



Deval L. Patrick, Governor
Richard A. Davey, Secretary & CEO



MINUTES

MassDOT BOARD MEETING OF October 23, 2013

At the call of the Chair, a Meeting of the Board of Directors of the Massachusetts Department of Transportation was held at the MassDOT Board Room, State Transportation Building, 10 Park Plaza, Suite 3830, Boston, MA on Wednesday, October 23, 2013.

There were present: Messrs. Jenkins, Blue, Bonfiglio, Davey, Macdonald, Whittle and Miss Loux, being the Board of Directors of the Massachusetts Department of Transportation.

Also present were the General Manager and Rail and Transit Administrator Scott, Frank DePaola, Administrator of the Highway Division, Rachel Kaprielian, Administrator of the RMV Division, Paige Scott Reed, MassDOT/MBTA General Counsel, Owen Kane, Senior Counsel to the Board, and Paula Fallon, Recording Secretary.

The Chairman, Mr. Jenkins, presided.

Chairman Jenkins called the Open Meeting to Order and presented the order of business. He began with the introduction of the new Board of Director's member Dominic Blue.

Chairman Jenkins opened up the meeting for public comment.

The first speaker was John Lovett from Bridging Forest Hills. Mr. Lovett referenced a letter he had written to the Governor regarding the removal of the Casey Overpass and would like the decision to put an at-grade solution changed to the replacement of the bridge overpass.

The next speaker was Alice Alexander from Bridging Forest Hills. Ms. Alexander is in favor of the at grade solution and would like the decision relooked at.

The next speaker was Bernard Doherty from Bridging Forest Hills. Mr. Doherty talked about the funding source being from the Accelerated Bridge Program (ABP) for the upper bus way on Hyde Park Avenue. He asked the Board to look into this.

The next speaker was Carlos Icaza, Bridging Forest Hills. Mr. Icaza is also would like to see the decision changed to a Bridge option.

The next speaker was Angela Hockman, Bridging Forest Hills. Ms. Hockman is for the bridge option and is against the at-grade design that was chosen.

The next speaker was Ginny O'Neill, Bridging Forest Hills. Mr. O'Neill would like to see the bridge go back up instead of the at-grade crossing design.

The next speaker was Susan Bolanger, Forest Hills resident. Ms. Bolanger would like the decision to be reconsidered to the bridge option for the Casey Overpass.

The next speaker was Jeffery Ferris, Bridging Forest Hills. Mr. Ferris is for the bridge option for the Casey Overpass. He and his group have information requests that they hope to be answered soon regarding the Casey Overpass.

The next speaker was Kate Seibert from Kingston. Ms. Seibert is concerned with the traffic with Route 3. She would like to see the traffic problems addressed.

The next speaker was Ruth Kiki Charton from Massachusetts Senior Action. She would like to see the RIDE fares rolled back.

The next speaker was John Robinson, from Mass Senior Action. He would like to see the fare hikes rolled back for persons with disabilities and seniors.

The final speaker was Marilyn MacNab. Ms. MacNab talked about the designated bus routes that have a designated bus lane. She would like the Authority and the City to look paratransit vehicles to use this lane.

Chairman Jenkins closed public comment period.

The next item on the agenda is the Secretary/CEO's report. (Full Report attached)

Next Frank DePaola, Administrator of the Highway Division gave his report. Mr. DePaola updated the Board on the numbers of transponders. He announced the two millionth transponder had been issued. About 70% of our transactions are electronic. The department is doing outreach in Western Massachusetts. They are going to services plazas, store parking lots and using an Easy Transponder van to maximize exposure to make it convenient for people to sign up. He also updated the Board on the construction bidding in the federal fiscal year that was closed in October. The Department issued 233 construction contracts for an amount of \$1.137 billion. Mr. DePaola announced the bridge opening in Northampton over the Manhan River which was finished one month ahead of schedule and on budget.

Next Rachael Kaprielian, Registrar of the Registry of Motor Vehicles gave her report. She went through the wait times on the phone and in the branch locations and road tests are booked out about 6 weeks. She updated the Board on the ALARS modernization noting the interest with the current contractor Deloitte and the issues they have been having. She reassured the Board that they know this is a large project and they understand the challenges of managing a large project and they are using risk management to closely monitor the

project.. The Board discussed phishing websites that are posing as RMV websites, they asked the Registrar and Gary Foster to look into ways we can fix the problem.

The next item on the agenda was General Manager Scott's report. (Full report attached.) Chairman Jenkins asked to get a quick update on the Civil Rights issues and Commuter Rail. Secretary Davey stated that Stephanie Neal Johnson his Chief of Staff has taken over as the interim Civil Rights Director. They are working in getting the new Director who should be hired soon. Secretary Davey stepped out for the update on the Commuter Rail. Dr. Scott noted that the team is still working on the procurement at a secure facility and will still continue to bring updates on the progress to the full Board.

Secretary Davey returned to the meeting.

Chairman Jenkins announced that Chris Willenborg submitted his report.

The next item on the agenda presented by Dana Levenson was the Presentation on the Review of MassDOT's FY13 Operating Budget. Mr. Levenson went through the highlights of the FY13 Operating Budget. There were revenue variances in toll with collections of \$335.7 million on the Metropolitan Highway System, the Western Turnpike and the Tobin was \$2.1 million or 1% above budget. Departmental revenue and rental/lease were lower but the annual

Commonwealth Transportation Fund was larger which was due to an increase in Snow and Ice. Mr. Levenson ended with lessons learned from the performance of the FY13 budget.

The next item on the agenda presented by Jon Davis and Charles Planck was the Presentation on MBTA's FY 2015 Budget Development. Mr. Davis discussed the development process for the next fiscal year. (Presentation attached.)

The next item on the agenda presented by Jeffrey Simon was the proposed New High School on Parcel 25. The land would be for the combination of two schools, The Josiah Quincy Upper School and the Boston Arts Academy. A single building will house both schools with some shared spaces and spaces specifically for each school. The current facilities limit the collaboration between educators and students. The new building will have enough room to accommodate both schools.

The next item on the agenda presented by Thom Dugan was approval of MassDOT's FY2014 Budget. Mr. Dugan began with the goals of the FY14 budget. MassDOT is going to continue to provide the high level of service our customers deserve and to meet the goals put forth in The Way Forward, including, forward funding the Regional Transit Authorities, significantly and eventually winding down entirely the use of bonds proceeds to fund operating expenses, transform into and maintain our assets in a state of good repair,

transparency, prudence, and good judgment. The FY2014 revenues are forecasted at \$996.1 million. FY2014 outlays forecasted at \$952.4 million, including these significant variances from FY2013. A \$43.7 million excess of revenues over expenses is available for the department to allocate. Mr. Dugan went through the challenges for the FY14 budget. The non-toll operating excess of revenues over expenses stands at \$24.0 million. However, *non-recurring* elements within the \$24 million constitute \$11.2 million (\$5.8 million of MSVI reserves and \$5.4 million of the FY2013 non-toll surplus), thereby reducing the structural, recurring net to \$12.8 million which can, should be, and will be spent. MassDOT must address the underlying structural elements, including a reduction in our continued use of one time resources to balance the budget. It will take most of this fiscal year to realign our budget practices and policies. If new hires are made, for what purpose will they be hired, e.g., wait time and service increases at the RMV or to implement projects outlined in capital plan must be determined.

On motion duly made and seconded, it was

VOTED: That the Board of Directors of the Massachusetts Department of Transportation adopts the attached Fiscal Year 2014 Operating Budget for the Massachusetts Department of Transportation.

The next item on the agenda presented by Shawn Warren from KPMG was MBTA's FY2013 Audited Financial Statements. Mr. Warren reported that

there were no material weaknesses. Director Macdonald noted that this was vetted through Audit and Finance Committee with approval.

On motion duly made and seconded, it was unanimously

VOTED: To approve the MBTA audited financial statements for fiscal year 2013.

The next item on the agenda presented by David Mohler was the transfer of \$15,000,000 in rail funding for the Worcester Line Track and Signal Improvements from MassDOT to the MBTA. The is for MassDOT to provide sufficient funds to the MBTA, through an Interagency Agreement, to support the costs of MBTA Worcester Line Track and Signal Improvements.

On motion duly made and seconded, it was;

VOTED: That the Secretary and Chief Executive Officer is authorized to execute, in the name and on behalf of the Massachusetts Department of Transportation, an ISA with the Massachusetts Bay Transportation Authority for the transfer of \$15,000,000.00 for the Worcester Line Track and Signal Improvements project.

The next item asked presented by Jody Ray was authorization to execute Amendment No. 1 to MassDOT Contract No. 75934 with the Springfield Redevelopment Authority (SRA) to transfer FTA funding in the amount of \$23.6 million for the redevelopment of historic Springfield Union Station. The SRA is the

owner and designated developer of the historic train station which is being renovated and repurposed as a major regional intermodal transportation hub taking advantage of Springfield's strategic location at the transportation crossroads of the north-south and east-west interstate highway and railroad corridors.

On motion duly made and seconded; it was unanimously;

VOTE: That, the Board of Directors hereby approve and authorize the Secretary/CEO's execution of Amendment No. 1 to MassDOT Contract No. 75934 with the Springfield Redevelopment Authority (SRA) to transfer FTA funding in the amount of \$23.6 million.

The next item on the agenda presented by Jeffrey Simon was authorization to negotiate and execute one or more Development Agreements, Leases, and all related documents with ADG Scotia II LLC and/or its designated single purpose entity or entities for the purpose of developing Air Rights for Parcels 12 and 15 based on a Term Sheet date August 2, 2010. The parcels are located in the Back Bay section of Boston.

On motion duly made and seconded; it was unanimously;

VOTED: That the Secretary/CEO or his designee is hereby authorized: a) to negotiate and execute a Development Agreement or Development Agreements for air rights of Parcel 12 and the air rights of Parcel 15 located in the Back Bay area of Boston, between MassDOT and ADG Scotia II LLC ("the Developer"); to negotiate and execute a Lease or Leases for said air rights of Parcel 12 and air rights of Parcel 15 between MassDOT and the Developer; and c) to take any and all actions necessary or convenient to effectuate the leasing of said air rights pursuant to and consistent with the attached Term Sheet.

Chairman Jenkins announced the end of open session. He stated that we will be going into executive session to discuss a Labor Update and a MBTA Procurement. He announced we will not be going back into open session.

On motion duly made and seconded, it was unanimously;

VOTED: to adjourn.

Documents relied on in meeting:

Secretary Davey's Report

General Manager's Report

Presentation on MassDOT's FY13 Operating budget

MBTA's FY2015 Budget Development

Parcel 25

Staff Summaries for items 9-13