



**Fiscal and Management Control Board
Transportation Board Room
10 Park Plaza
Boston, MA
March 6, 2017
*MEETING MINUTES***

Present: Chairman Joseph Aiello, Director Lisa Calise (at 1:24 p.m.)
Director Steven Poftak and Director Brian Lang

Quorum Present: Yes

Others Present: Secretary Pollack, Brian Shortsleeve, John Englander, Owen Kane, David Block-Schachter, Paul Brandley, Gerry Polcari, Michael Lambert, Joanna Aalto, Mike Abramo, Jody Ray, Evan Rowe and Beth Larkin

PROCEEDINGS:

At the call of Chairman Aiello, a meeting of the Fiscal and Management Control Board (FMCB) was called to order at 12:04 a.m. at the State Transportation Building, Transportation Board Room, 10 Park Plaza, Boston, Massachusetts.

Next, Chair Aiello opened up the public comment session and announced he had received written testimony from Eileen McAnney, President of the Mass Taxpayers Foundation, regarding the bus maintenance agenda item, and asked that it be entered into the record.

Next, the following individuals all commented on the Bus Maintenance outsourcing agenda item: Charlie Chieppo and Greg Sullivan from the Pioneer Institute; David Begelfer- CEO of NAIOP; Craig Hughes- Special Representative for Local 264 accompanied by Eric Marganti, Jim Mastandrea and Bill Hallsen, all of International Association of Machinists (IAM); Representative Steve Howitt and machinists Peter O'Neil and Chris Mahoney.

Next, Mike Vartabedian of the Machinists Union asked the Board to retain current machinist employees.

Next, Acting General Manager Brian Shortsleeve recognized MBTA employees Kevin O'Brien, Ed Reynolds, Richard Ryan and Stephen Nadolna for their recent efforts saving the life of a MBTA rider.

Lou Antonellis, President of IBEW Local 103, further recognized those employees, along with other Local 103 members, and commented on outsourcing of the bus maintenance facility and the construction component of AFC 2.0.

Next Louise Baxter commented on outsourcing and Automated Fare Collection.

Next, Steven Kaiser suggested a future board item on ridership and capacity.

Lastly, Jack Converse commented on the sound system.

Next, was the approval of the minutes of the February 6, 2017 meeting.

On motion duly made and seconded, it was

VOTED: to approve the minutes of February 6, 2017.

Next, was the approval of the minutes of the February 27, 2017 meeting.

On motion duly made and seconded, it was

VOTED: to approve the minutes of February 27, 2017

Next, Chairman Aiello called upon Chief Administrator and Acting General Manager Brian Shortsleeve to present Agenda Item D, the GM Remarks, a discussion of financial performance and other related matters. Mr. Shortsleeve noted the announcement of the 10,000th pilot trip and expansion of the pilot to all RIDE customers; discussed the modernizing of the RIDE and updated the board on the proposed bus maintenance savings strategy. He also acknowledged the three MBTA electricians and the Green Line Inspector who resuscitated a customer, as set forth in the attached presentation labeled “GM Remarks, March 6, 2017.”

Next, the Chair skipped to Agenda Item F and asked GM Shortsleeve to discuss the Innovation Proposal Update on Bus Maintenance. Mr. Shortsleeve introduced Mark Ash, the CEO of Transpro to give the presentation. Mr. Ash updated the Board on the innovation proposal for Bus Maintenance with the potential of saving millions of dollars in maintenance costs, as set forth in the attached presentation labeled “Innovation Proposals: Bus maintenance, March 2017.” Discussion ensued.

Chairman Aiello asked Deputy Director Policy and Analysis, Byron Lynn, to present Agenda Item E, the FMCB Public Schedule. Mr. Lynn reviewed the

upcoming FMCB agenda items, as set forth in the attached presentation labeled “FMCB Schedule.”

Next, Chair Aiello called upon Assistant General Manager for Capital Program Oversight, Joanna Aalto to present Agenda Item G, an update on the Capital Delivery Program. Ms. Aalto updated the Board on the progress of the four Capital Delivery goals that were presented at the November 2016 meeting and said the objective was to double the capital delivery from \$3.0 billion to \$6.5 billion over the next five years, as set forth in the attached presentation labeled “FY17 Capital Program Update, March 6, 2017.” Discussion ensued.

Next, Chair Aiello called upon Chief Technology Officer David Block-Schachter to present Agenda Item H, AFC 2.0 update. Mr. Block-Schachter updated the Board on the RFQ/RFP process and contract overview. Mr. Block-Schachter further updated the Board on the schedule, cost components and direct payment of construction financing, as set forth in the attached presentation labeled “AFC 2.0 Update, March 6, 2017.” Discussion ensued.

Chairman Aiello asked Assistant General Manager of Capital Delivery, Beth Larkin to present Agenda Item I, an update on Positive Train Control. Ms. Larkin provided an overview of the Commuter Rail Positive Train Control Program and Regulatory Schedule, the design and installation schedule, and the required weekend shutdowns and program budget, as set forth in the attached presentation labeled “Commuter Rail Positive Train Control Program Update, March 6, 2017.” Discussion ensued.

Next, the Chair called upon Keolis Chief Executive Officer & General Manager David Scorey to present Agenda Item J, the Commuter Rail/Keolis update. Mr. Scorey discussed the coaches in service, the locomotive availability and the train cancellations, as set forth in the attached document labeled “Commuter Rail - FMCB Monthly Update, March 6, 2017.” Assistant General Manager of Railroad Operations, Jody Ray contributed to the presentation. Discussion ensued.

Next, Chairman Aiello called upon Director of Revenue Evan Rowe to present Agenda Item K, an update on Commuter Rail: Best Practices. Mr. Rowe reviewed the alignment of the MBTA/Commuter Rail Operating Agreement and introduced Tom Rousakis, Senior Managing Director at Ernst & Young Infrastructure Advisors to present the revenue growth proposal, as set forth in the attached presentation labeled “Commuter Rail: Best Practices and Revenue Growth Proposal, March 6, 2017.” Discussion ensued.

On motion, duly made and seconded, it was;

VOTED: That the members of the Fiscal Management and Control Board (the “FMCB”) hereby approve and authorize the General Manager, or his designee, to execute in the name and on behalf of the Massachusetts Bay Transportation Authority (“MBTA”), the amendment presented to the FMCB this date and in a form to be approved by the General Counsel, to effectuate the Revenue Growth Proposal, under the Commuter Rail Operating Agreement Contract No. 159-12 dated February 5, 2014 between the MBTA and Keolis Commuter Services, LLC.

Chairman Aiello deferred Agenda Item L – the ODCR update, to a future meeting.

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

Chair Aiello yes

Director Calise yes

Director Lang yes

Director Poftak yes

VOTED: to enter into Executive Session for a discussion of strategy related to collective bargaining at 2:51 p.m.

Documents relied upon for this meeting:

The minutes of February 6, 2017

The minutes of February 27, 2017

GM Remarks, March 6, 2017

Innovation Proposals: Bus maintenance, March 2017

FMCB Schedule

FY17 Capital Program Update, March 6, 2017

AFC 2.0 Update, March 6, 2017

Commuter Rail Positive Train Control Program Update, March 6, 2017

Commuter Rail - FMCB Monthly Update, March 6, 2017

Commuter Rail: Best Practices and Revenue Growth Proposal, March 6, 2017