**Fiscal and Management Control Board**

**Transportation Board Room**

10 Park Plaza

March 5, 2018

12:00 noon

***MEETING MINUTES***

**Present:** Vice Chair Steven Poftak, Director Brian Lang and Director Brian Shortsleeve

**Quorum Presen**t: Yes

**Others Present:** Secretary Stephanie Pollack, Luis Ramirez, Jeffrey Gonneville, Marie Breen, Owen Kane, Mike Abramo, Paul Brandley, Jamey Tesler, Daniel Sullivan, Evan Rowe, Laurel Paget-Seekins and David Block-Schachter

**PROCEEDINGS:**

At the call of Vice Chair Poftak, a meeting of the Fiscal and Management Control Board was called to order at 12:13 p.m. at the State Transportation Building, Transportation Board Room, 10 Park Plaza, Boston, Massachusetts.

There was no public comment period.

Next, was the approval of the minutes of the February 26, 2018 meeting.

On motion duly made and seconded, it was;

**VOTED: to approve the minutes of the February 26, 2018.**

Next, Vice Chair Poftak called upon General Manager Luis Ramirez to present Agenda Item C, the General Manager’s report. Mr. Ramirez provided an overview of the FY19 budget process and statement of priorities. Mr. Ramirez continued with an update on customer communications and the early morning bus pilot. Mr. Ramirez concluded with a storm update on the recent Nor’Easter with contribution from Deputy General Manager Jeffrey Gonneville on the MBTA’s operational issues and remedies, as set forth in the attached document labeled “General Manager’s Remarks, March 6, 2018.” The Board thanked Mr. Gonneville and the workforce for their hard work. Discussion ensued.

Next, the Vice Chair called upon Daniel Sullivan, MassDOT’s Policy Analyst, to present Agenda Item D, the FMCB Calendar. Mr. Sullivan reviewed upcoming agenda items with the Board, as set forth in the attached document labeled, “FMCB Public Schedule, March 5, 2018.” Discussion ensued.

Vice Chair Poftak noted that Agenda Item E, the Red/Orange Line Program Update and Agenda Item F, the update on Bus Dispatching, were included in their board books as written submissions. Director Poftak commented that Board Members need to be provided all agenda documents in a timelier manner for review.

Vice-Chair Poftak next called upon the General Manager to kick off Agenda Item F, a discussion of the FY19 Budget Framework. Director Shortsleeve offered an approach on future cost savings initiatives and Director Poftak commented on how to structure next year’s budget.

Chief Administrator Michael Abramo provided specific information and status on each of the FY18 Savings Initiatives, namely the hybrid in-station customer service model, the bus garage RFP’s and labor, Cabot Garage efficiency, Everett bus shop, Chelsea Silver Line, strategic hires, The RIDE and Commuter Rail. Discussion ensued.

Mr. Abramo continued with the FY19 budget timeline, the FY19 budget guiding principles and overview, and the FMCB enabling legislation, results, and goals. Discussion ensued.

Next, Mr. Abramo, with contribution from Acting Treasurer Paul Brandley and Revenue Director Evan Rowe, further discussed the FY19 budget initiatives, debt service, the FY19 status-quo operating expense growth rate, revenue, expansion of the corporate pass program and parking revenue program. Discussion ensued.

Mr. Abramo continued with contribution from Director of Strategic Initiatives Laurel Paget-Seekins and Chief Technology Officer David Block-Schachter, a discussion on transportation revenue and future fare considerations and cost savings. Discussion ensued.

Next, Mr. Ramirez continued with the discussion on lean strategy and initiatives and savings targets. Discussion ensued.

Next, Mr. Abramo discussed The RIDE on-demand pilot with Uber and Lyft, a voluntary retirement incentive program, capital employee transfer and new committed service enhancements including the Chelsea Silver Line Gateway, the Early Morning Service Pilot, the Foxborough Commuter Rail Pilot, Bus Service Project (Policy and Oversight) and Customer Experience/Communications. Discussion ensued

Mr. Ramirez discussed the workplace safety improvement initiative and OSHA and proposed new service enhancements. Discussion ensued.

Mr. Gonneville continued and discussed additional bus operators driving to offset travel time settlement, to improve on-time performance and to reduce overtime. Mr. Gonneville concluded with key department initiatives for Engineering and Maintenance. Discussion ensued.

 Mr. Abramo concluded noting that pay-go funding is an important funding source in the MBTA five-year capital plan, cost controls made $157M available for capital investment in FY17 and discussed particular major projects with a significant operating impact, as set forth in the attached document labeled “FY19 Operating Budget Discussion, March 5, 2018.”. Discussion Ensued.

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

 Vice Chair Poftak Yes

 Director Lang Yes

 Director Shortsleeve Yes

**VOTED: to adjourn to Executive Session for a discussion of strategy related to collective bargaining at 3:24 p.m.**

**Documents relied upon for this meeting:**

Minutes of February 26, 2018

GM Report, March 5, 2018

FMCB Calendar, March 5, 2018

Red Line/Orange Line Improvement Program Update, March 5, 2018

Operations OCC and Training Department, FMCB Board Briefing, March 5, 2018

FY19 Operating Budget Discussion