked the board for supporting the purchase of additional bi-level coaches. The General Manager discussed the continued growth of headcount based on hiring and lower attrition levels. He concluded by recognizing the contributions of outgoing Chief Counsel Kevin Scanlon. Director Koch expressed respect for Mr. Scanlon's professionalism and responsiveness.

## **5. Safety Program Update/Transit Safety Plan**

Chief Safety Officer Tim Lesniak began by discussing the background of the FTA-required Transit Safety Plan, which is based on SMS principles. He reviewed key revisions, including updated policy statements, detailing responsibilities, updating definitions, roles and responsibilities, updating details on the Safety Hotline and Safety Performance Targets. Mr. Eng noted that the edits take the new leadership team into account. He noted that Labor and the reporting agencies were heavily involved in the

process. Director Smart, Director Skelton Roberts, and Mr. Lesniak discussed the development of safety performance indicator targets in the plan. Director Smart asked how many people had fainted on the platforms and Mr. Lesniak said that he could get that information.

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

**VOTED:**

**As required by 49 CFR § 673.11 (a)(1), the MBTA Board of Directors hereby approves the Massachusetts Bay Transportation Authority Transit Safety Plan for 2024, as presented to the Board on August 22, 2024.**

<b>Chair Glynn</b>	<b>Yes</b>
<b>Director Butler</b>	<b>Yes</b>
<b>Director Koch</b>	<b>Yes</b>
<b>Director McGee</b>	<b>Yes</b>
<b>Director Skelton Roberts</b>	<b>Yes</b>
<b>Director Smart</b>	<b>Yes</b>
<b>Director Tibbits-Nutt</b>	<b>Yes</b>

Mr. Lesniak provided his report, noting that there were no incidents or corrective actions in the previous month. He reviewed Safety Performance Indicators, noting improvements in bus performance and heavy rail.

## **6. Riverside Development**

Chief Real Estate Officer Richard Henderson presented a proposed development agreement for Riverside, reviewing the existing conditions on the site, the currently approved project, and the board's March 2023 extension of the closing date due to changing market conditions. He reviewed the goals of the project, including housing, retaining parking spaces with room for expansion, and re-structuring the project financials. Mr. Henderson described the new residential-only phase one proposal and noted that the developer would retain rights for a potentially mixed-use development in

phase two. He discussed the project schedule and deadlines and discussed the ground rent for both phases. Director Smart asked if phase two was included in the original project's square footage and Mr. Henderson said that the original project had only one phase. Director Smart asked what would happen if the developer did not proceed with phase two and Mr. Henderson said that the MBTA would still have its surface parking at the location.

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

**VOTED:**

**That the General Manager is authorized on behalf of the Massachusetts Bay Transportation Authority ("MBTA") to negotiate and execute an amendment to the Amended and Restated Forbearance Agreement dated December 30, 2019, to provide for the construction by the Tenant of a two-phase project on the Parcel as described in the materials reviewed by the Board on August 22, 2024, and to take all actions necessary and/or advisable to effectuate the foregoing consistent with the terms of the materials reviewed.**

<b>Chair Glynn</b>	<b>Yes</b>
<b>Director Butler</b>	<b>Yes</b>
<b>Director Koch</b>	<b>Yes</b>
<b>Director McGee</b>	<b>Yes</b>
<b>Director Skelton Roberts</b>	<b>Yes</b>
<b>Director Smart</b>	<b>Yes</b>

*Note: Secretary Tibbits-Nutt recused herself from the Riverside Development item and was not present for the discussion.*

The Board took a lunch break from 11:14 to 11:35 am.

## **7. History of Funding**

Chief Financial Officer Mary Ann O'Hara reviewed the size of the transit network and discussed the implementation of forward funding, the sales tax, and debt service. She then reviewed revenue by source, comparing 200 to 2023. She reviewed sales tax performance, noting that it never met projections. Ms. O'Hara discussed the significant

commitment of MBTA resources required to service legacy and MBTA debt. She noted that assessment revenue has trended down, fare rates have only increased slightly since 2000, gas tax revenue has been stable, and federal awards have expanded since the pandemic. Ms. O'Hara discussed how system expansion has increased operating expenses. She reviewed the expansion of the rapid transit and commuter rail systems since 2000. Ms. O'Hara presented a Pro Forma recap, showing a large deficit beginning in FY26. She recapped state support, noting it has been important to expansion efforts. She provided a comparison with peer agency funding. Ms. O'Hara explained that service has expanded at the MBTA, but revenues are down, while state and federal assistance is up. Treasurer Pat Landers discussed contract assistance, explaining that the legislature created an annually appropriated \$160 million contract assistance payment to compensate for funding that the MBTA did not end up receiving from the 2009 sales tax increase, noting that the MBTA has lost out on approximately \$725 million in revenue over that period. He discussed the proposed new tax increases that were proposed in the 2013 Transportation Finance Framework and noted that contract assistance has performed about \$1.21 billion below projections. He noted that the MBTA received \$211 million from the Fair Share Amendment in FY24 and \$260.5 million in FY25 but noted that further distributions are not known. Ms. O'Hara discussed the fiscal cliff, with a projected deficit starting at \$700 million in FY26. She emphasized the importance of recurring non-appropriation type revenue sources, with a reliable growth trajectory. Director Butler commented on the low percentage of revenue contributed by advertising and parking and Ms. O'Hara said it was something to look at for FY26. Director Skelton Roberts noted that the MBTA needs a recurring revenue

source that they can bond and asked why the MBTA is not receiving 20% of the overall sales tax revenue. Chair Glynn noted that a change would be up to the legislature. Director Skelton Roberts asked about different scenarios if the MBTA does not get revenue relief and Ms. O'Hara said that the Pro Forma process will look at this. Director McGee stressed that importance of understanding how the agency got there and said that fiscal discipline turned into not spending what the MBTA needed to spend. He asked if local assessments falling, and fare revenue decreases had been anticipated. He also noted that the debt profile in the presentation did not include the expansion debts. Mr. Landers discussed expansion funding and noted that low fare recovery ratios mean that operating funding for expansions needs to be increased. Director McGee noted the growth of capital debt in the operating budget. Mr. Landers cited the backlog of the state of good repair work. Director McGee said that capital and operating funding need to be more separated. Chair Glynn said that in the 80s, the capital budget and expansions were considered economic development, and were thus borne by the Commonwealth. He said that the MBTA budget was "spend and bill" and that forward funding was supposed to be the solution, noting that the legislature was taking aim at "budget busters" in the 90s. He added that debt related to Big Dig transit mitigations was parceled out to the MBTA as a response to Big Dig cost increases. Chair Glynn concluded that revenues did not materialize. Director McGee said that the legislator and administration have been supportive recently and said that getting a recurring revenue source would take the heat off the annual appropriation. General Counsel Douglas McGarrah said that as the MBTA right-sizes its workforce, the operating budget gets more scrutiny because the capital dollars are bonded, paying debts, and thus less



flexible. Director McGee said that the MBTA is making great progress, citing Blue Line improvements and stated that employee reductions would be a non-starter.

## **8. Income-Eligible Reduced Fares Implementation Update**

Senior Director of Fare Policy and Analytics Steven Povich began his update on the Income-Eligible Reduced Fares Implementation by discussing the launch timeline, noting that the soft-launch is underway, with the full launch scheduled for September 4<sup>th</sup>. He played a video of the application process, which can take as little as 90 seconds. Mr. Povich presented a map of the in-person service locations and discussed the marketing and communications outreach strategy. Chair Glynn and Mr. Povich discussed the locations of the in-person service centers. Director Smart and Mr. Povich discussed support for older riders. Secretary Tibbits-Nutt asked about expanding language access to match the 15 languages in which driver's manuals are available and Mr. Povich said he would be happy to look into it. Director Smart suggested pairing with Boston Public Schools for additional locations. Director McGee suggested working with school systems in gateway cities as well. Secretary Tibbits-Nutt asked about "other African languages," and Mr. Povich said that that phrasing was used by the MBTA's partners and that he could get more information. Assistant General Manager for Policy and Transit Planning Lynsey Heffernan recognized Mr. Povich's work on the program.

## **9. The RIDE Real Time Information and Customer Service**

Chief of Staff Katie Choe discussed the innovation efforts at the MBTA and introduced Chief of Paratransit Services Michele Stiehler, who presented RIDE Along, developed in collaboration with the Technology Innovation Department, which will provide RIDE users with real-time vehicle information, including estimates for pick-up

times. She said the service will send a link to customers who opt-in and noted that the pilot program will launch on September 24<sup>th</sup>, rolling out fully on October 24<sup>th</sup>. Director Butler asked if the service would apply to RIDE Flex (Uber/Lyft-supported rides), and Ms. Stiehler said that it is currently just for dedicated service providers but work is underway to expand it. Director Butler said that he is feeling better about Uber and Lyft due to a recent decision by the Massachusetts' Attorney General. Director Skelton Roberts asked about Uber/Lyft integration for RIDE Along and Ms. Stiehler said that it is under development.

## **ADJOURNMENT**

With no additional items on the agenda, Chair Glynn asked for a motion to adjourn.

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

**VOTED:**

**To adjourn the meeting at 12:37 p.m.**

<b>Chair Glynn</b>	<b>Yes</b>
<b>Director Butler</b>	<b>Yes</b>
<b>Director Koch</b>	<b>Yes</b>
<b>Director McGee</b>	<b>Yes</b>
<b>Director Skelton Roberts</b>	<b>Yes</b>
<b>Director Smart</b>	<b>Yes</b>
<b>Director Tibbits-Nutt</b>	<b>Yes</b>

### Documents relied upon for this meeting:

- August 22, 2024 Agenda
- Minutes of July 25, 2024 Board Meeting
- MBTA August Presentation
- 8. QCO Update Aug Board 2024
- TIP Update Full Board 08.22.2024 v2
- 7.25.2024 MBTA Board Meeting Minutes
- DRAFT MBTA Board of Directors Deck Safety August 19 9 PM
- 2024 Transit Safety Plan - Key Revisions
- MBTA 2024 Transit Safety Plan w Cover

- MBTA 2024 Transit Safety Plan DRAFT 8-14-24
- FINAL\_Riverside Update for Board Open Session August 22 2024 - Final Version
- Riverside Mark Development Business Memo
- History of Funding Updated V16 8.21.24
- IERF Implementation Full Board August 2024 v1 (3)
- RideAlong Board presentation PE edits 8.22.24