

From: [CommonWealth Beacon <download@commonwealthbeacon.org>](mailto:download@commonwealthbeacon.org)
 To: [Greg Federspiel <federspielg@manchester.ma.us>](mailto:federspielg@manchester.ma.us)
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 Subject: [EXTERNAL] - This is one of the biggest decisions the MBTA will make in the next five years

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New from Commonwealth Beacon

ECONOMIC SHOCK: Massachusetts's vaunted "eds and meds" sector has powered the region's economy and enjoyed a degree of insulation from the ups and downs of economic cycles. But, that now seems [turned on its head](#), as the things that have been mainstays of the Massachusetts economy face sudden headwinds from a flurry of policy directives from the new administration. Michael Jonas reports.

FUNDING FREEZE: In the same week a federal judge reiterated that all federal funding be disbursed as appropriated by Congress, yet more grants – the latest targeting emissions from diesel engines – [became unavailable to Massachusetts](#) state agencies as part of the Trump administration's funding freeze. Bhaamati Borkhetaria has the details.

TOBACCO TAMP-DOWN: Cities and towns are [cracking down on youth tobacco use](#) with five new communities adopting nicotine-free generation policies and four putting restrictions on nicotine pouches – a popular product among younger people and the fastest-growing segment of the US tobacco market – in just the past three months. Bhaamati Borkhetaria explains the trend.

OPINION: Massachusetts has elected a Black governor, a Black attorney general, Black state senators and state representatives. There are Black heads of departments and secretariats. But, there are not many Black lobbyists on Beacon Hill. Daniel Delaney explains why it's important to have more people working in the State House with an [expansive view of Black possibilities](#).

This is one of the biggest decisions the MBTA will make in the next five years

February 14, 2025

By **GINTAUTAS DUMCIUS**

The MBTA's commuter rail system, which serves 173 cities and towns in Massachusetts and expands to Fall River and New Bedford next month, has seen customers return in large numbers after the pandemic, largely due to frequent and reliable service. So far this year, 92 percent of the trains are running on time, inching up from the pre-pandemic figure of 89 percent.

But a bigger challenge looms for the MBTA: Picking who will operate the sprawling system for the public transit agency, how will they do it, and for how long.

Keolis America, a subsidiary of the Paris-based transportation company, has operated and maintained the commuter rail system on behalf of the MBTA since 2014, while the MBTA handles capital investments in vehicles and other infrastructure. The Keolis contract with the MBTA expires in June 2027.

The system sees 550,000 weekly passengers and the MBTA officials want to see even higher numbers, part of an effort to ease traffic congestion by making the commuter rail a more attractive alternative.

That means ditching an aging diesel-powered fleet of locomotives for electric ones, and moving away from trips centered on 9-to-5 workers coming into Boston. That would require expanding the schedule and offering frequent trips in both directions that serve office workers, lab workers, students, sports fans, concert goers, and shoppers.

The MBTA plans to issue a request for proposals this fall, with proposals due the following fall. The contract would be awarded by the end of 2026 or early 2027. That leaves roughly six months of transition time if it's a new operator other than Keolis.

Several companies appear to be already interested in what's happening with the potential contract, and their lobbyists have been spotted over the last several months at events discussing the future of the commuter rail.

Keolis has hired Patrick Moynihan, a former Massachusetts transportation secretary, and Joe Boncore, a former lawmaker who chaired the state Senate's transportation committee, while Transdev, another company based in France, has retained Kris Erickson, a former MBTA chief of staff, to lobby for them. Alstom, the third firm with French roots, has the high-powered O'Neill and Associates on its payroll. Industry insiders also expect Alternate Concepts Inc., a company run by a former MBTA chief who lost the current contract to Keolis, to bid.

Before issuing the request for proposals later this year, MBTA officials expect to make a crucial call this spring – by June at the latest – in determining the structure of the contract, which could be worth up to \$20 billion.

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They could “bundle” the contract, meaning one operator, or a consortium, handles everything, similar to the current structure, or they could “unbundle” the contract, meaning one company will handle the infrastructure that doesn’t move, like the rails, while another company will handle the day-to-day operation of the train vehicles and pay the drivers and conductors.

“It’s one of the most important decisions I think the T is going to make in the next five years, what the structure of this contract is,” said Jim Rooney, the CEO of the Greater Boston Chamber of Commerce who laid tracks for the MBTA in his younger days and later served as a top agency official. “There’s some very good operators out there.”

MBTA officials asked companies last year about a different contract structure, and met privately with some of them to get a sense of what they would like to see emerge from the agency. Most were in favor of an “unbundled” contract, since it might attract more bidders and increase competition.

Brian Kane, the executive director of the MBTA Advisory Board, an independent watchdog representing cities and towns served by the transit system, said he isn’t convinced yet that “unbundling” is the way to go in order for the T to achieve its vision for the commuter rail. But he remains open-minded.

“Unbundling” works well in Italy, where there is competition for use of the rails, leading to discount rail operators and cheap fares, according to Kane. But that’s not the same situation here, with the T essentially having a monopoly on operations.

Rooney, the Greater Boston Chamber chief, was glad the MBTA asked the industry what it would like to see before putting together the contract. But he was also skeptical about “unbundling” the contract and handing over the system to multiple companies.

“Personally, I would need to be convinced that’s a good idea to do because it sets up a finger-pointing dynamic when something goes wrong,” he said. “Giving someone the ability to control their destiny as an operator would probably be a prevailing criteria for me.”

The current contract structure, where Keolis is just a service operator and the MBTA handles the rest, is one of the “worst” in the world, according to Rooney. “Keolis, which is a world-class

commuter rail operator, is only asked to run the trains and maintain things. They don't buy anything, they don't get to be involved in a lot of the key decisions that get made," he said.

The contract with Keolis, valued at \$4 billion, has already been extended several times, and the timeline to get a new contract in place is aggressive. Mike Muller, the MBTA's executive director of commuter rail, insisted this week they are not behind schedule and remain on track for getting the contract out to bidders later this year.

"I would characterize it as tight, not late," he said.

More from Commonwealth Beacon

PUBLIC MEETINGS: At the end of January, [Gov. Maura Healey filed legislation](#) called the Municipal Empowerment Act, which includes a provision that would permit hybrid and remote public meetings, but not require them, setting off a debate about how cities and towns should handle the Open Meeting Law. Gintautas Dumcius reports.

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The Codcast



Josh Kraft officially announced his candidacy for the top spot in city hall. He's hoping to unseat Mayor Michelle Wu, the first woman of color to be elected to the position. Commonwealth Beacon Editor **LAURA COLARUSSO** joins fellow reporter **GINTAUTAS DUMCIUS** to discuss Josh Kraft's candidacy, Mayor Wu's response, and top issues in this race.

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What We're Reading

- **TRANS RIGHTS:** After a month of hearing stories from members of the LGBTQ+ community, Worcester has [voted](#) to become a sanctuary city for transgender and gender-diverse people. (WBUR)
- **COURTS:** Fourteen attorneys general – including Massachusetts AG Andrea Campbell – have [sued](#) President Donald Trump and Elon Musk over the “Department of Government Efficiency.” (Boston Globe)
- **CANNABIS:** The Cannabis Control Commission is being [criticized](#) for insufficient testing around mold in cannabis products. (WGBH)
- **DEI PRACTICES:** Massachusetts AG Andrea Campbell and Illinois AG Kwame Raoul [issued](#) DEI guidance to help organizations navigate the new federal policy landscape. (Boston Business Journal)
- **FUNDING FREEZE:** Farmers in the Berkshires have had to [put projects on hold](#) given the uncertainty around federal funding appropriated for farms through the 2022 Inflation Reduction Act. (Berkshire Eagle)



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