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May 14, 2015

Dear Mr. President, Mr. Speaker, and Honorable Members of the General Court:

We write today to urge you to support the vital reforms currently proposed to fix the MBTA in H3347, *An Act for a Reliable, Sustainable Massachusetts Bay Transportation Authority*. As we saw so dramatically this past winter, and as hundreds of thousands of our residents and workers experience every day, the MBTA is part of the lifeblood of Massachusetts. As we all know, when the T works well, economic and civic life flourish. When the T falters – as it does far too often – days are disrupted, wages are lost, and businesses locate elsewhere. The status quo, which has real and negative consequences for the four million people who live and work in the MBTA region, cannot be allowed to continue. The MBTA now needs intensive support and oversight, along with a commitment to openness, new ideas, and real accountability. But if nothing changes now, nothing will change at the MBTA. It is as simple as that.

This past winter, the MBTA failed a stress test. But the problems that contributed to its collapse were not new, and were not caused by the winter weather. As the panel of national experts recently observed, the problems at the MBTA are structural and pervasive, and are rooted in fiscal and management failings that can only be addressed by rigorous and intense attention, coupled with the introduction of a culture of performance management. Taken alone, marginal changes to the oversight of the current MBTA organization will produce little or no meaningful improvement for the riders and employees of the MBTA, and will all but ensure that the MBTA continues to struggle to meet its basic mission of providing reliable public transit service for the people of Massachusetts.

To begin the process of fixing the MBTA, *An Act for a Reliable, Sustainable Massachusetts Bay Transportation Authority* proposes the establishment of a temporary Fiscal & Management Control Board (FMCB). Some have suggested that such a step is unnecessary and that the required tools already exist to address the profound failures at the MBTA. We respectfully disagree. Indeed, the existing tools have not worked at the MBTA, while control boards in other settings have worked. The establishment of the FMCB will provide a much-needed new approach to solving chronic problems and will do so with the help of several key tools, including:

- New project delivery methods - We appreciate that the House has embraced the proposal to provide the MBTA with permission to use the design-build and construction manager at-risk project delivery methods, both of which will support the MBTA in its efforts address its overwhelming backlog of system maintenance and modernization.
- Contract flexibility – We again appreciate that the House has supported the recommendation that the MBTA be permitted to consider alternative methods of providing service for its customers. To be clear, we neither want to privatize the MBTA nor want to cut services nor jobs. Instead, we feel strongly that the MBTA should be allowed to find innovative and cost-

effective ways to provide services that may be outside its core mission, including late-night bus service and service to low-ridership areas.

- Labor equity – At present, MBTA labor unions are treated differently from every other public employee union in the Commonwealth, in that MBTA arbitrated agreements are not subject to review by an administrative or legislative body. Because of this, no backstop exists to ensure that the MBTA can actually afford the contracts that an outside arbitrator creates for it, causing unsustainable pressure on the T’s operating budget. We propose that this practice be changed in order to provide MBTA employees with the same rights as other state employees, but not special, unaffordable privileges.

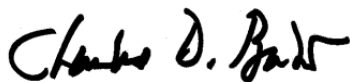
The Commonwealth has a successful track record with different types of control boards turning around deeply troubled public entities. Both Springfield and Chelsea have benefited greatly from the type of intense rigor and focus brought by Legislatively-approved control boards for those communities. We urge you to give the same opportunity to the 175 communities served by the MBTA – and the many others that receive residual benefits from MBTA proximity – by supporting the FMCB and the promise of an improved MBTA.

Many of us are united in our belief that the MBTA will require an intense program of rehabilitating and modernizing its physical infrastructure. The establishment of the FMCB will pave the way for such an effort. A well-developed, transparent, and carefully scrutinized plan put forward by a professional control board will carry an immensely greater level of credibility than will a plan offered by an un-reformed MBTA that has proven itself unable to spend billions of dollars in funding already available to improve its aging infrastructure, let alone the additional funds that will be required to bring the MBTA into a true state of good repair.

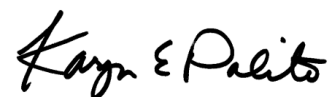
Staff at MassDOT and the MBTA are already hard at work to implement the reforms and recommendations suggested by the expert panel. By the end of June, in keeping with the panel’s recommendations, we will provide an update on that progress. But that work and the improvements it can bring are necessarily limited without the oversight and support of the FMCB.

Many times in the past, we have worked together to support the transportation needs of the Commonwealth. The time has come again for this kind of collaboration, as the MBTA and its riders need our help. Not simply a few tweaks, not simply a nod to ‘reform’ without meaningful change. For without real change now, we will all have failed the riders who depend on the MBTA every day to live their lives. Those people, whom we serve, simply want the MBTA to work – safely, reliably, every day, in all weather. Let us work together to help those people by fixing the T.

We look forward to working with you on this vital effort.



Governor Charlie Baker



Lieutenant Governor Karyn Polito