

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

THURSDAY, DECEMBER 21, 2023
9:00 A.M.

2310 BROENING HIGHWAY, BALTIMORE MD 21224
IN-PERSON & LIVESTREAMED OPEN MEETING

OPEN SESSION

Paul J. Wiedefeld, Chairman

MEMBERS ATTENDING:

Dontae Carroll
William H. Cox, Jr.
W. Lee Gaines, Jr.
Mario J. Gangemi
Cynthia D. Penny-Ardinger
Samuel D. Snead
John F. von Paris

STAFF ATTENDING:

Jeffrey Brown
Percy Dangerfield
Donna DiCerbo
Tonya Dorsey
Allen Garman
David Goldsborough
Chantelle Green
James Harkness
Natalie Henson
Christopher Imms
Richard Jaramillo
Selena McKissick
Kelly Melhem
Kimberly Millender, Esq.
Mary O'Keeffe
Tia Rattini
Acting Colonel Joseph Scott
Linda Sfakianoudis
Jennifer Stump
Paul Trentalance
John Wedemeyer

At 9:02 a.m. Chairman Paul J. Wiedefeld called the meeting of the Maryland Transportation Authority (MDTA) Board to order. The meeting was held in-person at MDTA Headquarters, 2310 Broening Highway, Baltimore MD 21224 and was livestreamed on the MDTA Board Meeting web page.

APPROVAL – OPEN SESSION MEETING MINUTES OF NOVEMBER 29, 2023

Upon motion by Member William H. Cox, Jr. and seconded by Member Mario J. Gangemi, the open session meeting minutes of the MDTA Board meeting held on November 29, 2023 were unanimously approved.

APPROVAL – CONTRACT AWARD

- **J01B4600002 – Hewlett Packard Enterprises (HPE) Synergy Hardware, Installation, and Training**

Ms. Donna DiCerbo requested approval from the MDTA Board to execute Contract No. J01B4600002 – Hewlett Packard Enterprises (HPE) Synergy Hardware, Installation, and Training with Advanced Computer Concepts, Inc. in the amount of \$736,781.30.

Ms. DiCerbo explained that this Small Business Reserve Contract is for the provision of a one-time purchase of Hewlett Packard Enterprises (HPE) Synergy Hardware, Installation, Training, and Extended Warranties for use by the MDTA ICC Data Center Site and the MDTA JFK Data Center Site.

Upon motion by Member W. Lee Gaines, Jr. and seconded by Member Dontae Carroll, the Members unanimously gave approval to execute Contract No. J01B4600002 – Hewlett Packard Enterprises (HPE) Synergy Hardware, Installation, and Training.

- **MT-00211148 – Janitorial Services – William Preston Lane, Jr. Memorial (Bay) Bridge (WPL)**

Originally, Ms. Donna DiCerbo reported out on the incorrect Contract (Janitorial Services for the Frances Scott Key Facility). However, she came back before the Board at 9:42 a.m. and presented the correct contract.

Ms. Donna DiCerbo requested approval from the MDTA Board to execute Contract No. MT-00211148 – Janitorial Services – William Preston Lane, Jr. Memorial (Bay) Bridge (WPL) with National Center on Institutions and Alternatives, Inc. (NCIA) in the amount of \$1,366,583.80.

Ms. DiCerbo explained that this Community Services contract provides comprehensive janitorial services including supervision, supplies, labor, and equipment at the WPL Memorial Bridge facilities. The Community Services Provider is NCIA. The Pricing and Selection Committee approved the rates for these services on November 16, 2023. Janitorial supplies are included in the contract total and the contract specifies that supplies be purchased from Blind Industries of Maryland, also a Community Service Provider.

Upon motion by Member William H. Cox, Jr. and seconded by Member W. Lee Gaines, Jr., the Members unanimously gave approval to execute Contract No. MT-00211148 – Janitorial Services – William Preston Lane, Jr. Memorial (Bay) Bridge (WPL).

- **SV-00210586 – Right of Way Services**

Ms. Donna DiCerbo requested approval from the MDTA Board to execute Contract No. SV-00210586 – Right of Way Services with Johnson, Mirmiran, & Thompson, Inc. in the amount of \$11,467,000.00.

Ms. DiCerbo explained that this contract is for the provision of professional Right of Way support services, such as project management, the development of right-of-way cost estimates, real estate appraisals and appraisal reviews, real estate surveys and survey reviews, support for acquisitions and dispositions, support for relocations, support for settlements, condemnation support, GIS (Geographic Information System Mapping) support, title services, and other related right-of-way services. The resulting contract will assist Real Estate Services staff in meeting its short-term and long-term goals, as it supports the customer service, mobility, and financial needs of Real Estate Services.

Upon motion by Member Mario J. Gangemi and seconded by Member W. Lee Gaines, Jr., the Members unanimously gave approval to execute Contract No. SV-00210586 – Right of Way Services.

APPROVAL – BOARD RESOLUTION NO. 23-02 – TOLL REVENUE BONDS REFINANCING

Mr. Allen Garman requested MDTA Board approval of Board Resolution 23-02 to authorize the issuance of toll revenue bonds to refinance the Series 2009B and 2010B Build America Bonds for economic savings and reduced risk.

Mr. Garman explained that the market dependent refinancing could occur as soon as February 2024 and will be sized to account for the call premium, refinancing bond premium, and costs of issuance, including funding a debt service reserve.

The \$747 million of Series 2009B and 2010B taxable Build America Bonds (BABs) were issued with a make-whole call provision that makes economic refinancings unlikely, but the current abnormal market environment has created a unique opportunity for debt restructuring savings. Of the original BABs issued, \$721 million remains outstanding with maturities extending to 2043. Coupons range from 5.16% to 5.89%. The IRS subsidy payments are designed to cover 35% of the coupons, so the net coupons should range between 3.35% to 3.83%. However, the federal budget sequestrations have reduced the federal subsidies and increased net interest costs and risks.

Upon motion by Member Cynthia D. Penny-Ardinger and seconded by Member Dontae Carroll, Board Resolution 23-02 was unanimously approved.

APPROVAL – QUARTERLY REVIEW OF INVESTMENT STRATEGY AND BENCHMARKS

Mr. Allen Garman requested MDTA Board approval to continue with the current investment strategies and benchmarks for all accounts and adding a firm to the authorized dealers list.

Mr. Garman explained that for the trailing twelve-month period ended September 30, 2023, investments conformed to Investment Policy limitations. The longer duration strategies employed in certain reserves generate higher return volatility with expected higher average annual returns over multiyear periods. Portfolio structuring by account adhered to Board approved strategy and should remain consistent, despite short-term return volatility associated with the rising interest rate environment. No changes in performance strategy or benchmark are recommended.

Mr. Garman also explained that the MDTA's investment policy generally requires a competitive bid/offer process for bond transactions with dealers included in the Qualified Institutions list. Dealers are prescreened for required SEC registration, experience, and minimum net capital. Within the Operating Policy, the MDTA Board reserves authority for approving additions to the broker/dealer list.

Following the standard Request for Qualifications screening, the Investment Committee recommends and is seeking approval to add the Academy Securities to the Qualified Institutions list.

Upon motion by Member Mario J. Gangemi and seconded by Member John F. von Paris, continuation of the current investment strategy and adding the new firm to the Qualified Institutions list was unanimously approved.

UPDATE – 1ST QUARTER OPERATING BUDGET COMPARISON

Mr. Jeffrey Brown updated the MDTA Board on actual versus projected year-to-date spending for the first quarter of Fiscal Year (FY) 2024 Operating Budget. As of September 30, 2023, 15% of the budget was spent compared to a target of 23%. All Objects are at or below the targeted spending level. The primary drivers for the underspending are personnel vacancies and the seasonality of expenses.

UPDATE – 1ST QUARTER CAPITAL BUDGET COMPARISON

Ms. Jennifer Stump updated the MDTA Board on the first quarter Fiscal Year (FY) 2024 Capital Budget Comparisons. As of September 30, 2023, 9.1% of the FY 2024 budget was spent as compared to the targeted spending level of 25%. The total budget for FY 2024 is \$539.6 million. The actual spending through the first quarter was \$49.3 million. The first quarter percentage is low because there are outstanding accruals for work completed in FY 2023.

UPDATE – TRAFFIC AND REVENUE

Ms. Chantelle Green gave a quarterly and year-to-date update to the MDTA Board regarding traffic and toll revenue trends compared to the previous year and the forecast.

Ms. Green explained the quarterly review looks at traffic and toll revenue trends and compares actual system-wide experience with traffic and toll revenue forecasts. CDM Smith continues to track and evaluate the performance of traffic at the lane level and traffic and revenue collected on a cash basis.

She further explained that the key takeaways are: 1) Passenger vehicle traffic continues to track closely to pre-pandemic levels; 2) Commercial vehicle traffic continues to outperform pre-pandemic levels; and 3) For the first quarter of FY 2024, there is practically no variance in the forecast vs. actuals. Actual traffic and revenue were used in the first three months of the forecast.

UPDATE – MAJOR PROJECTS UPDATE

Mr. Jim Harkness updated the MDTA Board on the status of Major Projects in the Capital Program. Mr. Harkness explained that as of December 14, 2023, there are twelve major projects in the Capital Program. Nine of the projects are under construction, one project is in procurement, and two projects are under design. This update includes projects funded for construction in the current CTP and includes six projects valued in excess of \$100 million. There are four projects from the \$1.1 billion I-95 ETL Northbound Expansion program.

UPDATE – DIVISION OF INFORMATION TECHNOLOGY (DOIT) MAJOR PROJECTS UPDATE

Mr. David Goldsborough updated the MDTA Board on the Division of Information Technology (DoIT) major projects. As of December 21, 2023, the DoIT maintains an active portfolio of 21 projects and provides continued support of the third-generation tolling system (3G) program. As a result of the enterprise risk assessment, the first IT audit for the CSC vendor (Transcore) has commenced, which will cover various controls around backup and restore, access controls, etc. DoIT has also completed several recruitments including the new Maximo Systems Supervisor and Lead Database and Systems Administrator and is currently in the offer process for two (2) Senior Project managers.

DoIT also completed the annual tabletop disaster recovery exercise on November 6, 2023. Staff is scheduled to perform a live failover exercise in Quarter 1 of 2024. The annual financial audit has concluded for DoIT. All deliverables have been forwarded to Clifton Larsen Allen.

Mr. Goldsborough also went over some of the significant initiatives that DoIT continues to work on, including the following:

- HR Central Conversion
- Web-Based Appointment Scheduler
- Miss Utility Conversion
- Maximo Spatial
- Open Text Upgrade
- Dynamics SL Upgrade
- HRIS

- Data Center Enhancements Project
- Clearing House Tracking for Health and Safety

UPDATE – CIVIL RIGHTS AND FAIR PRACTICES (CRFP) SOCIOECONOMIC PROGRAMS STATUS

Ms. Tia Rattini updated the MDTA Board on MDTA's progress toward achieving the legislatively mandated socioeconomic program goals for the 1st Quarter of Fiscal Year (FY) 2024, which covers the performance period of July 1, 2023 to September 30, 2023 (Q1 FY 2024).

These programs include the following:

- Disadvantaged Business Enterprise (DBE) Program;
- Minority Business Enterprise (MBE) Program;
- Small Business Reserve (SBR) Program; and
- Veteran-Owned Small Business Enterprise (VSBE) Program.

In addition, Ms. Rattini reported on current strategies focused on outreach, training, and data analysis. These included: PRISM Contract Compliance System; In-Person Outreach Events; Training with the Office of Engineering and Construction; Credit Card Purchases made with DBE, MBE, SBR, and VSBE Vendors; Identifying Additional Opportunities for DBE/MBE/VSBE Participation; and Outstanding DBE/MBE/VSBE Subcontracting Partner Award.

UPDATE – AUDIT COMMITTEE

Member Cynthia D. Penny-Ardinger presented an update on the Audit Committee meeting that took place on December 5, 2023. The Office of Audits is on track to complete the thirteen audits in the Fiscal Year (FY) 2024 Audit Plan. Currently one audit is complete and five are in progress.

One internal audit report (DriveEzMD Customer Service Centers Compliance Audit) was presented and the Committee was satisfied with the results of this audit.

UPDATE – EXECUTIVE DIRECTOR'S REPORT

Mr. Percy Dangerfield gave the Executive Director's Report. Mr. Dangerfield began by announcing that he has approved the 2024 Holiday Toll Schedule for the I-95 Express Toll Lanes.

Mr. Dangerfield then announced some of MDTA's notable 2023 accomplishments. These included:

- Division of Finance
 - Accelerated the \$200 million TIFIA loan draw which allowed MDTA to take advantage of the favorable rate environment.
 - For the 10th consecutive year, MDTA received the Certificate of Achievement for Excellence in Financial Reporting for the production of the Fiscal Year 2022 Annual Comprehensive Financial Report.

- Office of Environment, Safety, & Risk Management and Asset Control & Damage Recovery
 - Recovered nearly \$662,000 from property damage claims impacting MDTA facilities.
 - On May 6, the office led a shoreline clean-up at the MDTA Police Headquarters building where 32 MDTA employees, families, and community members participated to clean up 1,500 pounds of miscellaneous debris.
- Division of Procurement
 - Completed 79 procurements totaling roughly \$170 million including 40 new requests, 10 renewals, and 29 modifications.
 - To date 17 of 19 MDTA Procurement Officers have acquired their Certified Maryland Procurement Officer designations with 12 of them getting certified in 2023.
- Office of Human Resources and Workforce Development
 - Organized successful hiring events in the Central Region, at the ICC, Bay Bridge, and JFK which led to filling all of the Facility Maintenance Technician vacancies.
 - Organized a first of its kind MDTA Open House at MDTA Police Headquarters.
- Diversity, Equity, and Inclusion
 - In January, launched a DEI Climate Survey to tap into employees' perspectives and opinions about DEI.
 - In August, posted the MDTA DEI Commitment Statement to the public website.
 - Developed a dedicated DEI intranet page to serve as a single source for employees seeking information about the DEI program.
 - Began distribution of monthly DEI newsletters to all of MDTA.
- Division of Operations
 - Entered into MOUs with the Maryland Aviation Administration and the Maryland Port Administration for CDL training. This allows MDTA access to a driver training closed course, training manuals, and documentation that staff previously did not have access to and in return, MDTA trains their employees. This resulted in a \$615,000 savings in the calendar year.
- Division of Civil Rights and Fair Practices
 - Held quarterly in-person outreach events in March, June, and September. Total combined attendance was 212 members of the business community which included MBE/DBE/VSBE/SBR firms.
 - Prepared for the launch of the PRISM Compliance Software System which is set to go live in January 2024.
- Division of Policy, Innovation, and Performance
 - Led efforts to update the MDTA's Strategic Plan.
- Multi-Division Collaboration
 - In March, due to the collaboration between many Divisions, MDTA launched MDTA's first mobile app for E-ZPass Maryland customers. In November, the DriveEzMD mobile app was expanded to serve Pay-By-Plate and Video Tolling customers. In December, in response to customer feedback, staff added biometrics login. As of December 11, MDTA has more than 80,000 users, nearly 6,000 accounts opened on the app and nearly 47,000 payments made on the app across more than 16,000 individual accounts.

Mr. Dangerfield then continued with some 2023 project milestones, that included:

- As part of the ongoing Bay Crossing Study Tier 2, the project team conducted a Virtual Transit and Bicycle/Pedestrian Listening Session and three Open Houses. In addition, the team has also attended over 20 community engagement events.
- MDTA implemented the Automated Lane Closure System at the Bay Bridge that uses lane use control signals, dynamic messaging signs, and horizontal gates to respond to traffic demand or control traffic during incidents.
- The Nice/Middleton bridge project successfully demolished the old bridge's roadway, sub-structure, and piers. On June 10, launched lane sharing bicycle access on the bridge from dawn to dusk on Saturdays, Sundays, and State holidays.
- Following an extensive public comment process that began in January, in June the Board approved toll rate ranges for the I-95 Express Toll Lanes Northbound Extension and I-695 Ramps. These ranges are identical to the existing tolling plan.

Ms. Mary O'Keeffe then announced that on November 30, the Dean of Doctoral Studies for Grand Canyon University conferred the Doctor of Philosophy degree to Percy E. Dangerfield. The focus of Mr. Dangerfield's PhD is Industrial and Organizational Psychology. His dissertation entitled, "A Qualitative Descriptive Study: Motivating Factors Influencing Professional Success in the Public Transportation Sector" highlights research that seeks to understand employees' first-hand experienced with motivation and how it translates to profession success. The academic and practical contributions of the research will be used to develop career enhancement and employee engagement programs further.

Lastly Mr. Dangerfield expressed his gratitude to all the MDTA employees who supported this years MDTA Police Toys for Tots Campaign that collected 2,611 toys and \$4,089.99 in currency.

He then wished everyone a safe and happy holiday season.

VOTE TO GO INTO CLOSED SESSION

At 10:35 a.m, upon motion by Member William H. Cox, Jr. and seconded by Member W. Lee Gaines, Jr., the Members voted unanimously to move into Closed Session under the Maryland Open Meetings Act, the MDTA Board met in Closed Session under the General Provisions Article, Section 3-305(b)(9) to discuss matters related to pending collective bargaining negotiations with FOP 34 to reopen its contract related to take-home vehicles, which negotiations are ongoing and not yet been ratified.

In attendance for the Closed Session were Chairman Paul Wiedefeld; Members Carroll, Cox, Gaines, Gangemi, Penny-Ardinger, Snead, and von Paris; Kimberly Millender, Esq.; Acting Col. Joseph Scott; Percy Dangerfield, Tonya Dorsey, Chantelle Green, Jeffrey Brown, Samantha Biddle, and Natalie Henson.

VOTE TO ADJOURN CLOSED SESSION

At 11:22 a.m., a motion was made by Member Dontae Carroll and seconded by Member W. Lee Gaines, Jr., which was unanimously approved, to adjourn the Closed Session and return to Open Session. There were no actions taken in Closed Session that require ratification.

VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member Mario J. Gangemi and seconded by Member Dontae Carroll, the Members unanimously voted to adjourn the meeting at 11:26 a.m.

The next MDTA Board Meeting will be held on Thursday, January 25, 2024 at 9:00 a.m. at MDTA, 2310 Broening Highway, Baltimore MD and will be livestreamed on the MDTA Board webpage.

APPROVED AND CONCURRED IN:


Paul J. Wiedefeld, Chairman