

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, MAY 21, 2020
OPEN MEETING VIA CONFERENCE CALL

OPEN SESSION

Gregory Slater, Chairman

MEMBERS ATTENDING:

Dontae Carroll
William H. Cox, Jr.
William C. Ensor, III
W. Lee Gaines, Jr.
Mario J. Gangemi
Cynthia D. Penny-Ardinger, Esq.
Jeffrey S. Rosen
John F. von Paris

STAFF ATTENDING:

Col. Kevin Anderson	Kenneth Montgomery
Yaw Berkoh	Ebony Moore
Percy Dangerfield	Kelly Mundle
Donna DiCerbo	Simon Najar
Vicky Dobbins	Mary O'Keeffe
Luther Dolcar	John O'Neill
Tonya Dorsey	Christopher Parris
Allen Garman	Will Pines
David Goldsborough	James F. Ports, Jr.
Chantelle Green	Mike Rice
Lynnea Green	Bradley Ryon
David Greene	John Sales
Jim Harkness	Deb Sharpless
Natalie Henson	Colin Sweetin
Meshelle Howard	Abey Tamrat
Joe Jachelski	Christina Thompson
April King	Clayton Viehweg
Cheryl Lewis-Orr	Abby Ward
Lt. Col. Lucy Lyles	Melissa Williams
Jeanne Marriott	Tamory Winfield
Kelly Melhem	Brian Wolfe
Kimberly Millender, Esq.	

OTHER ATTENDEES:

Ian Beam, Maryland Department of Transportation
James Kruszynski, President, FOP Lodge 34
Michael Marzullo, Integrated Designs
Karen Wieland, Integrated Designs

At 9:04 a.m. Chairman Gregory Slater called the meeting of the Maryland Transportation Authority (MDTA) Board to order. With this open meeting being done via conference call, a roll call of participants was taken by Ms. Natalie Henson to ensure the minutes accurately reflected those persons on the call and to ensure a quorum of the Board was present.

APPROVAL – OPEN SESSION MEETING MINUTES AND CLOSED SESSION MEETING MINUTES OF APRIL 30, 2020

Upon motion by Member Mario Gangemi and seconded by Member W. Lee Gaines, Jr., the open session meeting minutes and closed session meeting minutes of the MDTA Board meeting held on April 30, 2020 were unanimously approved.

APPROVAL – CONTRACT AWARD

- **Contract No. BB-3007-0000 – Rehabilitation and Installation of Maintenance Access Features**

Ms. Donna DiCerbo requested contingent approval to execute Contract No. BB-3007-000 – Rehabilitation and Installation of Maintenance Access Features with M. D. Miller Company, Inc. in the bid amount of \$4,954,003.00.

Facility Inspection reports uncovered unsafe and inadequate maintenance access features such as catwalks, ladders, doors, railings, stairways, etc. on both the Eastbound and Westbound bridges. The purpose of this Contract is to provide labor, equipment, materials, etc. necessary to perform repairs and/or modifications to existing maintenance access features as well as installing new maintenance access features.

Upon motion by Member Mario Gangemi and seconded by Member Dontae Carroll, the Members unanimously gave contingent approval to execute Contract No. BB-3007-000 – Rehabilitation and Installation of Maintenance Access Features.

- **Contract No. NB-3003-0000 – Nice/Middleton Bridge Campus Improvement**

Ms. Donna DiCerbo requested contingent approval to execute Contract No. NB-3003-0000 – Nice/Middleton Bridge Campus Improvement with W.M. Schlosser Company Inc. in the bid amount of \$27,433,000.00.

The scope of work will include New Administration and Police Facility, New Maintenance Facility, New Maintenance Storage Building, New Office and Material Supply Storage Addition to the Automotive Shop, HVAC system and lighting upgrades to the Automotive Shop, New Fuel Island, New Dewatering Facility, Demolishing of Existing Maintenance, Administration and Police, Fuel Dispensing, and Equipment Storage Facilities.

Upon motion by Member Dontae Carroll and seconded by Member William C. Ensor, III, the Members unanimously gave contingent approval to execute Contract No. NB-3003-0000 – Nice/Middleton Bridge Campus Improvement.

- **Contract Nos. AE-3060-000, AE-3061-0000, AE-3063-0000, AE-3065-0000, AE-3066-0000 – MDTA 2019-01A – Construction Management and Inspection Services**

Prior to discussion of this item, Mr. Will Pines, MDTA Chief Engineer, recused himself from the call for this item. Mr. Pines called back into the meeting once this item was concluded.

Ms. Donna DiCerbo requested approval of AE-3063-0000, resulting from MDTA Project 2019-01A - Construction Management and Inspection Services, and contingent approval for Contract Numbers AE-3060-0000, AE-3061-0000, AE-3065-0000, and AE-3066-0000 as follows:

Contract AE-3060-0000 - Greenman Pedersen/Gannet Fleming - \$16,000,000.00;
Contract AE-3061-0000 - Johnson, Mirmiran, & Thompson - \$16,000,000.00;
Contract AE-3063-0000 - A. Morton Thomas & Associates - \$16,000,000.00;
Contract AE-3065-0000 - Michael Baker & Prime AE-JV - \$13,000,000.00; and
Contract AE-3066-0000 - O'Connel & Lawrence/ACTS-JV - \$13,000,000.00.

The services to be performed under this contract are Comprehensive Construction Management and Inspection (CMI) Services for the Maryland Transportation Authority (MDTA). The consultant shall provide professional Construction Management Services related to supplementing and supporting the construction phase of the Maryland Transportation Authority Consolidated Transportation Program. The Consultants shall perform services in the following general areas: service shall include, but not be limited to, constructability reviews, conduct detailed inspections of all construction work including erosion and sediment control contract compliance, maintenance of traffic, detail materials testing, critical path method cash flow schedules, document control and assist the Authority's compliance officers with monitoring and enforcement of Minority Business Enterprise goals.

Upon motion by Member Jeffrey S. Rosen and seconded by Member W. Lee Gaines, the Members unanimously gave approval of AE-3063-0000, resulting from MDTA Project 2019-01A - Construction Management and Inspection Services, and contingent approval for Contract Numbers AE-3060-0000, AE-3061-0000, AE-3065-0000, and AE-3066-0000.

APPROVAL – TRUST AGREEMENT CHANGES

Mr. Allen Garman requested a recommendation of approval from the MDTA Board to amend the Master Trust Agreement. The changes include (1) amending the definition of Reserve Subaccount Insurance Policy; (2) adding clarifying language to permissible investments; and (3) amending the frequency and description of facility inspections to align with industry standards. Mr. Garman explained that the proposed changes will provide financial flexibility, cost savings, and greater income potential.

Upon motion by Member John F. von Paris and seconded by Member Mario Gangemi, the Trust Agreement changes were unanimously approved.

APPROVAL – BOARD RESOLUTION 20-04

Mr. Allen Garman requested MDTA Board approval for MDTA Board Resolution 20-04.

Mr. Garman explained that the resolution authorizes the issuance of municipal bonds or alternative financing options to refund the Series 2008A Transportation Infrastructure Finance and Innovation Act bonds and provide additional proceeds to fund capital projects in fiscal year 2020 and 2021.

Upon motion by Member W. Lee Gaines, Jr. and seconded by Member William H. Cox, Jr., the MDTA Board Resolution 20-04 was unanimously approved.

UPDATE – QUARTERLY UPDATE ON TRAFFIC AND REVENUE

Ms. Deb Sharpless updated the MDTA Board with a year-to-date update regarding the MDTA's traffic and toll revenue trends compared to the forecast.

Ms. Sharpless noted that as of March 31, 2020, year-to-date transactions and revenue on the MDTA's legacy toll facilities were approximately 3.6% below forecast and 3.1% below forecast, respectively. The COVID-19 pandemic was the primary cause for the decline in transactions and revenue. It is anticipated that a quarterly update regarding traffic and toll revenue trends on the Intercounty Connector and I-95 Express Toll Lanes will be provided next month.

APPROVAL – CAPITAL BUDGET AMENDMENT

Mr. Will Pines requested MDTA Board approval for a capital budget amendment.

Mr. Pines explained that the total budget for the Fiscal Year (FY) 2020-2025 Draft Consolidated Transportation Program (CTP) is \$396.9 million. The FY 2020-2025 Final Consolidated Transportation Program (CTP) was increased to \$429.4 million and based on our current estimated forecast of planned expenses, we anticipate that FY 2020 will close at \$450.4 million. This is an increase of \$21 million (4.9%) over the Final CTP and \$53.5 million (13.5%) over the Draft CTP.

He explained that the overages are due to expedited construction faster than anticipated in the original plans. Although cash flow expenses are faster than planned in FY 2020, the overall FY 2020-2025 CTP program budget will remain unchanged over the six (6) year period as this is only moving funds forward. Mr. Pines said that the increases in cash flows in FY 2020 will be offset by reductions in FY 2022 through FY 2024.

Upon motion by Member Jeffrey S. Rosen and seconded by Member Dontae Carroll, the capital budget amendment was unanimously approved.

UPDATE – THIRD QUARTER OPERATING BUDGET COMPARISON

Ms. Christina Thompson explained to the MDTA Board that as of March 31, 2020, 63 percent of the operating budget was spent compared to a target of 70 percent. She went on to explain that fixed charges (object 13) exceeded expected spending levels; however, total spending was in line with the third quarter of Fiscal Year 2019.

UPDATE – THIRD QUARTER CAPITAL BUDGET COMPARISON

Ms. Jeanne Marriott explained to the MDTA Board that as of March 31, 2020, 68 percent of the Fiscal Year (FY) 2020 budget was spent as compared to the targeted spending level of 75 percent. The total budget for FY 2020 is \$396.9 million. The actual spending through the third quarter was \$268.8 million.

Ms. Marriott explained that 37 of the 120 projects budgeted in FY 2020 were within the acceptable spending limits of 50 to 100 percent (plus or minus 25 percent of the 75 percent target). Due to normal lags in invoicing, generally two months, a plus or minus 25 percent threshold was determined to be reasonable.

APPROVAL – QUARTERLY REVIEW OF INVESTMENT STRATEGY AND PERFORMANCE

Mr. Allen Garman requested MDTA Board approval to continue with the current investment strategy.

Mr. Garman explained that for the trailing twelve-month period ended March 31, 2019, the investment strategy was in line with the MDTA's Investment Policy and the investment portfolio's total return performance was commensurate with the benchmark index. No changes in performance strategy or benchmark are recommended for the core unrestricted reserve accounts.

He further explained that the MDTA Board approved an investment strategy and benchmark change at its February 27, 2020 meeting to lengthen the average maturity of certain unrestricted reserves to 7.5-years from the current 3-years, as well as the associated Effective Duration to 6.9 from 2.7. Implementation of this strategy change is indefinitely delayed as a result of the pandemic and associated bond market volatility and dislocations. The Investment Committee will continue to update the Finance Committee on bond market conditions and the potential timing of the revised investment strategy implementation.

Upon motion by Member William C. Ensor, III and seconded by Member W. Lee Gaines, Jr., continuation of the current investment strategy was unanimously approved.

UPDATE – MDTA'S TRAVEL PLAZAS

Ms. Vicky Dobbins and Mr. Simon Najjar updated the MDTA Board on the progress of operations at the Maryland House and Chesapeake House Travel Plazas.

They explained that in 2012, the MDTA entered into a Lease and Concession Agreement with Areas USA MDTP, LLC (Areas USA), to undertake the redevelopment (including financing) and long-term operations and maintenance of the travel plazas. Pursuant to the public-private partnership (P3) arrangement, the MDTA retains oversight of the travel plazas for a period of 35 years. The presentation provided a brief overview of the contract award and agreement; Areas USA history and expertise; current operations at the travel plazas; recent challenges; and the future outlook.

UPDATE – DRIVE EZMD PRE-LAUNCH

Ms. Kelly Melhem gave a brief project introduction and then introduced Ms. Kelly Mundle who presented to the MDTA Board Members the branding and education campaign for DriveEzMD, Maryland's new home for everything tolling.

Ms. Mundle explained that DriveEzMD is the name and brand for Maryland's new third generation (3G) electronic toll-collection system and toll modernization customer service enhancements. In partnership with *E-ZPass* Operations and other MDTA stakeholders, the Division of Communications and its marketing partners developed a comprehensive education and outreach campaign that will introduce DriveEzMD and new tolling payment options to Marylanders, build on the trust of the *E-ZPass* Maryland brand, and promote a positive experience for our customers.

UPDATE – HUMAN RESOURCES COMMITTEE

Member W. Lee Gaines, Jr. presented an update on the Human Resources Committee meeting that took place on May 14, 2020. The Members were given an overview of the PULSE Performance Appraisal, COVID-19 Actions, Employee Entrance Survey, and 2019 HR Separation Metrics.


UPDATE – EXECUTIVE DIRECTOR

Mr. James F. Ports, Jr. gave an update of MDTA's continuing operations during the COVID-19 pandemic. He also updated the MDTA Board on the May 12 launch of all-electronic tolling at the Bay Bridge, the ETL Northbound Extension Program traffic split pattern that began in Harford County at the end of April, and the May 19 launch of the Virtual Project Update for the I-95 Belvidere Road Interchange Improvements project.

There being no further business, the meeting of the MDTA Board was adjourned by consensus at 11:54 a.m.

The next MDTA Board Meeting will be held on June 25, 2020 at 9:00 a.m. via Open Meeting Conference Call.

APPROVED AND CONCURRED IN:



Greg Slater, Chairman