



Maryland
Transportation
Authority

**2012 End of Year Report
Business Plan 2012-2013**

January 2013
Final

INTRODUCTION

The End of Year Report is designed to provide an overview on how the Maryland Transportation Authority (MDTA) programs performed throughout the fiscal year, specifically relating to the fiscal year (FY) 2012-2013 Business Plan objectives and measures compared between FY/calendar year (CY) 2012 to FY/CY 2011.

The report is structured into seven sections. These sections are modeled after the Criteria for Performance Excellence for the Business Sector. The first six sections focus on business processes and the last section on MDTA's performance in achieving the objectives from the FY 2012-2013 Business Plan. Some of these measures are also reported monthly through a Scorecard to Management Committee. The MDTA's Performance Management Team (PMT) focuses on the measures from the Business Plan. This team meets monthly to discuss data trends and anomalies. Although some of the Divisions/Offices within MDTA do not report on measures, all Divisions/Offices are represented throughout the Report and on PMT.

The End of Year Report touches on all measures that are included in the Business Plan and monthly Scorecard, regardless of whether the goal was achieved. The report is intended to show where the MDTA stands in achieving its goals/ benchmarks. The report also explains what initiatives were undertaken and why a goal was not achieved. The MDTA did not expect to achieve all goals, for all objectives, within the fiscal year, many are on-going measures and will gradually be reached.

The measures that are developed from the Business Plan workshop provide the Executive Office, Management Committee and others a sense of how the MDTA is performing throughout the year. Some of the objectives and measures change, each year after the development of the newest Business Plan, but many stay the same. Most of the required objectives/measures relate to the Maryland Transportation Plan (MTP), Managing for Results (MFR), or the Attainment Report (AR). These objectives and measures are compared against other state transportation modes and state government agencies. Most measures are tracked on a fiscal year basis and reported on monthly.

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Maryland Transportation Authority FY 2012 Business Plan Performance Report

SECTION 1: LEADERSHIP

The MDTA's Leadership has demonstrated its commitment to quality and performance improvement through several actions including monthly reports to senior management and annual planning workshops. The MDTA has continued to focus on the accomplishments of its objectives to attain its vision through a review process that is guided by the Performance Management Team (PMT). This team is comprised of representatives from each division. They meet monthly to review the progress of eighteen (18) objectives, submit a monthly Scorecard to the senior management and prepare a final report summarizing the progress and accomplishments for the Fiscal Year 2012 Business Plan.

The MDTA's eighteen objectives were developed at workshops attended by senior management and divisional work plans. The division work plans are then used to develop the individual staff work plans that serve as one of the foundations for the personnel evaluations.

Processes have been established for monthly reporting and evaluation of capital and operating budget forecasting and spending. These monthly checks provide valuable opportunities for communication throughout the agency in addition to the opportunities to assure accountability that tie into the progress towards the agency's goals and objectives.

Throughout this year, there have been some personnel changes within the MDTA, including the Executive Secretary and Deputy Executive Secretary. Other key personnel changes have included the departure of the Chief Administrative Officer in August 2010 and the departure of the Chief of Police in 2011, both positions remain vacant.

These leadership changes have created some adjustments throughout MDTA, but did not cause any adjustments within the three functions important to leadership. The personnel changes within the organization caused some changes within divisions, but overall these changes were executed smoothly. In addition to the above discussion of how leadership affects the agency's performance, it is important to mention that overall the three functions important for leadership in regards to the accomplishment of the Business Plan are communication, motivation and engagement. These functions rise to the level of importance that one cannot be successfully accomplished without the other two. The MDTA's senior management has been engaged in the formation of the agency's Goals and Objectives that make up the Business Plan. This has been accomplished through the two way communication between the senior management and their staff. The information flow affects motivation by providing the staff with the knowledge of how each of their contributions affect their divisions' and the agency's performance.

SECTION 2: STRATEGIC PLANNING

MDTA's strategic planning process results in two documents: its three to five year strategic plan and its annual business plan. The strategic plan contains MDTA's long-term goals, and key focus areas. The business plan refines those goals and key focus areas into short-term goals, and objectives, and outlines the performance management program. MDTA's Strategic Plan was last updated in 2010 and the Business plan was updated in May 2012. Both documents are the result of a three phase, ten-step process that is cyclical in nature. The process takes four to five months to complete but can be compressed in response to time sensitive issues.

The first phase is performed by the Division of Strategic Development and consists of an internal performance review; external assessment of the MDTA's operating environment; and a review of the organization's strengths, weaknesses, opportunities, and threats (SWOT). The results of the first phase are distributed to senior leaders in advance of phase two. The second phase consists of working sessions with senior leaders to develop strategic priorities, determine relevant measures of success, and discuss high-level strategies. The results of the second phase become inputs into the plans. The third phase is an iterative process of review which is also utilized to ensure strategies are feasible and that resources are available. In 2012, specific efforts were made to better coordinate the timing of the strategic planning work sessions prior to the development of next year's budget. The process also included discussions with senior leaders on core competencies and key work processes.

In 2012, the strategic planning process considered a number of higher-level strategic planning efforts. Some of those inputs included the MTP, Annual AR, and the Statewide Freight Plan. Those plans were augmented by direction provided by key stakeholders

through various methods such as the Governor's 15 Strategic Policy Goals, MDTA E-ZPass customer survey results, MDTA Freight Operator survey results, and comments received through two public comment periods. Industry inputs were gathered during phase one of the planning process so that senior leaders could consider them throughout phase two. Examples of those inputs include data on electronic toll interoperability, and information on future funding options being considered by governments around the world.

The business plan contains eighteen objectives that directly support the five goals outlined in the strategic plan. MDTA's key strategic objectives for 2012 include increasing the percentage of electronic toll collection to 75% by 2013, maintaining fatal and personal injury crash rates below the national average, maintaining stable credit ratings that reduce borrowing costs, and managing the on-time and on-budget performance of capital projects.

MDTA's various divisions and offices take the outputs of the strategic planning process to develop plans for their respective responsibilities. Action plans for strategic importance to the organization are typically comprised by cross-functional workgroups developed to address a specific objective. For example, in 2012 a workgroup was developed to address the toll-setting process. In another example, a workgroup was developed to address the strategic objective of increasing non-toll revenue. Workgroups like these allow for cross-functional representation, senior leader sponsorship and participation, and time-frames specific to the needs of the issue being addressed. Workgroups also allow for action plan modification as necessary.

As mentioned earlier, MDTA is working on better integration between its resource allocation processes and its strategic planning process. In previous years, there have been few efforts to coordinate the timing of various processes. Senior leaders are included in each of those processes, so undoubtedly resources were considered during the strategic planning process and organizational goals and objectives were considered during various resource allocation processes. In 2012, senior leaders made the decision to start the 2013 strategic planning process earlier so that it could be completed prior to the completion of the budget for 2013. While we fell slightly short of that directive this year, we will strive to meet it in future years.

MDTA's performance management program covers the key measures of performance from the business plan, and produces information for internal and external reporting requirements. Senior leaders receive a monthly scorecard of the organization's key metrics. Annually they review and select the measures during the business plan work session, though the measures themselves do not have to be part of the business plan. For example, in 2012, the senior leaders selected 19 measures for the scorecard including two areas not in the business plan that they wanted to monitor. The performance management program is discussed in greater detail in section 4.

SECTION 3: CUSTOMER FOCUS

The Maryland Transportation Authority (MDTA) has increased the level of customer service this past year by adding Twitter, Facebook and a website blog posting on the MDTA website. These added tools provide more avenues for customers to receive safety and traffic information from the Division of Communications (DOC).

DOC continues its practice of sending email alerts to our customers and stakeholders, quality control on the 1-877-BAYSPAN hotline and working with the Division of Capital Planning on elected-official and community outreach. DOC is also responsible for managing correspondence received by the agency and Public Information Act (PIA) requests. This past year, MDTA handled 2,672 pieces of correspondence and responded to 92 PIA requests.

Internally, the DOC's bi-weekly Connections publication keeps the MDTA workforce informed of newsworthy issues. DOC also works closely with the Executive Secretary's office to send messages out directly, when needed, to employees on current issues.

MDTA's E-ZPass Outreach Team continues to visit large employers and civic organizations several times per week to promote E-ZPass usage at Maryland's eight toll facilities, as well as answer questions about MDTA projects. This past year, in addition to promoting the Intercounty Connector/MD 200 (ICC), the team assisted with the conversion from AVI to E-ZPass at the Hatem Bridge. Team members shared information with 11,828 people at 202 events this past year. With the I-95 Express Toll Lanes (ETLs) opening on the horizon, the E-ZPass Outreach Team will shift their focus to educating the public on the new roadway and its benefits.

Customers in the E-ZPass area have three avenues to follow to discuss their accounts and potential related issues, these are:

- The Customer Service Center (CSC) – operated under contract to MDTA by its vendor, Xerox. This center receives input from customers and in most cases, is able to remediate issues. Reports and statistics detailing the performance of the CSC are sent to MDTA on a regular basis.
- MDTA Stop-In-Centers – These centers are staffed by MDTA personnel and are located strategically throughout MDTA's areas of operations. Customers can go to these locations and maintain their E-ZPass accounts with cash if necessary and can discuss any potential issues they may have with their accounts with Customer Service personnel.
- Issues which are not able to be solved by either of the above two locations, or which may come in from other avenues, can be escalated to our in-house E-ZPass customer service area. This department is charged with taking all appropriate complaints or issue to a conclusion.

The E-ZPass department produces, with the aid of the Xerox partners and their systems, a multitude of miscellaneous reports ranging from traffic and revenue trends to specific requests for data and reports to support special requests. Much of this data is used to

track MDTA's progress and to look for trends to assist in the business of growth and the eventual goal of all electronic tolling.

The E-ZPass department generally interacts with the existing customer base. MDTA's Division of Communications (DOC) generally has the responsibility for outreach to existing and potential customers to gain further information and intelligence. The efforts undertaken by DOC are done in consultation with E-ZPass management along with other departments as required.

SECTION 4: MEASUREMENT AND ANALYSIS

As discussed in section 2, MDTA's performance management program analyzes, reviews, and distributes organizational performance measures to senior leaders. The monthly scorecard is distributed monthly to all senior leaders, and members of the performance management team. The scorecard contains summary data but features links to the source reports, graphs, and data profiles which provide operational definition and objective statements. The scorecard provides comparative data to forecasts and previous periods as applicable, and uses stop-light visualization to quickly show performance against the target.

More detailed analysis is conducted as directed by senior leaders. For example during the 2012 business plan work sessions, senior leaders directed further analysis of employee satisfaction indicators. As a result the performance management section has researched best practices concerning measures of employee satisfaction, has developed an employee survey for implementation in 2013. Benchmarking studies are also undertaken as necessary to provide senior leaders with an accurate picture of organizational performance. Several efforts to benchmark toll industry specific issues were completed in 2012 including toll increases by peer agencies. A comprehensive benchmarking study of all of MDTA's functional areas was launched in late 2012 by a contractor, with results expected in late 2013.

MDTA collects customer data through its toll collection partner Xerox. While that data is comprehensive, efforts are underway to collect more specific actionable data directly from customers. During the 2011 toll increase, MDTA utilized Salesforce.com to collect over 3,000 public comments over six weeks and share real-time information with senior leaders. In late 2012, a project was initiated to build a customer relationship management application similar to the public comment application. The application would improve the data collection surrounding customer interactions around the organization and better focus resources on resolving customer issues. The system would assist the strategic planning and the performance management program by providing visibility into a previous blind-spot such as: customer dissatisfaction.

To further enhance MDTA's continuous improvement efforts, the performance management section has begun certifying its staff in Lean Six Sigma. Three members completed their first certification course in late 2012, with future efforts planned for early 2013. Lean Six Sigma practices should assist the staff in more critical and analytical

reviews of performance data, and lead to earlier identification of potential opportunities for improvement.

AUDITS

The Office of Audits' Annual Audit Plan for FY 2012 originally included 15 scheduled audits. During the year, 4 unscheduled audits or reviews were added to the plan. Of the 19 audits and reviews assigned to the Office of Audits, 15 were completed during the year. Four of the remaining audits, three of the audits were in progress at year's end and are expected to be completed in early FY 2013 and the fourth audit was postponed and is being rescheduled at a later date in FY 2013. In FY 2011, all 12 audits planned were completed. The Office of Audits used an Internal Auditor Services contract to help achieve these results in FY 2011 and FY 2012. The Office of Audits met with the Audit Committee and Executive Staff (3 MDTA Board Members and the Executive Secretary, Deputy Executive Secretary, CFO, and Principal Counsel) 4 times during the year and presented the results of each audit as it was completed. Also, at each meeting, the Audit Committee Members were provided with a status report on the overall progress in completing the audits in the audit plan. The Office of Audits is also reporting on a semi-annual basis, the status of management's corrective actions for each finding.

During FY 2012, Clifton Gunderson issued three audit reports and a management letter. Unqualified opinions were issued for MDTA's FY 2011 financial statements, A-133 Single Audit (federal funds), and SSAE 16 Audit (adequacy of ACS and MDTA's controls over electronic toll processes). MDTA's management letter included one significant deficiency to be addressed in future system upgrades.

SECTION 5: WORKFORCE FOCUS

The MDTA engages its workforce to achieve organizational and personal successes through several program levels. To continue these successes, a consultant recently conducted an assessment of the agency wide survey needs for the Office of Human Resources and Workforce Development (OHRWD). The assessment was designed to provide "insight and a source of measure of current and anticipated demands for the training and development of MDTA employees." OHRWD is working with the Division of Communications to administer an employee satisfaction survey. Currently there is an annual employee evaluation; Employee Performance Evaluation System (EMPRES) completed which incorporates a performance management element through development of individual employee's goals, objectives and improvement plans. These are completed quarterly, which result in a less than 1% Overall Unsatisfactory performance agency-wide. The EMPRESS also requires the completion of a Growth and Development Plan for each employee, which documents desired skills and competencies that have been identified by the employee or supervisor.

Along with monitoring employee's performance, thoughts toward training and their satisfaction, OHRWD monitors a number of measures monthly. They analyze these measures for trends, patterns, increases and reductions. Retention rate is measured monthly; the MDTA has maintained a 90% or greater retention rate for the past three years. To ensure that each Division or Office has enough staff, the levels are increases

and/or reduced each fiscal year based on organization and operational needs. Also, Directors may request and justify the need to increase staff based on operational needs. The Recruitment and Examination Unit within OHRWD posts the recruitments to a diverse community through a multitude of sources. The commitment MDTA has to the customer community is best shown by our participation in department-wide college internship programs, and partnering with a local technical high school annually for job-shadowing and work-study student opportunities.

Employee engagement is the internal force of the agency. There are three core beliefs that are held by engaged employees: I'm making a difference; The agency has my back; We're in this together. MDTA supports these beliefs and feels that the New Employee Orientation and other programs reflect those beliefs. The New Employee Orientation provides an overview of the agency and its core mission, vision and values along with demonstrating how each employee contributes to MDTA's success. MDTA offers many programs to help employees continue career development through tuition reimbursement, Mentoring Leadership Program (MLP) and Supervisor Training Program (STP). In FY 2012, 16 professionals graduated from the MLP. In addition to career development, MDTA focuses on career progression. Promotional opportunities are posted for all employees and they are encouraged to apply. MDTA employees are also offered career counseling, upon request. These counseling efforts not only assist employees in planning a career at MDTA, but also help in other State employment opportunities.

In addition to New Employee Orientation, all employees are required to sign an acknowledgement of the State Ethics Commission's Ethics Law, which is retained in their personnel file. Some employees are required to complete Ethics Training, depending on their salary grade and responsibilities.

Over the past years MDTA's responsibilities have grown and we have successfully addressed the growth through existing resources. This has primarily been accomplished through the reallocation of both filled and vacant positions across the agency. New internal standards allow for crossover of Toll Collectors to function within the facilities "Money Rooms."

OFFICE OF ENVIRONMENT SAFETY AND RISK MANAGEMENT

The Office of Environment, Safety & Risk Management (OESRM) provides services to address workplace environmental compliance issues as well as workforce health and safety issues. OESRM provided training as a segment of the HR Orientation Program for new employees as well as block safety training of legally mandated subjects. OESRM Standard Operating Procedures are in place to explain the general safety and environmental compliance procedures of the facility and can be located on the MDTA intranet.

The OESRM staff is continuously trained on safety measures and environmental compliance. Staff attends safety presentations such as the annual SERMA Conference, MOSH Seminars, events held by the Chesapeake Safety Council as well as training courses. OESRM maintains a Safety Challenge Newsletter each month and regularly

provides both safety and environmental related articles to the *Connections* newsletter. OESRM supplies employees with various flyers from OSHA, MOSH, IWIF and other safety agencies. OESRM also arranges random drug and alcohol tests and provide referral information for employees to Employee Assistance Programs (**EAP**), including substance abuse, emergency response, trauma, and violence. Furthermore, among its many environmental compliance duties, OESRM manages the MDTA's recycling program.

SECURITY

The MDTA has an extensive security system installed at all of its facilities. This system includes an electronic identification badge access card system, closed circuit television (CCTV), intrusion detection and fire alarm systems. All of these systems are centrally administered through the MDTAP Security Unit. Great care was taken in the planning and installation stages for rigid access control measures and for CCTV coverage and monitoring at all of the Administration Buildings where money from toll collections are gathered. All toll booths are outfitted with CCTV, panic alarms and a new intercom system. All security CCTV footage is recorded and available for review and forensic evidence should a criminal act occur. The Security Unit has also established general procedures which govern the security systems installed by the MDTA.

A four (4) prong security plan has also been implemented at MDTA's bridges and tunnels to deter, detect and defend against criminal and / or terrorist attacks. The four prong plan is comprised of:

- Physical security measures
- Electronic detection & CCTV
- Policies & procedures
- Security awareness training for employees and contractors

SECTION 6: PROCESS MANAGEMENT

STANDARD OPERATING PROCEDURES

As a result of a comprehensive study, the MDTA has recognized the need to identify and document its key work processes. A sophisticated system for developing Standard Operating Procedures (SOPs) was developed. SOPs are drafted by subject matter experts. Once the author and the Director/Manager determine the SOP accurately reflects the process, the SOP is then sent to the internet coordinator for that particular Division/Office for posting to the MDTA internet. An SOP that is MDTA-wide is sent to MDTA coordinators for comments. Once feedback is received and incorporated into the document, it is sent to upper management for final approval. Once the SOPs have been approved they are posted on the MDTA intranet site.

Work processes are improved through a number of methods to keep processes current with business needs and directions. An integral part of the aforementioned SOP Process is that each SOP is reviewed on a regular basis. The MDTA uses continuous quality improvement teams to evaluate process improvements identified by employees. The performance management team has also been utilized to identify the need for and to evaluate process improvements. Work process costs are controlled through the MDTA's

budget process. Budgets are reviewed both monthly, and then quarterly as a group. In order to ensure we are at or below budget, we continually search for more cost-effective ways to conduct our business.

DIVISION OF OPERATIONS

The Division of Operations encompasses both Tolling and Maintenance disciplines. The division has developed hierarchies of core competencies which, in the maintenance arena ranges from entry level Facility Maintenance Technicians who perform lower tier work processes, up to Skilled Trades Technicians who perform more specific allied trades functions such as plumbing, electrical, HVAC etc. A progression from the lower to higher grades in all fields is based on time in service accompanied by a planned training and certification program which develops personnel from entry level to team leader and supervisor positions. In the tolling and Customer Service Center areas, a similar progression from entry level to supervisory levels is also in place.

In the maintenance area, work systems range from planned and preventive maintenance programs to emergency response and related seasonal activities such as snow removal in the winter. A maintenance management system is used to track all activities related to the work products of the department. This system encompasses planning, scheduling, procurement, parts and inventory tracking, fleet management for all road equipment and rolling stock and financial tracking systems. Data developed in this system is used to manage costs and make decisions regarding wellness of the maintenance system. Standard Operating Procedures (SOP) and job plans are also embedded in the maintenance management system in order to maintain consistency and to ensure that quality control is an inherent part of the system and to provide a vehicle for work process improvements.

While E-ZPass and video tolling are on the increase, cash transactions still account for a large percentage of the revenue generated at the facilities (except the Intercounty Connector which is all AET). The Vector system is the principle workflow system used at the Customer Service Center operated by Xerox; along with the Stop-In-Centers and toll booths, which are operated by the MDTA. This system is used to track all transactions throughout the system. It is used as a tool to investigate and respond to customer issues and complaints. Reports are generated by the Vector system which is used in various departments throughout the agency to monitor and to be used as tools for improving work flow processes. Similarly, customer interactions by both Xerox and MDTA staff are recorded and monitored to ensure that the customer service interface is operating within contractual specifications.

Operations personnel work spans from the office to the roadside; all employees receive “block training”, which is comprised of training topics relating to safety of individuals in the field and is a regular feature alongside regular reviews of safety practices. As an example, MDTA has recently instituted a hard hat policy for all personnel while in the MDTA’s right of way. Driver safety is emphasized and trained upon, along with the use of accident review boards to make recommendations to improve safety and the working environment. In terms of emergency readiness, all employees within the division, who

have the potential to become involved in incidents and emergencies, are trained constantly. All maintenance and all management employees for example, are trained in the aspects of ICS as appropriate to their level. Regular seasonal training and preparedness exercises are conducted throughout the year to ensure that employees are knowledgeable on the tasks they may be assigned to. The Continuity Of Operations Plan (COOP) for the agency is also a tool available to all managers throughout the agency as a resource during prolonged emergency situation.

IT COUNCIL

The Information Technology (IT) Council is currently comprised of the Executive Secretary, Deputy Executive Secretary, the Director of Capital Planning, the Chief Financial Officer, the Chief Administrative Officer, the Chief Engineer, Principal Counsel, the Director of the Division of Operations, the Major of the Logistics Division, the Director of the Division of Communications, the Director of Procurement and Statutory Compliance and the Chief Information Officer as voting members. Additional Division of Information Technology staff serves as support to the IT Council. The IT Council reviews proposed initiatives, establishes priorities, determines funding requests, and approves Major IT Development projects.

SECTION 7: BUSINESS RESULTS

Goal 1: Efficient and Effective Performance: Moving people and goods.

(1) Increase the percentage of electronic transactions for toll collection to 75 percent by the end of 2013

Electronic transactions represented 71% of all transactions for FY 2012 (91,760,000 transactions). The number of *E-ZPass* accounts has increased to 602,073 up from the 568,897 at the mid-point of the year.

(2) Annually maintain and/or improve facility conditions through timely and appropriate response to needs identified during inspections.

In keeping with MDTA's Trust Fund Agreement requirement of annual condition inspections, the MDTA has overhauled and enhanced its inspection program over the past several years to better identify, report and address inspection findings. Some of these improvements include a comprehensive Facility Inspection Program Strategic Plan, implementation of integrated facility management software, and completion of a comprehensive inspection manual specific to MDTA.

Inspections are conducted annually on all MDTA facilities. Defects identified in yearly inspections are assigned a defect rating based on severity by the inspector. As a measure of quality assurance and control, the rating is reviewed and confirmed by in-house inspection staff. The defects are prioritized based on the confirmed rating and major

rehabilitation, total replacement or proactive system preservation projects are developed based on the priorities and overall condition assessment.

In addition to yearly inspections and defect repairs, the MDTA has implemented an aggressive System Preservation program. System Preservation projects have been identified and are in various stages of engineering, contract procurement and construction and include a variety of projects such as facility-wide paint programs, underwater repairs of the Tydings Bridge, underwater repairs of the Hatem Bridge, and substructure and superstructure rehabilitation to various "work horse" bridges.

(3) Annually, facilitate the on-time performance of Capital Projects through timely internal processes

The Division of Capital Planning holds monthly Ad/NTP meetings to review Advertisement and Notice to Proceed dates on all projects within the capital program. In February 2011 the Division of Capital Planning started tracking the efficiency of projects advertised within 30 days of the original estimated advertisement date. To provide for a more accurate cost estimate, the construction funds are retained in a reserve account until the project reaches 60% design. Previously the construction funds were identified at the beginning of the design phase.

- Thirty-three capital projects were advertised in FY 2012.
- Ten projects were advertised on-time (within 30 days) for an efficiency rate of 30.3%. Six of the ten projects were advertised *earlier* than the estimated Ad Date.
- Twelve projects were advertised within 31-60 days of the estimated Ad Date.

Goal 2: Safety and Security: Enhancing Customer and Employee Safety while protecting people and property

(1) Annually maintain the fatal and injury crash rates on MDTA facilities at a rate lower than the national average.

The MDTAP continues to keep MDTA's facilities and concurrent jurisdictional roadways safe. Routine patrol by police personnel provides a visible presence that is accentuated when officers conduct roadside traffic stops and emergency lights on patrol vehicles are activated.

The fatal collision rate for CY 2011 is 0.2, which is decreased from calendar year 2010, 0.3 fatal collision rate. The calendar year 2010 injury collision rate 13.7 increased to a 16.1 injury collision rate in calendar year 2011. The resulting fatal and injury vehicle collision rate per 100 million vehicle miles increased from 14.0 in calendar year 2010 to 16.4 in calendar year 2011. The collision rates are calculated as follows – fatal collisions/(VMT/100), personal injury collisions/(VMT/100), and fatal collisions + personal injury collisions/(VMT/100). The actual fatalities during calendar year 2011 increased to 9 from

8 during calendar year 2010. This measure is a calendar year measure based on data reported to the Federal Highway Administration.

- **The following data includes MDTA facilities and concurrent jurisdiction.**

The actual fatalities (number of deaths) on MDTA facilities and concurrent jurisdictions for FY 2012, was 8, compared to 8 for FY 2011 for no change. Vehicle collisions involving personal injuries on MDTA facilities and concurrent jurisdictions during the same time period in FY 2012 was 437 compared to 459 in FY 2011, a 4.7% decrease.

During FY 2012, the MDTAP and MSP-JFK, issued 126,632 citations, resulting in a 36.2% increase compared to FY 2011. Additionally, in FY 2012 116,809 warnings and 6,051 safety equipment repair orders were issued.

- **The following data is MDTAP facilities only**

Through FY 2012 MDTAP conducted 94,857 patrol checks (patrol checks are physical checks of secured and unsecured sensitive areas within MDTA and concurrent jurisdictional areas) and initiated 159,579 traffic stops. As a result of the patrol checks and traffic stops, 760 DUI arrests were made, which is a 25.6% decrease when compared to FY 2011. There were 628 criminal arrests stemming from these traffic enforcement measures.

During FY 2012, the MDTAP Commercial Vehicle Safety Unit conducted 25,904 commercial vehicle inspections. From these inspections, 4,684 overweight vehicles and 3,839 commercial vehicle operators were placed out of service.

(2) Annually, maintain the percentage of MDTA bridges that are structurally deficient to less than 5%

The total number of bridges previously reported was re-assessed based on Federal Highway guidelines and definitions and correction in coding, bringing the total number of MDTA-owned bridges to 314.

Bridge ratings were reviewed and revised based on the total ratings for the bridge, as opposed to rating the bridge on the worst rated section of the bridge. MDTA has five structurally deficient bridges from the 2011 inspection cycle and four of these bridges are already in construction with the fifth in design for full replacement in 2014. All MDTA bridges allow for legally-loaded vehicles, emergency vehicles and school buses to traverse safely. The number of structurally deficient bridges is not anticipated to increase significantly over the next several years as MDTA continues to address needs using a bridge management system to identify and address those bridges that are nearing the end of their useful life.

(3) Implement measures to reduce employee lost-time work injuries and achieve or exceed the State Injured Worker Insurance Fund (IWIF) goals

The data available indicates that for FY 2012 the level of employee safety awareness and reduction in employee injuries have remained relatively constant from the previous fiscal year. The Office of Environment, Safety & Risk Management continued to release a monthly Safety Challenge Newsletter. In the newsletter there is a statistics section which shows the number of work injury cases for the month, a safety tip and news section along with a safety question. Through June FY 2012 275 safety visits were conducted, which is a 17% decrease, compared to FY 2011, 331 visits. There were 84 safety-related training experiences during FY 2012, compared to 105 during FY 2011. There have been 1,113 employees trained in safety-related experiences, compared to 1,434 for the same period in FY 2011, which is 22% decrease.

Through Fiscal Year 2012 there have been 168 instances of First Reports of Injury (FROI – An injury requiring a visit to a medical treatment facility) to IWIF, during the same time period of FY 2011 there were 163 instances, which is a 3% increase. In fiscal year 2012 there were 28 lost-time cases, compared to 25 in FY 2011, a 12% increase.

The Injury Management System Directive, D-90-2, requires that injuries be reported to OESRM within 24 hours so that they can be reported to the Injured Workers Insurance Fund within 24 hours. In FY 2012, 74 FROI cases were reported within 24 hours of injury. 94 cases were reported after 24 hours of which 49 cases exceeded the 3 day reporting time period.

(4) Annually, strengthen capacities and readiness to respond to emergencies, criminal activity, and potential terrorist incidents.

The Division of Operations has made great strides in educating staff on emergency planning, response, and recovery efforts. First responders, Team leaders, Directors, and Administrative staff have completed certified courses through the Emergency Management Institute certifying their preparedness for unplanned events and multiagency coordination.

In addition, Operations has increased their CPR/AED & First-Aid requirement. All first responders (Maintenance & Vehicle Recovery) are now required to maintain a valid certification. Throughout CY2012, training sponsored by the American Heart Association was provided to staff. Currently approximately 350 (84%) of Operations first responders are certified in CPR/AED & First-Aid. The MDTA Police have participated in a number of significant multi-jurisdictional events and exercises under the NIMS/ICS framework. The MDTA played a significant support role in these events even though it was not the lead agency in any of the events and/or exercises. The MDTA Police training and expertise was evident in these successful events and exercises.

Goal 3: Maintain a Fiscally Sound and Innovative Financial System

(1) Annually, maintain stable credit ratings that facilitate lower financing costs

In order to maintain access to the capital markets at the lowest possible financing rates, it is critical for MDTA to maintain financial metrics at levels sufficient for strong credit ratings that are currently in the double-A category. Key financial metrics include, but are not limited to debt service coverage, rate covenant coverage, and the liquidity position consisting of unrestricted cash. A portion of capital projects funding is typically financed with long-term bonds that are priced based on prevailing interest rates for entities with similar credit ratings. Revenue enhancements may be necessary to maintain financial metrics within appropriate ranges for similarly rated transportation sector entities.

MDTA's toll revenue backed credit ratings were last affirmed in February 2012 at:

	Rating	Outlook
Moody's	Aa3	Stable
S&P	AA-	Stable
Fitch	AA-	Stable

Strengths cited in rating agency reports:

- Strong historical and projected debt service coverage ratio
- Strong liquidity levels, with unrestricted cash policy target
- Essential, large, diversified, and mature system
- Inelasticity of demand
- Conservative financial practices and capital program management
- Willingness and legal ability to raise tolls

Weaknesses and challenges cited in ratings agency reports:

- Adequacy of resources to meet life-cycle preservation needs
- Possible, through limited, cost increases for capital projects completion
- Legal ability and past history of transferring cash to MDOT
- Large but manageable capital program
- Under-performance of traffic and revenue

In order to maintain its double-A credit ratings, MDTA adheres to debt policy targets associated with its liquidity position and debt service coverage. Weaknesses and concerns highlighted by the rating agencies were addressed through planned toll increases in FY12 and FY14. During presentations to rating agencies over the past two years, MDTA has communicated that there are no plans to upstream cash to MDOT.

(2) Annually maintain the minimum legal coverage ratio of 1.0

The audited FY 2012 legal coverage ratio (rate covenant) was 2.29, compared to 2.95 in FY 2011.

(3) Maintain actual to budget ratio between 90% and 100% for operating funds

FY 11 Budget \$227,184,911
 FY 11 Actual \$188,015,339
 FY 12 Budget \$242,559,702
 FY 12 Actual \$212,937,282

MDTA strives to spend 90% - 100% of its Operating budget. Forecasting expenses accurately allows MDTA to properly plan the timing and amounts of bond sales and toll increases. MDTA spent 82.76% in FY 11 and 87.79% in FY 12 of its Operating budget. In FY 11, the budget for salaries was not adjusted downward for savings resulting from salary reduction and furloughs. The largest areas of under spending continue to be Salaries and Benefits at \$9.9 million under in FY 12 and \$15.9 million in FY 11; Equipment at \$5.4 million under in FY 12 and \$11.1 million in FY 11 (primarily in IT) and Publicity and Advertising at \$3.98 million under in FY 12 and \$2.4 million in FY 11.

(4) Maintain compliance with State established invoice on-time payment targets

The MDTA Finance Division is responsible for processing the payment for MDTA's invoices. Invoices must be paid within 30 days. A delayed payment condition may exist when the invoice is received in the MDTA Finance Division more than 20 days after receipt of the invoice by the approving authority or receipt of the goods/services, whichever is later. Delayed Payment of Invoices Report will be used to measure the MDTA's performance.

A report has been created that accurately tracks the on-time payment percentage of invoices. With the recent completion of the Dynamic SL upgrade the report to be used to track the payment of invoice has been finalized. The report is currently in User Acceptance Testing.

(5) Annually, facilitate the on-budget performance of Capital Projects through efficient internal processes

- In 2009 the capital budget was \$1.1 billion and percentage of the capital budget spent was 63%.
- In 2010 the capital budget was \$1.1 billion and percentage of the capital budget spent was 73%.
- In 2011 the capital budget was \$998 million and percentage of the capital budget spent was 75%.
- In 2012 the capital budget was \$603 million and percentage of the capital budget spent was 79%.

The Division of Capital Planning has consistently increased the percentage of capital budget spent in the last four consecutive years as reflected above. It is anticipated that with the ICC and ETLs moving closer to completion the percentage of capital budget spent will continue to increase closer to the 90% of the final CTP target for the budget year. It is important to note that the Division of Capital Planning anticipates that the current 73% (% of the capital budget spent) is likely to increase as accruals are added in for July and August.

Goal 4: Customer Service. Improving external and internal customer service and performance

(1) Annually, achieve overall customer satisfaction of 80 percent or higher on customer satisfaction surveys.

The MDTA did not conduct customer surveys in FY 2012. The survey process is in the transition of moving in-house. Survey status for FY 2013 are scheduled to be performed quarterly in-house through an electronic survey tool.

(2) Annually retain 85 percent of employees

Number of Employees (Avg)	1623
Resignations	82
Retirements	40
Terminations	51
Other Losses	33
Retention Rate (Avg)	98.7%*
Employees with 20+ years	18%
Equal Opportunity Complaints	11
Number of Grievances	21

Empress Rating	
Outstanding	3%
Exceeds	22%
Meets	75%
Unsatisfactory	0.03%

* $Number\ of\ Employees - (Resignations, Retirements, Other\ Losses) = Y$
 $Monthly\ Retention\ Rate = (Y/Number\ of\ Employees) \times 100$
 $Yearly\ Retention\ Rate = Average\ of\ all\ months$

(3) Achieve or exceed State established MBE and SBR goals for all standard procurement categories

The States over-all MBE Goal is 25%.
 The MDTA achieved 25.33 % for FY2011.
 The MDTA achieved 22.08% for FY2012.

The States SBR Goal is 10%.
 The MDTA achieved 4.90% for FY2011.
 The MDTA achieved 0.69% for FY2012.

The Maryland Transportation Authority (MDTA) has been participating in the Small Business Reserve (SBR) Program since October 2008 and continues to strive toward achieving the 10% established goal. Greater emphasis for having SBR participation on contracts was initiated in FY11 and continues every fiscal year.

The MDTA's SBR goal achievement is monitored monthly by both the SBR Officer and the Reports Committee. The Procurement Review Group (PRG) also reviews every

contract individually on a case by case basis for feasibility into the SBR Program bi-monthly. As MDTA staff becomes more aware of the SBR program and our need to achieve our goal; stronger consideration is placed on designating contracts to the SBR program.

Other ways the MDTA strives to meet its SBR goal is via credit card usage, small procurements, and outreach efforts to both MBE and SBR companies. All credit card users received training which included best practices to increase utilization of MBE and SBR vendors in our small procurements. Also, plans to resume customized outreach efforts in FY13 are currently being made to target specialized work areas that apply only to the MDTA.

Goal 5: Environmental Compliance & Stewardship: Adhere to Environmental Laws and Regulations While Incorporating Sustainability into Daily Operations

(1) Annually, increase the MDTA’s recycling by 5% annually over the 2008 amount of 8.8%

This metric is measured over the calendar year, not the fiscal year. For calendar year 2011, the MDTA’s recycling program was at 23.8%, an increase of 10.11% from the 2010 rate of 13.69%. MDTA has made it easier to recycle paper, cardboard, cans and bottles. There are bins for these items located within each area/division. Further, the agency is responsive to user requests for additional recycling bins and performs facility checks to ensure recycling procedures are carried out.

Calendar Year	2007	2008	2009	2010	2011
Recycling Rate *	4.07%	5.38%	10.20%	13.69%	23.80%

MDTA intends to increase its recycling rate by implementing the following practices:

- In 2012, MDTA created an annual recycling competition among its facilities.
- Utilizing the MDTA Intranet and the bi-weekly employee newsletter, the *Connections*, to promote the program.
- Undertaking several measures to expand the recycling program at MDTA facilities:
 - Adding the recycling of toner and printer cartridges
 - Adding the recycling of household batteries
 - Providing recycling bins for the traveling public who visit E-ZPass locations at MDTA facilities
 - Providing recycling bins to tenants at the Maryland State Police Barracks
- In 2012, MDTA added recycling as a discussion topic to the New Employee Safety Training program. This training is conducted for all Operations employees within the first 30 days of employment.

Note: A miscalculation from the previous year’s reporting data incorrectly identified the 2010 recycling rate as 15.22%.

(2) Reduce energy consumption by 15% by 2015

Year	kWh	Employees	kWh/Employees
2010	39,507,176	1683	23,474
2011	36,472,338	1704	21,404
2012	34,540,599	1623	21,281

The Energy Systems Group (ESG) contract is essentially 100% complete. A small amount of roadway signage remains to be completed. This contract increased MDTA's efficiency in lighting fixtures, water devices, air conditioning, heating systems and building envelopes. We are continually looking and finding ways to reduce electrical energy. There are many areas that we are looking into to reduce energy consumption, we have listed some below.

Future endeavors:

- Meet with BGE to discuss the installation of LED lighting fixtures in the Fort McHenry Tunnel
- Working with Maryland Energy Administration and DGS to determine if SOLAR panels can be installed (buildings and ground locations)
 - The solar energy will be converted to electricity and what is not used can be sold to the utility company
- Setting up an electrical energy demand reduction program
 - Lower the demand factor throughout the day
- Eliminating the 1300 and 1500 watt personal space heaters and replacing them with 200 watt units
- Looking into self contained water coolers instead of the current bottled water units
- Purchasing computer power saving features for both laptops and desk top units
 - There will be a default idle screen saver timeout set to 15 minutes and the monitor will turn off
- Working with facilities that run their HVAC systems 24/7 to reduce the running time
 - During the Shoulder Season a facility usually only needs movement of air to regulate the space

(3) Improve fuel utilization of the MDTA fleet

The Fleet information is still under discussion as to what the data system is able to produce in reporting accurate information and the type of information that can be queried by the system. The migration of Maximo 7 has stalled the ability to retrieve data. The Fleet Management section was reassigned to Operations as of July 1, 2011.