

## **BOARD MEETING OF MAY 4, 2011**

At the call of the Chair, a Meeting of the Board of Directors of the Massachusetts Bay Transportation Authority was held at Ten Park Plaza, Offices of the Board, Third Floor, Boston, Massachusetts, on Wednesday, May 4, 2011 at 1:00 p.m.

There were present: Messrs. Jenkins, Alvaro and Whittle and the Misses Loux and Levin, being all members of the Board of Directors of the Authority.

Also in attendance were: the Secretary, Mr. Mullan, the Acting General Manager, Mr. Davis, and Messrs. Kelley, Wallace, Boyle and Johnson and the Miss Estey, Special Counsel to the Board.

The Chairman, Mr. Jenkins, presided.

Ms. Estey kept the records of the Meeting and presented the Order of Business.

Chairman Jenkins called the 1047th Open Meeting to Order.

The meeting opened with public comment.

The Chairman announced the start of the public comment period. Several people spoke in opposition to any changes in a stroller policy which would require strollers to be folded before boarding transit vehicles. Alison Mitchell spoke in opposition to such a proposed change and submitted written comments which are attached to these minutes. Karen Casey Doczi spoke in opposition to such a proposed change and submitted written comments which are attached to these minutes. Sana Fadel also spoke in opposition to such a proposed change. Ms. Fadel also submitted written comments which are attached to these minutes. John Cappuccio stated that buses were too narrow for strollers, but also thought any change in policy would be unenforceable. Amber Baker spoke in opposition to any change which would require folding strollers on the MBTA. Cari Bertucci also spoke in opposition. Karan Reinhardt Block also spoke and submitted written comments in opposition. The written comments are attached to these minutes.

At this time, the Chairman closed the public comment period.

(A list of speakers is provided as an attachment to these minutes.)

The Minutes of the Meeting of April 6, 2011 were approved as presented.

Next Acting General Manager Jon Davis gave his report. He indicated that the ongoing survey regarding strollers was a survey only and no policy change was on the table at this point. The intent of the survey was to review the situation and decide whether any policy changes were warranted. Director Loux noted her opposition to any change in stroller policy. Director Alvaro noted that other problems with strollers space needs should be addressed. He also noted the concerns of those who spoke regarding strollers. Mr. Davis spoke of safety; he noted decreases in injuries on the MBTA system yet as well as a reduction in signal violations. Secretary Mullan asked that the General Manager update the Board on the stroller issue in his monthly report.

Mr. Davis noted that State Street Station was open. Much work had been done to make the station ADA compliant. He noted the receipt of lower revenues as contributing to fiscal problems. The goal is still to be on target with the budget at the end of the year. Right now there is a \$7.6 million dollar deficit.

Next, the Board heard a request, presented by Mr. Robert Johnson, Director of Materials, to award a 2 year contract to Global Montello Group, LLC for the supply of ultra low sulfur locomotive diesel fuel.

Director Alvaro questioned the 5% DBE goal for the project. Ms. Mary Fernandes, Assistant General Manager for Diversity and Civil Rights, responded that

the goal was dependent on the scope of work. It was agreed that Ms. Fernandes would set up a time to go over the DBE goal setting process for the Board. The following action was taken.

**VOTED:** That the General Manager and Rail and Transit Administrator is hereby authorized to execute in the name of and on behalf of the Massachusetts Bay Transportation Authority, and in a form approved by the General Counsel, a Contract with Global Montello Group, LLC of Waltham, Massachusetts, to supply ultra low sulfur locomotive diesel fuel as called for during an estimated two year period, subject to price in effect at the time of delivery, with two one-year options, at a total cost not to exceed \$166,809,700; said company being the lowest responsive and responsible bidder in response to an Invitation for Bids.

Next Mr. Ed Hunter, Director of Construction, presented a request for an amendment to a contract with HNTB for design services for track and signal design on the Wachusett extension of the Fitchburg line. Secretary Mullan noted the important location of this project near the recreational site if Mt. Wachusett.

**VOTED:** That the General Manager and Rail and Transit Administrator is hereby authorized to execute in the name of and on behalf of the Massachusetts Bay Transportation Authority, subject to the approval of the Massachusetts Department of Transportation (MassDOT) and in a form approved by the General Counsel, Amendment No. 1 to MBTA Contract No. Z90PS03, entitled PM/CM Services for ARRA Projects, Contracts 1, Group B with HNTB Corporation, for Phase II (15-30%) Preliminary, Phase IV (60-100%) Final Design and Phase V- Construction Phase Services for the Wachusett Extension of the Fitchburg Commuter Rail Line for an estimated sum not to exceed \$2,028,025.00 and an extension of the contract completion date to December 31, 2013.

Next Mr. Hunter presented a request for authorization for Change Order No. 32 on the Blue Line State modernization project. The change order was for full depth reconstruction of the intersection due to unforeseen utility and foundation conflicts. The work also involved the realignment of geometry. The MBTA partnered with the City of Boston to develop these changes. The City hired Nitsch Engineering to complete the design; the work would be performed by the current contractor Barletta Heavy Division, Inc. The MBTA performed an independent review of costs and was satisfied that Barletta was providing a good value with the proposed change order. The General Manager authorized up to \$1 million dollars in material costs for long lead items. The Board had previously visited the site and was impressed with the project.

**VOTED:** That the General Manager and Rail and Transit Administrator is hereby authorized to execute in the name of and on behalf of the Massachusetts Bay Transportation Authority, subject to the approval of the Massachusetts Department of Transportation (MassDOT) and in a form approved by the General Counsel, Change Order No. 32 to MBTA Contract No. S09CN11 entitled "Blue Line Modernization State Street Station Rehabilitation, Boston, Massachusetts" with Barletta Heavy Division Inc., to reconstruct the intersections at Congress Street and State Street for a lump sum of \$2,875,000.00.

Next Mr. Jonathan Davis, Acting General Manager, presented a request to form a not for profit corporation for parking securitization. The purpose of the corporation would be to address budget deficiencies by issuing bonds, revenue from which would pay existing debt. This involves setting up a not for profit corporation to issue bonds, secured by parking revenues. The proceeds of the bonds would be used to pay off

existing debt. The MBTA would be the sole member of the corporation. The corporation's directors would be ex-officio officers and employees of the MBTA. The MBTA would enter into a contract with the corporation to transfer assets in the form of parking revenues. The MBTA would not transfer physical assets but rather would retain ownership and control of the physical assets and would remain the operator of the physical/real assets. All transactions regarding the corporation would be done in manner so as to retain tax exempt status on income. Mr. Davis discussed similar models in New York and with MassPort. It was noted that amended bylaws would not be required as three directors would be named in the original bylaws. Director Alvaro stated that the Standing Committee on Finance and Audit had voted to recommend approval of this matter. The following action was taken.

**VOTED:** That the Authority authorizes the incorporation of Metropolitan Boston Transit Parking Corporation (the "Corporation"), a Massachusetts nonprofit corporation and agent and instrumentality of the Authority, the ex officio directors of which shall be staff members of the Authority. ;

That the Authority approves the issuance of bonds by the Corporation on behalf of the Authority, in an aggregate principal amount not to exceed \$350,000,000, which bonds shall be secured solely by revenues received from certain of the authority's parking facilities, the final principal amount of the bonds and other terms thereof shall be as determined by the Corporation;

That the Authority authorizes the execution of a contract with the Corporation to provide for the transfer of parking revenues to the Corporation, the transfer back to the Authority of parking revenues not needed to meet the Corporation's obligations, the transfer of the proceeds of the Corporation's bonds to the Authority and such other matters as necessary to meet the obligations of the Corporation with respect to the bonds, such contract to be in the form agreed to by the General Manager

or Deputy General Manager and Chief financial Officer of the Authority, which approval shall be evidenced by the execution there by such officers;

That the Authority shall apply such proceeds of the bonds to refund outstanding Authority indebtedness and expenses related to the refunding;

That the Authority agrees to accept the assets (i.e. parking revenues and funds and accounts) of the Corporation upon defeasance of the bonds and dissolution of the Corporation;

That each of the General Manger, the Deputy General Manager and Chief Financial Officer, the General Counsel and other officers of the Authority, acting singly, is hereby authorized to do all acts and things and to execute an deliver any and all documents, certificates and other instruments necessary or desirable to effectuate the transactions contemplated by the documents executed in connection with the foregoing votes.

**VOTED:** to enter into executive session to discuss security matters at stations and parking locations and to discuss ongoing litigation.

Director Whittle:                    yes

Director Loux:                    yes

Chairman Jenkins:                yes

Director Alvaro:                 yes

Director Levin:                  yes

The open meeting was adjourned.

**Documents relied on in meeting:**

Report to the MBTA Board of Directors, from Jonathan Davis, Acting General Manager, May 4, 2011

Staff Summary Sheet, dated 4/7/2011, by Robert Johnson, "Ultra Low Sulfur Diesel for Railroad Operations"

Staff Summary Sheet, dated 2/23/2011, by Paul Hadley, MBTA Contract No. Z90PS03, Amendment No. 1

Staff Summary Sheet, dated 3/17/11 by Terrence McCarthy, "MBTA Contract S09CN-11, Change Order No. 32"

Staff Summary Sheet, dated 4/18/11, as revised 5/4/11, by Jonathan R. Davis, "Parking Securitization Financing"