



**Fiscal and Management Control Board
Transportation Board Room
10 Park Plaza
June 19, 2017
*MEETING MINUTES***

Present: Chairman Joseph Aiello, Director Steven Poflak and Director Lisa Calise and Monica Tibbits-Nutt (arrived at 11:55)

Quorum Present: Yes

Others Present: Secretary Pollack, John Englander, Owen Kane, Brian Shortsleeve, Jeffrey Gonneville, Mike Abramo, MassDOT Director Joseph Sullivan (at 12:41 p.m.), Beth Larkin, Scott Hamwey, Trey Wadsworth, John Dalton, Jerry Polcari, Janelle Chan and Jordon Mooney

PROCEEDINGS:

At the call of Chairman Aiello, a meeting of the Fiscal and Management Control Board was called to order 11:40 a.m. p.m. at the State Transportation Building, Transportation Board Room, 10 Park Plaza, Boston, Massachusetts.

Chair Aiello opened up the public comment session.

The first speaker was Mr. Richard Prone, MBTA Advisory Board representative from Duxbury who commented on the Commuter Rail Vision Study, South Coast Rail and the overhauling of locomotives.

Next, Carolyn Villers, Executive Director of the Massachusetts Senior Action Council and Mr. Bill Henning, Executive Director from the Boston Center for Independent Living commented on the transition to The Ride call-in center.

Next, Stephen Kaiser suggested that an update on Green Line capacity be included in an upcoming meeting

Next, James O'Brien, President of Boston Carmen's Union Local 589, commented on the MBTA Retirement Fund pension.

Next, Louise Baxter from the Transit Riders Union commented on the Commuter Rail Vision and the MBTA Retirement Fund.

Next, Mike Vartabedian from Local 264 informed the Board that he was still waiting for information previously requested regarding Bus Maintenance outsourcing.

Next, Carl Seglem from Brighton commented on the public meeting schedule and the Commuter Rail Vision agenda item.

Next, Marilyn McNabb commented on The Ride service air quality.

Next, Regina Tham commented on MBTA outsourcing.

Lastly, Mela Miles, Chair of the Fairmount Indigo Coalition, commented on the Commuter Rail Vision agenda item and affordability of commuter rail.

Next, Chairman Aiello called upon Chief Administrator and Acting General Manager Brian Shortsleeve to present Agenda Item 1, the General Manager's report. Mr. Shortsleeve updated the Board on the MBTA Retirement Fund

Sensitivity Analysis, as set forth in the attached presentation labeled “MBTA Retirement Fund Update, June 19, 2017.” Discussion ensued.

Mr. Shortsleeve continued with the second part of his report regarding the MBTA debt, as set forth in the attached presentation labeled “MBTA Debt Update, June 19, 2017.” Discussion ensued.

Next, Chairman Aiello called upon Chief Operating Officer Jeffrey Gonneville to present Agenda Item 2 – the Report from the Chief Operating Officer. Mr. Gonneville updated the Board on the prior week’s service interruptions, weekly reliability, and commuter rail locomotive and coach availability and commuter rail on-time performance, as set forth in the attached presentation labeled “COO Remarks, June 19, 2017.”

Mr. Gonneville also thanked MBTA employees for volunteering in assisting the public during the “Tall Ships” event and acknowledged the participants of the APTA Rail Roadeo held earlier in the month.

Next, Chairman Aiello called upon Byron Lynn, Deputy Director of Policy and Analysis to present Agenda Item 3 – the FMCB Calendar. Mr. Lynn reviewed the upcoming agenda with the Board, as set forth in the attached presentation labeled “FMCB Public Schedule, June 19, 2017.” Discussion ensued.

Next, Chairman Aiello called upon Assistant General Manager for Capital Delivery, Beth Larkin to present Agenda Item 4 – a discussion and possible action on Wollaston Station Improvements and Quincy Garage Demolition. Ms. Larkin provided an update and overview to the Board of the project including: funding;

operations during construction; construction project overview; and construction mitigation and advertisement, as set forth in the attached document labeled “Construction Contract A47CN01: Wollaston Station Improvements and Quincy Center Garage Demolition, June 2017.” Discussion ensued.

On motion duly made and seconded, it was;

VOTED:

That the General Manager be, and hereby is, authorized to execute in the name and on behalf of the Authority, and in a form approved by the General Counsel, Construction Contract No. A47CN01: Wollaston Station Improvements and Quincy Center Garage Demolition Project with JV:LM Heavy Civil Construction, LLC. and Cooperative Muratori & Cementisti - CMC di Ravenna for an amount not to exceed \$67,867,000.00.

Next, the Chairman called upon Mr. Gonneville to present Agenda Item 10 – the Overhaul of 10 Locomotives. Mr. Gonneville provided an overview of the program, and introduced Assistant General Manager of Commuter Rail and Ferry Services Jody Ray to provide the Board with procurement details of the project, as set forth in the attached presentation labeled “10 F40 Locomotive Overhaul, June 19, 2017.” Steve Adkins, Director of Maintenance contributed to the presentation. Discussion ensued.

On motion, duly made and seconded, it was;

VOTED:

That the Acting General Manager, or his designee, is hereby authorized to execute in the name of and on behalf of the Massachusetts Bay Transportation Authority (the “MBTA”), subject to

the successful completion of FTA Pre Award Buy America audit requirements, and in a form approved by the General Counsel, the Overhaul of Ten (10) F40PH-2C/F40PHM-2C Locomotives (a/k/a Ten Loco Overhaul) contract, in an amount not to exceed \$26,898,320., to Motive Power, Inc., effective on June 19, 2017 and for an overall duration of twenty-one months from Notice to Proceed (21 months from NTP).

Next, Chairman Aiello called upon Scott Hamwey, Manager of Long Range Planning to present Agenda Item 6 - the Commuter Rail Vision Update. Mr. Hamwey said the MBTA needed to better understand the future of commuter rail infrastructure and service to inform capital investments including the fleet procurement and the procurement of the next operation contract, as set forth in the attached presentation labeled "Rail Vision, June 19, 2017." Discussion ensued.

Next, the MassDOT Board of Directors was gaveled in at 1:14 p.m by Chairman Stephanie Pollack to begin the Joint portion of the MassDOT and FMCB meeting.

Members of the MassDOT Board present were Directors Ruth Bonsignore, Dominic Blue, Timothy King, Dean Mazzaella, Joseph Sullivan, Betsy Taylor in addition to Directors Lisa Calise, Steven Poftak, and Monica Tibbits-Nutt who are members of both Boards.

Chair Pollack opened up the public comment session for MassDOT and Joint Board agenda items.

The first speaker was Stephen Kaiser who commented on the Green Line Extension update.

The next speaker was Kevin Rainsford from the Jamaica Plain Neighborhood Council who commented on the Arborway Yard.

The next speakers were Louise Baxter from TRU and Mela Miles from the Fairmount Coalition who commented on the Transit Oriented Policy.

Next, Chairperson Pollack called upon Green Line Extension Program Manager John Dalton to present Agenda Item 7 – the Green Line Extension Update. Mr. Dalton provided an update on the schedule, FTA Engagement and GLX public outreach, as set forth in the attached presentation labeled “Green Line Extension Project, June 19, 2017.” Discussion ensued.

Next, Chair Pollack called upon Janelle Chan, Chief of Real Estate to present Agenda Item 8 – a discussion of the Transit Oriented Development Policy. Ms. Chan provided background of the policy development, guidelines and implementation of the policy, as set forth in the attached presentation labeled “Transit-Oriented (TOD) Policy and Guidelines, June 19, 2017.” Discussion ensued.

On motion duly made and seconded by the MassDOT Board, it was;

VOTED:

That the Board of Directors hereby adopts the Transit – Oriented Development (TOD) Policies and Guidelines entitled “Massachusetts Bay Transportation Authority, Massachusetts Division of Transportation TOD Policies and Guidelines” as presented to the Board during the June 19, 2017 meeting and authorizes the Secretary/CEO or her designee, to take all necessary steps to implement said Policy, in the name and on behalf of the Massachusetts Department of Transportation.

On motion duly made and seconded by the FMCB, it was;

VOTED:

That the Fiscal and Management Control Board (“FMCB”) hereby adopts the Transit – Oriented Development (TOD) Policies and Guidelines entitled “Massachusetts Bay Transportation Authority, Massachusetts Division of Transportation TOD Policies and Guidelines” as presented to the FMCB during the June 19, 2017 meeting and authorizes the General Manger or his designee, to take all necessary steps to implement said Policy, in the name and on behalf of the Massachusetts Bay Transportation Authority.

Next, Chair Pollack called upon MassDOT’s Manager of Capital Planning, Trey Wadsworth to present Agenda Item 9 – the Final 2018-2022 CIP Update. Mr. Wadsworth provided a follow-up to the June 13 Capital Programs’ Committee Meeting on public engagement, equity analysis, capital outcomes, highway pay-go sources and the South Coast Rail. Mr. Wadsworth continued with an update of the CIP process, as set forth in the attached document labeled “Final 2018-2022 CIP Update Joint Board presentation.” Discussion ensued.

On motion duly made and seconded by the MassDOT Board, it was;

VOTED:

That the Board of Directors hereby approve the Capital Investment Program (CIP), and that the Secretary/CEO is authorized, in the name of and on behalf of the Massachusetts Department of Transportation (Department), to take any steps she deems necessary and appropriate, to provide notice to the Legislature and the public of the Department’s proposed Fiscal Year 2018 - Fiscal Year 2022 CIP.

On motion duly made and seconded by the FMCB, it was;

VOTED:

That the Fiscal and Management Control Board hereby approves the Capital Investment Program (CIP), and that the Secretary/CEO is authorized, in the name of and on behalf of the Massachusetts Department of Transportation (Department), to take any steps she deems necessary and appropriate, to provide notice to the Legislature and the public of the Department's proposed Fiscal Year 2018 - Fiscal Year 2022 CIP.

Next, Chair Pollack called upon Jordan Mooney, the MBTA's Senior Financial Strategy Analyst to present Agenda Item 10 – the Bond Proceeds Usage Resolution. Mr. Mooney explained that a reimbursement resolution was a board action that allows an agency to reimburse itself for expenditures made before issuance of tax-exempt debt. He discussed the reimbursement resolution, reimbursement procedure and reimbursement resolution considerations, as set forth in the attached presentation labeled “Federally Mandated Bond Proceeds Usage Resolution (“Reimbursement Resolution”), June 2017.” Discussion ensued.

On motion duly made and seconded by the FMCB, it was;

VOTED:

To recommend that the Board of Directors of the Massachusetts Department of Transportation that the General Manager of the Massachusetts Bay Transportation Authority (the “MBTA”), or his designee, to adopt on behalf of the MBTA during the Fiscal Year ended June 30, 2018, one or more written statements of official intent with respect to the making by the MBTA of expenditures from internal loans and/or advances (including expenditures made within the 60 days prior to the adoption of each such statement of official intent)

from the general funds or other available funds of the MBTA for the projects and in the maximum amounts set forth in the 2018 Capital Investment Program of the MBTA, each such statement to include a general description of the project, to provide that said loans and advances are to be made (a) in anticipation of reimbursement from proceeds of tax-exempt debt obligations of the MBTA or another issuer of such obligations and (b) from funds authorized within MBTA's budget, and to set forth a maximum principal amount of any debt to be incurred for the project.

On motion duly made and seconded by the MassDOT Board, it was;

VOTED:

That the Board of Directors of the Massachusetts Department of Transportation (the "Board") authorize the General Manager of the Massachusetts Bay Transportation Authority (the "MBTA"), or his designee, to adopt on behalf of the MBTA during the fiscal year ending June 30, 2018, one or more written statements of official intent with respect to the making by the MBTA of expenditures from internal loans and/or advances (including expenditures made within the 60 days prior to the adoption of each such statement of official intent) from the general funds or other available funds of the MBTA for the projects and in the maximum amounts set forth in the 2018 Capital Investment Program of the MBTA, each such statement to include a general description of the project, to provide that said loans and advances are to be made (a) in anticipation of reimbursement from proceeds of tax-exempt debt obligations of the MBTA or another issuer of such obligations and (b) from funds authorized within MBTA's budget, and to set forth a maximum principal amount of any debt to be incurred for the project.

Next, Chair Pollack asked Chair Aiello to present Agenda Item 12 - the standing FMCB report to the MassDOT Board. Mr. Aiello noted recent developments of the FMCB including update on the MBTA Retirement Fund; the Silver Line Gateway; the Recruitment & Retention Fund and Secondment Program and an amendment to the MBTA's Ferry Services Contract.

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

Chair Aiello Yes

Director Calise Yes

Director Poftak Yes

Director Tibbits-Nutt Yes

VOTED:

To enter into Executive Session at 2:18 p.m. for a discussion of strategy with respect to litigation.

Documents relied upon for this meeting

MBTA Retirement Fund Update, June 19, 2017

MBTA Debt Update June 19, 2017

COO Remarks, June 19, 2017

FMCB Public Schedule

Construction Contract A47CN01: Wollaston Station Improvements and Quincy Center Garage Demolition

10 F40 Locomotive Overhaul

Rail Vision, June 19, 2017

Green Line Extension Project

Transit-Oriented (TOD) Policy and Guidelines

Final 2018-2022 CIP Update Joint Board presentation

Federally Mandated Bond Proceeds Usage Resolution ("Reimbursement Resolution")