



# **Massachusetts Bay Transportation Authority**

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## **General Manager's Remarks**

### **Fiscal and Management Control Board**

**April 9, 2018**



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## Agenda

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- Silver Line: World Trade Center Station
- Silver Line: MBTA-Massport reconciliation
- AFC 2.0 quarterly update
- Fiscal 2019 budget



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## Silver Line – World Trade Center Station

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- Wednesday, April 4, construction proximate to WTC resulted in station damage
- WTC and transitway were closed until safe to reopen
- Major inconvenience to customers
- MBTA requires license agreement for construction
  - Pre- and post-construction surveys
  - Detailed workplans
- T revising workplans before allowing construction to resume

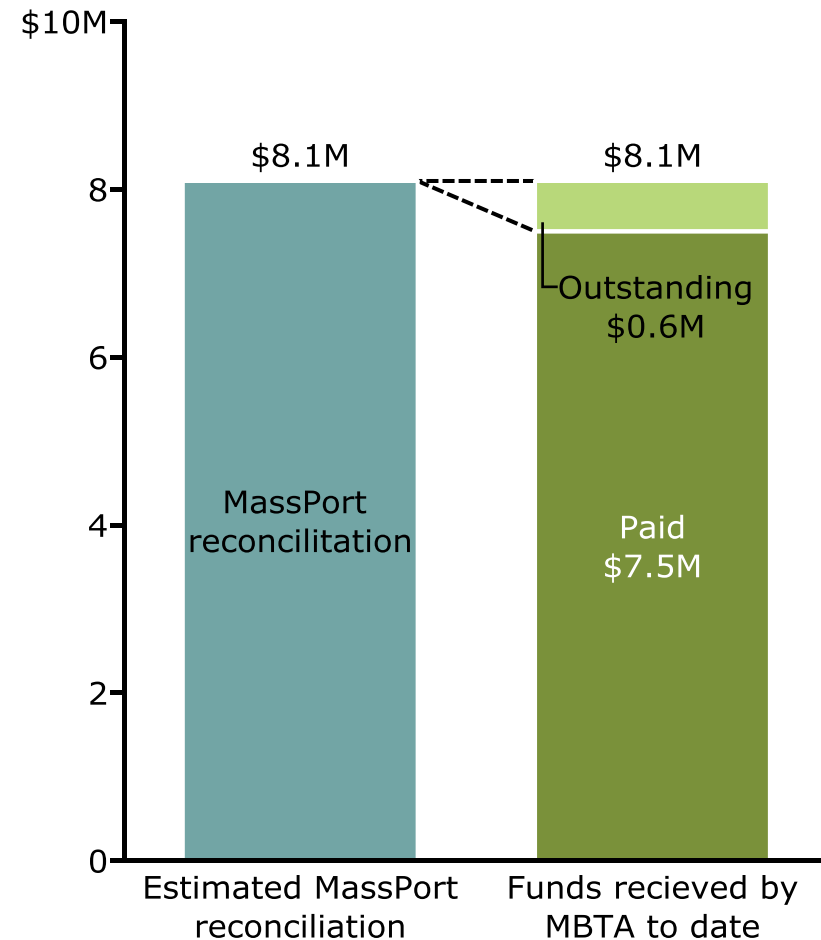


## MBTA reconciliation with Massport for Silver Line service to Logan International Airport

- In December 2004, MBTA and Massport executed an Interagency Operating and Maintenance Agreement for Silver Line service between South Station and Logan International Airport
- Revenue and costs (capital, operating, and maintenance) are shared according to a service mile calculation: MBTA 23.94% and Massport 76.06%
- Until 2016, the MBTA and Massport had not reconciled actual figures for past service
- The MBTA has since collected \$7.5M for past service and mid-life overhauls for eight (8) buses
- An invoice for the final overhaul was sent on April 2
- The MBTA now invoices monthly for O&M based on actuals rather than estimates:

FY18 Monthly Invoice Amount: \$238,019

Historical Estimated Invoice Amount: \$166,667





## AFC 2.0 Quarterly Update

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- Reminder, commercial/financial close reached on March 20
- Total program – capital and operating – cost: \$701.3M
  - Approximately \$22M less than initial estimate
- Contract with Cubic | John Laing team is first public-private partnership for MBTA





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## Fiscal 2019 Budget

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- Budget maintains discipline while making key improvements
- Seeks \$25M increase in own-source revenue
- Seeks \$30 in cost savings through Lean Productivity Implementation
- Funds services such as SL3, Foxborough, Early Morning Bus
- Structural deficit reduced to \$35.6M
  - With no action, deficit was trending toward \$400M in FY19