

June 2, 2017

Dear Legislators,

We are writing to raise serious concerns regarding Governor Baker's recent pre-holiday "musical chairs" announcement impacting the executive leadership of the MBTA.

Of particular concern is the lack of transparency regarding the future business ventures of outgoing MBTA Chief Administrator and Acting General Manager Brian Shortsleeve.

The proposed appointment of Mr. Shortsleeve to the MBTA Fiscal and Management Control Board raises several red flags including Mr. Shortsleeve's failure to disclose his new business interests and the critical question whether or not those ventures are in conflict with his potential appointment to the FMCB or his current position.

In defense of taxpayer interests and for the purpose of ensuring good government practices, the legislature and other executive officeholders should demand that Mr. Shortsleeve fully disclose the employment or client opportunities that have seemingly hastened his urgent departure from the MBTA.

Specifically, Shortsleeve should disclose whether his new venture or ventures directly or indirectly create any conflicts of interest with MBTA business, MBTA vendors, prospective vendors, or other outside contracting and/or lobbying groups.

Costly and controversial moves by Baker and Shortsleeve to surrender control of public transit resources to private, for-profit corporations dramatically underscore the need to ensure Shortsleeve is not directly or indirectly benefiting from -- or enriching himself through -- any recent or future privatization schemes at the expense of Massachusetts taxpayers or MBTA riders.

Shortsleeve's approach has often left the people who rely on public transit behind. It was under his direction that the MBTA twice attempted to fast-track a plan to eliminate paratransit service for more than 10,000 seniors and people with disabilities. Mr. Shortsleeve also led the charge for fare increases that were so steep that the legislature was forced to step in and tighten earlier protections preventing such a large increase.

There is already a considerable pattern of financial overlap between the Baker administration and private transit operators, including scandal-plagued Keolis and the now defunct Bridj corporation.

As reported by the Boston Globe¹ former Baker Chief of Staff Will Keyser was engaged as a "consultant" by Keolis at the time that significant fines against that company were waived by the Baker administration despite ongoing and chronic Keolis performance problems² that have persisted long past the 2015 blizzards.

In another instance, Baker administrative official, David Block-Schachter who now serves as the MBTA's Chief Technology officer was a shareholder in the Bridj company at the time that the now failed

¹ Baker consultant wields influence on commuter rail, charter schools. The Boston Globe, October 25, 2016. <https://www.bostonglobe.com/metro/2016/10/25/emails-show-gov-baker-political-consultant-wields-influence-commuter-rail-charter-schools/Q4iS7ferlYnG3OxEsz0b9J/story.html>

² Hoping to nab a seat on your commuter rail ride? You may have to wait a few more weeks. The Boston Globe, April 25, 2017. <https://www.bostonglobe.com/metro/2017/04/24/crowded-commuter-rail-rides-continue-keolis-will-have-fewer-coaches-than-usual-until-mid-may/vGKFOajuUem6mi2Fmh9wWK/story.html>

ride share venture was applying for lucrative MBTA service contracts.

Potential conflicts aside, the abysmal results of the failed privatization and outsourcing gambits that the MBTA has pursued or continued to pursue under Shortsleeve's tenure make him wholly unqualified to serve on the FMCB board.

These include not only Keolis but also the failed janitorial contract with SJ Services, the LAZ scandal³, the failed outsourcing of select bus maintenance operations to the Maine Military Authority⁴, and many more.

Taxpayers would be best served by the appointment of a clear-eyed and objective board member who is not incentivized to engage in "legacy protection" either for the benefit of his own political aspirations or for the gain of prospective transit industry clients.

The FMCB must be comprised in such a way that it is able to evaluate as objectively as possible whether or not key operational and financial decisions made during Shortsleeve's brief and rocky tenure are truly benefitting riders, workers, taxpayers, and the public transit system as a whole.

One of the stated goals of the FMCB "is to embrace transparency and develop stability in order to earn public trust."⁵ **Put simply: Brian Shortsleeve is the wrong person to objectively evaluate the track record and decisions made by Brian Shortsleeve.**

It is exactly these assessments that will inform vast amounts of future MBTA and board policy and business decisions – decisions that Mr. Shortsleeve will clearly approach with a level of legacy conflict and bias that the legislature and executive officeholders must not abide.

It is obvious that Mr. Shortsleeve will continue to espouse a 'privatization at all costs' agenda consistent with the extreme philosophies of his Koch brothers backed think tank alma mater the Pioneer Institute. His proposed appointment also dramatically tilts the composition of the board towards corporate lobbyists and groups who favor surrendering public control of our public transit to unaccountable for-profit operators.

Many of these operators have troubled track records through which their failures to serve the public good are very clearly documented.

This is the case with TransDev⁶, one of the bus operators being eyed as part of a Shortsleeve backed plan to gut the MBTA's best-in-nation bus maintenance department much to the detriment of riders, workers, and taxpayers alike.

Across the globe, private corporations and their political enablers like Mr. Shortsleeve have long profited

³ T sues LAZ, its former parking lot operator. Commonwealth Magazine, May 4, 2017.
<https://commonwealthmagazine.org/transportation/t-sues-laz-its-former-parking-lot-operator/>

⁴ MBTA outsourcing is not paying off. Commonwealth Magazine, February 23, 2017.
<https://commonwealthmagazine.org/transportation/mbta-outsourcing-is-not-paying-off/>

⁵ http://www.mbta.com/about_the_mbta/leadership/

⁶ One in five Transdev buses run late as passenger numbers plunge. The Age, April 24, 2017.
<http://www.theage.com.au/victoria/one-in-five-transdev-buses-run-late-as-passenger-numbers-plunge-20170424-gvrc0v>

An Open Letter to the Massachusetts State Legislature

by vastly underbidding on contracts for public transit services and by then sticking taxpayers with poor service or massive bailouts as the private underbidding scheme runs its natural course towards creating a public crisis.

We have already seen this disturbing pattern grow and worsen in the Bay State during Shortsleeve's tenure as General Manager. Massachusetts cannot afford for these schemes to continue simply because the Governor is engaging in effective political gamesmanship.

If it occurs, Mr. Shortsleeve's appointment would effectively represent the Governor gerrymandering his own loyalist "voting block" within the FMCB for the benefit of political donors, political allies, and private corporations who are seeking to exploit years of under-investment and austerity budgeting in the MBTA.

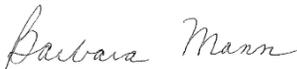
The proposed appointment of Mr. Shortsleeve is not transparent and does not build the public trust. The FMCB is supposed to foster collaboration with stakeholders and labor. Community groups, as well as unions, have repeatedly had to turn to the board because Mr. Shortsleeve has shut them out of any meaningful collaboration. He is believed to have misled the Governor regarding the important role that community advocates have played in pursuing budget solutions that would not harm riders. His appointment to the board would directly hinder the efficacy of the board to objectively track and evaluate future decisions at the MBTA.

As such, we the undersigned and our constituents call on you to demand that Brian Shortsleeve rescind his name from consideration for an FMCB board position and that he also immediately disclose his upcoming private ventures along with any conflicts those ventures may represent. We ask for you to take swift action on this matter to help protect Massachusetts taxpayers, the MBTA workforce, and MBTA riders.

Thank you,



Lee Matsueda, Political Director
Alternatives for Community and Environment



Barbara Mann, President
Massachusetts Senior Action Council



Roseann Bongiovanni, Executive Director
GreenRoots



Karen Chen, Co-director
Chinese Progressive Association