1. **Opening Remarks**

Our meetings to engage the public in a discussion of MBTA fare and service changes began on Jan. 17. Thus far, we’ve had nine meetings with our tenth one tonight in Jamaica Plain and still another 15 to go. I have had the opportunity to attend several of these meetings on the fare and service change proposals and I plan to attend as many as possible going forward. So far, I am pleased with the level of public engagement and the overflow crowds. My intent was to have a discussion on these scenarios and to solicit the public’s thoughts in order to craft the best proposal possible and our customers have responded: we are receiving hundreds of ideas through comments made at meetings, those submitted by email or sent to 10 Park Plaza. We have added meetings to our schedule; in total we will have held more than 25 meetings by the time March arrives. Again, our tenth meeting is tonight at 6 p.m. at the Hennigan Community Center in Jamaica Plain. I would again encourage and ask the public-at-large and our customers for their continued participation in this process.

2. **MassDOT Employee Recognition Program**

This month we recognize a Highway Division group of seven employees. They are being recognized because of their high regard for our customers and for making safety a number one priority.

Highway District 3 Project Development Unit and the Construction Department joined forces to address a safety concern that was not originally part of a highway maintenance project. A section of Route 9 eastbound in Framingham has been a longstanding public safety issue. This stretch of land located between a residential apartment building and a retail shopping area has heavy pedestrian traffic and was in great need of a safe walking path. Pedestrians (including elderly and children) are forced to walk over a half mile in the breakdown lane between the guardrail and live Route 9 car and truck traffic. Because there was no protection for the pedestrians, walking in the breakdown lane created a very dangerous situation. This group identified a public safety need, obtained funding, collaborated on a design, and obtained environmental permitting for a new Walking Path.
Then the following Group members assisted on the construction of this Walking Path with a new concrete barrier separating the pedestrians from the Route 9 traffic:

1. Michael Hartnett, Construction Engineer
2. George Berte, Area Engineer
3. Scott Kallin, Resident Engineer
4. Gary Geoffrion, Field Engineer
5. Christopher Lee, Field Engineer
6. Edmilson Tavares, Field Engineer
7. Michael Splaine, Projects Engineer

The collaboration and can-do spirit of these seven individuals at Highway District 3 demonstrates that MassDOT is indeed a transportation organization committed to customer service and safety. I am proud to recognize them as the February Employees of the Month.

3. Innovation Campaign

As we continue to move MassDOT forward, I have made a special request to all of the agency's employees. Last month, I launched a new innovation campaign soliciting ideas to enhance our customers' experience, help us save money, work better, faster, and easier, and improve day-to-day business overall. The "But We've Always Done It This Way" campaign is in full swing and we've already had several successes, including a new Silver Line countdown sign at Logan Airport's Terminal C, telling riders when the next Silver Line bus is coming; a "Hold" sign for the Mattapan High Speed trolleys, which allows riders switching from the Red Line to the trolley those extra few seconds to make the switch without waiting for the next trolley; and we've also a painted line on the floor of the Mattapan trolleys telling riders where to stand to provide for a clear field of view for the operator. And these are just the beginning. I am sincere when I say that no one knows this business better than our employees and to that effect, we've set up an email address for folks to pitch their ideas. Building on the successes we've already had, we'll be starting quarterly contests for the best ideas that help move us forward, improve our services, and make us a better agency.

4. Transportation Day on the Hill

Yesterday, MassDOT hosted Transportation Day on the Hill at the State House. It was an opportunity for legislators and their staff to interact with members of MassDOT as well as an opportunity for the public to perform some MassDOT's transactions on site, like
signing up for a Fast Lane transponder or completing an RMV transaction at a laptop kiosk. This was a great opportunity to showcase reform efforts and to educate legislators and the public on the real results those reforms.

5. Federal Update

It is a busy time for transportation in our Nation’s Capital. The United States House and Senate have reached an agreement on legislation governing the Federal Aviation Administration. It is expected to pass both chambers of Congress in advance of the current Feb. 17 deadline.

The House and Senate are also advancing their perspective surface transportation bills. The Senate’s legislation, titled, “Moving Ahead for Progress in the 21st Century” (MAP-21), would authorize the nation’s transportation programs for two years at a cost of approximately $109 billion. The House’s legislation, “American Energy and Infrastructure Jobs Act,” which was introduced this week, would authorize transportation programs for five years at a cost of approximately $260 billion. There are significant differences between the two versions, specifically relating to funding sources, and it is unclear whether these differences can be resolved in a politically charged election year. The House Transportation and Infrastructure Committee leadership is concerned that the Senate bill provides for only two years of funding and the Senate leadership has criticized the House proposal to fund its five year bill by, among other things, expanding energy exploration in the Arctic National Wildlife Refuge. The current extension of the last transportation bill, which was passed in 2006, expires on March 31.

The United States Department of Transportation also announced another round of the TIGER (Transportation Investment Generating Economic Recovery) Discretionary Grant program. During the most recent round, Massachusetts was awarded a $10 million grant to repair the Merrimack Railroad River Bridge in Haverhill; pre-applications for this latest round are due on Feb. 20 and final applications on March 19.

6. Financial Update

- The MassDOT Fiscal Office has developed a new format for the Board Quarterly Reports that we believe will facilitate, at a minimum, the appropriate level of analysis of revenue and spending, and ultimately for holding Division Heads responsible for their budgets. This new reporting forecast also includes seasonally adjusted budgets and forecasts for the fiscal year. Variances are
considered significant if the actual performance is both over $500,000 and 5 percent or more as compared to the budget. They are:

**Revenue:**

- **None.** No revenue actuals caused any variances of more than 5 percent and were more $500,000. Actuals are on target as compared to the budget.

**Expenditures:**

- **Favorable:** the Highway Division is $59.6 million or 36 percent under budget for the first two quarters. Pay-go-capital spending remains below budget as projects have not ramped up as quickly as had been expected when the budget was formulated. This is expected to reverse itself as spending, indeed, does take place.
- **Favorable:** snow and ice spending is forecast to be below budget for the fiscal year, weather permitting. MassDOT has expended $24.8 million on snow and ice against a budget of $48.2 million (which includes an overtime budget of $2.6 million).
- **Favorable:** the Registry Division is $522,000 or 3.3 percent under budget for the second quarter primarily due to a lower number of license renewals or issues than had been budgeted.
- **Favorable:** the Office of Planning and Programming is $7.2 million or 29 percent below budget for the first two quarters because of limited Pay-go-capital spending, again as above with the Highway Division as projects have not ramped up.
- **Unfavorable:** the Registry is $825,000 or 21 percent over budget for the first two quarters due to the reallocation of postage expenses that were originally and erroneously budgeted in the Safety Inspection Trust Fund.

7. **Natural Disaster Update**

On Jan. 19, I was able to announce that Federal Highway provided funding awards to aid in the repair of roadways damaged by the tornadoes that hit the central and western parts of Massachusetts on June 1, 2011, and Tropical Storm Irene on August 26, 2011.

The first award of approximately $4 million provides reimbursement to local communities for tornado damage repair. A second grant of nearly $41 million covers Tropical Storm Irene repairs, with a large portion of the funds paying for Route 2 repairs. Communities receiving reimbursement for repairs include Adams, Ashfield, Charlemont, Goshen, and Hawley.
In addition, we were able to reimburse Falmouth for the cost of repairs to Menauhant Road, which suffered heavy damage during Tropical Storm Irene. The reimbursement totaled $300,000 and went toward shoulder and sidewalk repairs on this major road.

The Falmouth reimbursement is covered by one of two Federal Highway awards funding emergency repairs for damage caused by the tornados that hit the central and western parts of Massachusetts on June 1, 2011, and Tropical Storm Irene on August 26, 2011. These funds are in addition to reimbursements announced for Franklin, Berkshire and Bristol counties.

I am pleased we were able to reimburse communities in central and western Massachusetts as well as Falmouth for the cost of making these necessary repairs and I thank the Obama Administration and members of our Congressional delegation for their support and recognition of the great need in these emergency circumstances.

8. Special Events

Since our last board meeting, I’ve had the opportunity to speak before the North Shore Chamber of Commerce and tomorrow morning I’ll be speaking before the South Shore Chamber. While much of the time is spent talking about local and regional projects, I am also using these meetings to broaden and refine our discussion of what folks expect out of MassDOT and the MBTA, especially as the discussion relates to the T. Specifically, I am asking the question: “ask not what your DOT can do for you, but what you can do for your DOT.”

As we spread out to the neighborhoods and communities in the MBTA service area, soliciting ideas, feedback, advice, and suggestions, I am also reaching out the business community, asking them to be part of the solution as well. We are facing tremendous financial challenges with the MBTA and a real solution will take everyone’s participation.

Aside from the fare and service change discussion, we have been very busy:

On Jan. 10, I joined Registrar Kaprielian at the RMV Branch in Chinatown to announce the availability of a new reference guide for parents and guardians teaching their teens to drive. The guide, called ‘The Parent’s Supervised Driving Guide’ is the result of an innovative partnership with the RMV, a local non-profit Safe Roads Alliance, and Safety Insurance. Parents and teens may request a copy of the free guide, there is no cost to parents or taxpayers, when obtaining a learner’s permit at RMV branches across the Commonwealth. The guide helps parents set a curriculum and coach their teens in proper
driving skills and habits during the 40-hours of supervised driving required by law. This is a great tool to promote safety for all motorists.

On Jan. 11, Highway Administrator Frank DePaola opened Interchange 8B on Route 24 in the Fall River/Freetown area. The $35 million ARRA project was completed months ahead of schedule and brings access to a planned business park. The project created 80 direct construction jobs, and just as many to businesses supporting the construction effort. Many local officials were in attendance for the afternoon opening including Freetown selectmen and the Mayor of Fall River. Estimates from one Fall River economic group suggest once completed, the business park will host between 5,000-8,000 jobs.

MassDOT Aeronautics Administrator Chris Willenborg has been aggressively promoting the recent economic impact study completed on the Commonwealth’s airports. Speaking with reporters from the Cape to Worcester to Westfield, Administrator Willenborg has been driving home our message that aviation is a strong economic engine for Massachusetts from Logan to our neighborhood airstrips.

Lastly I want to correct the way some information was reported regarding the Governor’s FY2013 budget and its impacts in the RMV.

The Governor’s budget that was released on Jan. 25 included a roughly $15 million reduction in funding for the Massachusetts Department of Transportation. Subsequently, it has been misreported in many news outlets that this cut will result in longer wait times and service reductions at RMV branches. As the Governor, Administration and Finance Secretary Jay Gonzalez and I all said, we believe we can manage this reduction at MassDOT by generating new revenues.

We believe there may be some opportunities to generate some additional revenue from the sale or lease of these assets. Also, we are exploring new ways to generate advertising revenue, including web-based advertising.

Only if we are unable to generate the entire amount of revenue needed to absorb the cut will we look to reduce services at the RMV.

The RMV, like many other agencies across state government, is changing the way it does business. In this age, it no longer makes sense for many people to go to an RMV branch to conduct the same transactions they can do in minutes from their home computers. We acknowledge that online won’t be an option for everyone. That’s why we not only have the RMV branches open and operational, but we have also begun a partnership with
AAA, which allows AAA customers at six different branches in Massachusetts to conduct some of their more simple transactions.

Last year, nearly 3 million transactions were conducted online. The RMV will continue to promote online transactions, which simplify customers’ lives and reduce wait times at all branches around the state.