



Charles D. Baker, Governor  
Karyn E. Polito, Lieutenant Governor  
Stephanie Pollack, MassDOT Secretary & CEO  
Frank DePaola, General Manager  
Brian Shortsleeve, Chief Administrator



## **Fiscal and Management Control Board**

November 2, 2015  
MassDOT  
10 Park Plaza, Suite 3830  
Boston, MA

### ***MEETING MINUTES***

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**Members:** Chairman Joseph Aiello, Director Lisa Calise, Director Brian Lang, Director Steven Poftak, and Director Monica Tibbits-Nutt

**Present:** Chairman Aiello, Director Steven Poftak, Director Brian Lang and Director Monica Tibbits-Nutt

**Quorum Present:** Yes

**Other Participants:** Secretary Pollack, Frank DePaola, Brian Shortsleeve, John Englander, Owen Kane, Jeffrey D. Gonnevillle, Jerry Polcari, Andrew Brennan and Christine Ciampa

### **PROCEEDINGS:**

#### **Call to Order by Chairman Aiello**

The Chair called the meeting to order at 1:00pm. He noted that Director Calise was not at the meeting. The Chair opened up public comment.

The first speaker was Raphael Mares from the Conservation Law Foundation. He doesn't believe it is a good idea for the MBTA to have a fare increase over 5%.

The next speaker was Charlie Togalski from T 4 Mass. He supports a fare policy where increases would be in small increments.

The next speaker was Lee Matsuada from Alternatives for the Environment. He would like to see a fare policy where there is a fare cap.

The next speaker was Louis Baxter from TRU. Ms. Baxter is in favor of a fare policy that has a fare cap.

The next speaker was Steven Kaiser. Mr. Kaiser commented on the Bus Maintenance item, delegation of authority, he would like the MBTA to do the planning and not MassDOT. He ended commenting on the electricity procurement and eliminating the PPP.

The next speaker was Roger Evans from Parsons Corp. Mr. Evans commented on the Positive Train Control (PTC) item. He would like to make sure all references are thoroughly vetted and checked concerning the financing for the project.

## **PROCEDURAL ITEMS**

The Chair announced that the minutes will be deferred until the next meeting. The Chair also noted that they will be taking items out of order.

## **PRESENTATIONS/DISCUSSION**

The first item was on the MBTA Safety Plan. Brian Christy from the Department of Public Utilities (DPU) spoke before the Board. Mr. Christy is the Director of Transportation Oversight at the DPU. Mr. Christy discussed the importance of the relationship with the DPU and the MBTA. Ron Nickle, Director

of Safety at the briefly went over the best practices of the MBTA Safety Management Systems.

The next item was the presentation on internal cost control and efficiency opportunities with bus maintenance. Chief Administrator gave a presentation on the current cost of bus maintenance at the MBTA. He invited Craig Hughes, Treasurer-Secretary of Local 264 to speak. Mr. Hughes gave a brief background of his career and his members that work at the MBTA. They discussed costs of the different garages and areas that are more efficient than others. The Chair acknowledged the hard work between the labor unions and management working together. He encouraged them to think about the short term challenges. He also wanted to know if they had done industrial engineering in the old facilities. Director Poftak encouraged management to come up with a maintenance plan and how to make the garages more cost effective. The Board discussed the mid life overhaul of the buses and the number of mechanics and fuelers on the property. He also asked if it is possible to do any of the warranty work on the property. General Manager DePaola asked Chief Operating Officer, Jeffrey D. Gonnevillle to answer Director Poftak's question. COO Gonnevillle responded that major repairs would have to be done off the property but some of the day to day work could be done at some of the Authority's facilities. There were no further questions from the board.

Chair Aiello announced at that time they were going into executive session to discuss pending litigation and real estate negotiations and would be going

back into open session immediately after executive session. The discussion of the real estate matter in open session may have a detrimental effect on the Authority's negotiating position.

The board reconvened in open session at 2:35 pm.

The next item presented was agenda item 7 the presentation on the Hynes Station/Parcel 13. Director Lang noted the great job management did on the negotiations given the charge that they were directed by the previous Board. However, the FMCB would like to review the MBTA's strategic approach to real estate holdings in order to explore approaches that will generate ongoing revenue.

On motion duly made and seconded, it was;

**VOTED:**

**The Fiscal and Management Control Board of the MBTA hereby authorizes the General Manager or his designee to negotiate and execute, in the name of and on behalf of MBTA, and in a form approved by the General Counsel, a station improvements agreement and any and all other instruments and agreements necessary or convenient to effectuate the transactions with TPC Boston Parcel 13 Holdings, LLC or an affiliated single purpose entity for the design and delivery of improvements to Hynes Convention Center Station, such agreement to include the terms upon which TPC Boston Hynes, LLC will: (a) enter into a station design contract with HDR, Inc. for design of said station improvements; and (b) will procure services to construct said station improvements, all consistent with the Term Sheet between MassDOT and TPC Boston Hynes, LLC dated as of October 1, 2015 (the "Term Sheet").**

**Said station improvements agreement and any other necessary instruments and documents shall contain such terms and conditions as determined to be necessary and/or advisable by the General Counsel to document the terms and conditions set forth in the Term Sheet.**

The next item on the agenda was presented by John Englander was the presentation of the delegation of authority for the General Manager. Director Lang asked for some clarification on the vote. He also requested that the board be consulted on certain items that may be in the delegation authority of the General Manager.

On motion duly made and seconded, it was;

**VOTED: That, in order to streamline and create efficiencies in the MBTA and pursuant to Section 3(t) of MGL Ch. 161A, the General Manager, or his designee, is hereby authorized to employ, retain and supervise managerial, professional and clerical staff, other than the Chief Administrator, as necessary to carry out the work of the authority; provided, however, that the General Manager shall consult with this Board in advance on the hiring or termination of certain key staff, including the Chief Operating Officer and the Chief of Police.**

**The General Manager, or his designee, is also authorized to execute in the name and on behalf of the MBTA, all contracts, instruments, and other agreements with a value less than \$15,000,000.00, including but not limited to permits, licenses, grant applications and approvals, dispositions and acquisitions of real estate employment agreements, construction and professional services contracts, contracts for the purchase of goods and services, extra work orders, requests for reimbursements, including, but not limited to, reimbursements from federal agencies, agreements with other political subdivisions, commissions, authorities, and agencies and amendments to any such agreements or instruments; provided, however, that the Board may, from time to time, require the General Manager, or his designee, to consult with the Board in advance regarding certain contracts, instruments or other agreements with a value less than \$15,000,000.00.**

Next Andrew Brennan presented the electricity procurement for use of propelling transit vehicles. Mr. Brennan asked for a vote from the Board so the Authority could go out for a Request for Procurement (RFP). The Chair thanked them for their work and noted it was great news with the pricing.

On motion duly made and seconded, it was;

**VOTED: That, subject to the approval of the Secretary of Transportation, and the completion of a competitive procurement, the General Manager be, and hereby is, authorized to execute a formal contract, in a form approved by the General Counsel, with the designated low bidder, in accordance with the specifications laid out in the Request for Proposal, at a value not to exceed Eighty Five Million dollars (\$85,000,000) for a five year term.**

Next Jerry Polcari, Chief Procurement Officer, presented to the Board on Positive Train Control (PTC). His presentation summarized the PTC regulation and functional requirement. Mr. Polcari was following up on questions the board had from a previous meeting. He asked David Diaz from LTK to discuss the technology associated with the Positive Train Control. The Board discussed the contingency of the project. Chairman Aiello asked about an asset management plan and who the responsibility will be with. Mr. Diaz noted that Keolis will play an active role in the roll out of the PTC. Mr. Polcari noted that he will come back before the board to provide progress reports.

On motion duly made and seconded, it was;

**VOTED: That, subject to the approval of the Secretary of Transportation, and the completion of the FTA Pre-Award Buy America audit the General Manager be, and hereby is, authorized to execute a formal contract, in a form approved by the Board of Directors, with Ansaldo STS USA, Inc. for the Procurement of a System Integrator to Design, Build, Test, and Place**

**Into Service a Positive Train Control System, in accordance with the specifications in RFP 42-14, at a value, not to exceed of Three Hundred Thirty Eight Million Four Hundred Fifty Seven Thousand One Hundred Thirty Four dollars (\$338,457,134.00).**

The General Manager and Chief Administrator announced that they will defer their reports for this meeting.

The final item on the agenda was the presentation of the State of Good Repair presented by Thomas Dugan. Mr. Dugan went through a PowerPoint updating the board from the progress of their work since their last presentation. Director Poftak left the meeting at 3:30 pm.

Mr. Dugan asked the board to review the information they have and send them any feedback. There were no further questions from the board.

On motion duly made and seconded, it was;

**VOTED: to adjourn.**

**DOCUMENTS RELIED ON IN THE MEETING**

Safety Presentation  
Electricity Procurement Presentation  
Bus Maintenance Presentation  
Positive Train Control Presentation  
Hynes Station/Parcel 13 Presentation  
State of Good Repair Presentation