2013 End of Year Report
Business Plan 2013-2014

November 2013
Final

<u>INTRODUCTION</u>

The End of Year Report is designed to provide an overview on how the Maryland Transportation Authority's (MDTA) programs performed throughout the fiscal year (FY), specifically relating to the FY 2013-2014 Business Plan objectives and measures compared between FY/calendar years (CY) 2012 to FY/CY 2013.

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 2013-2014 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 quarterly 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 FY basis and reported monthly.

TABLE OF CONTENTS

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 quarterly* 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 FY 2013 Business Plan. *(*As the process for obtaining and reviewing data for the performance measures has matured, it has also translated into a greater efficiency in the use of technology. As a team – the decision was made to evaluate the need for the number of meetings and begin a quarterly cycle)*

The MDTA's eighteen objectives were developed at workshops attended by senior management and divisional work plans. Division work plans are then used to develop 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, Chief Administrative Officer and Chief of Police. The Division of Procurement and Statutory Compliance (PSPC) was divided into two divisions; Civil Rights and Fair Practices (CRFP) and Procurement.

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 continues to be involved with the agency's Goals and Objectives that make up the Business Plan. This is accomplished through emphasizing the need for 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 July 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. MDTA did not update the Business Plan in 2013 due to staffing constraints and a determination that there would not be any substantive changes made to the current Business Plan.

In 2012, the strategic planning process considered a number of higher-level strategic planning efforts. Some of those inputs included the MTP, 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 2013 include increasing the percentage of electronic toll collection to 75%, 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 2013 a workgroup was developed to address the opening of an All Electronic Toll road within one of MDTA's existing toll facilities and 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 resources are considered during the strategic planning process and organizational goals and objectives are considered during various resource allocation processes.

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. The performance management program is discussed in greater detail in section 4.

SECTION 3: CUSTOMER FOCUS

MDTA has increased the level of customer service and engagement this past year by continuing to utilize social media and blog postings 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 DOC handled 2,341 pieces of correspondence and responded to 61 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. Team members shared information with 8,998 people at 170 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 may go to these locations and maintain their E-ZPass accounts with cash if necessary and may 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 area of Division of Operations is charged with taking all appropriate complaints or issues to a conclusion.

The E-ZPass area 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 area generally interacts with the existing customer base. 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 along with other Divisions/Offices 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. 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 2013, including toll

increases by peer agencies. A comprehensive benchmarking study of MDTA's functional areas was completed in 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 2012 toll increase process, MDTA utilized Salesforce.com to collect over 3,000 public comments over six weeks and share real-time information with senior leaders. MDTA utilized Salesforce again for the "I-95 Express Toll Lanes Tolling Plan" comment period. In late 2012, a project was initiated to build a customer relationship management application similar to the public comment application, which is still underway. The application would improve the data collection surrounding customer interactions throughout 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 in 2013 and 2014. 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.

Knowledge, organizational data, and information is managed, stored, and backed-up by the Division of Information Technology (DoIT) through the ability of storage area networks and file shares. Data including the servers are backed up routinely and restoration of the data can be performed by technical staff. Security is governed by an authorization process for granting access to data and files; this process is determined by the data owners. MDTA DoIT maintains a standard replacement cycle for the hardware and software, along with routinely updating equipment. MDTA is currently in the process of moving to an updated shared drive, which will provide more storage space along with new tools to keep the drives up and running.

AUDITS
The Office of Audits'(OOA) Annual Audit Plan for FY 2013 originally included 20 scheduled audits. Of the 20 audits and reviews assigned to the OOA, 11 were completed during the year and 4 were in progress at year's end and are expected to be completed in early FY 2014. Two audits were postponed and the resources allocated to other scheduled audits to increase their scope and depth of review. Three audits were categorized as optional audits as time and resources permit and were not completed. Of the 20 audits included in the FY 2012 plan, 19 were completed and one was postponed. The OOA used an Internal Auditor Services contract to help achieve these results in FY 2012 and FY 2013. The OOA met with the Audit Committee and Executive Staff (3 MDTA Board Members and the Executive Secretary, Deputy Executive Secretary, Chief Financial Officer (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 OOA is also reporting on a semi-annual basis, the status of management's corrective actions for each finding.

Clifton Larson Allen prepares independent financial audits for MDTA. Unmodified (clean) opinions were issued for MDTA's FY 2012 and 2013 financial statements. An Unmodified (clean) opinion was issued for the SSAE 16 Audits (adequacy of Xerox's and MDTA's controls over electronic toll processes). There were no findings noted in the FY 2012 and 2013 A-133 Single Audit.

SECTION 5: WORKFORCE FOCUS

The MDTA continues to engage its workforce to achieve organizational and personal successes through several program levels. Efforts are underway to provide internal training opportunities based on the previously administered training needs assessment. An employee engagement survey is under development. Staff from the Office of Human Resources and Workforce Development (OHRWD) and Division of Strategic Development (DSD) staff are exploring surveying mechanisms that meet the organizational need for employee feedback.

OHRWD continues to monitor a number of measures monthly. They analyze these measures for trends, patterns, increases, and reductions. The retention rate is measured monthly; the MDTA has continued to maintain a 95% or greater retention rate for the past three years.

The Recruitment and Examination Unit within OHRWD continues to post 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 MDOT-wide college internship programs, and partnering with a local technical high school annually for job-shadowing and work-study student opportunities. Workforce utilization strategies are being developed to ensure that all recruitment activities conform to industry best practices and are reflective of the MDTA's diligence in employing a workforce representative of the communities it serves. This initiative also includes exploring the development and implementation of additional internship opportunities, robust participation in job fairs; exploring the development of an agency wide rotational program; and continued delivery of relevant internal training courses.

OFFICE OF ENVIRONMENT SAFETY AND RISK MANAGEMENT

The Office of Environment, Safety and 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 OHRWD Orientation Program for new employees as well as block safety training of legally mandated subjects. OESRM Standard Operating Procedures (SOP) are in place to explain the general safety and environmental compliance procedures of the facility (ies) 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 State Employees Risk Management Administration (SERMA) Conference, Maryland Occupational Safety and Health (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 Occupational Safety and Health Administration (OSHA), MOSH, Injured Worker Insurance Fund (IWIF) and other safety agencies.

OESRM also arranges random drug and alcohol tests and provides referral information for employees to Employee Assistance Programs (EAP), including substance abuse, emergency response, trauma, and violence. In June, OESRM held the first annual Safety Month Conference and Expo to promote safety and wellness throughout the MDTA. Furthermore, among its many environmental compliance duties, OESRM manages the MDTA's recycling program, waste management program and fuel tank management program. OESRM is also actively working on developing an Environmental Management System to identify and manage the environmental aspects and impacts associated with MDTA operations.

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 MDTA Police (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

MDTA has installed anti-climb fencing and gates at several bridge locations in an attempt to deter persons from entering certain locations. Signage has also been placed on many of the piers at MDTA's bridges dissuading boaters from "tying up or mooring" to the piers. Phone numbers of the local MDTAP Detachment have been placed on this signage to assist boaters in reporting suspicious behavior.

Additional CCTV cameras are being placed at MDTA's bridges to give a greater situational awareness around our structures. All of these cameras will have the capability of being monitored by a 24/7/365 Central Security Operations Center (CSOC) and also by the local MDTAP Detachment. The MDTA Security Unit is also working jointly with their local, state, and county partners in a statewide CCTV Operations Workgroup in an effort to be able to share more video feeds.

There are also certain electronic detection devices at the Bay Bridge that will have the ability to alert the CSOC Operators if persons are in areas that are forbidden. Both Fort McHenry and Baltimore Harbor Tunnels are equipped with analytic software on the cameras that alerts the Authority Operations Center (AOC) when a vehicle comes to a stop. This same technology will be used on MDTA's signature bridges as well to detect stopped vehicles which will allow the CSOC to view by camera and/or dispatch a police officer to investigate.

SECTION 6: PROCESS MANAGEMENT

STANDARD OPERATING PROCEDURES (SOPS)
As a result of a comprehensive study, the MDTA has recognized the need to identify and document its key work processes. SOPs are being 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 intranet coordinator for that particular Division/Office for posting to the MDTA intranet site. 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 and posting to 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 used 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 (DOO) 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 routine maintenance 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 area. 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. SOPs 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 Electronic Tolling" or 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 Divisions/Offices 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.

DOO 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, 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.

The DOO training area is responsible for all aspects of Operations employee training. A wide variety of training is conducted and recorded throughout an employee's tenure. A recent innovation has been the implementation of an employee peer group of training personnel; these are regular employees who present training classes to their peers on a variety of subjects. This program enhances the ability of the training area to offer more classes while providing a growth opportunity for those employees selected to be a part of the program.

In terms of emergency readiness, all employees within the DOO who have the potential to become involved in incidents and emergencies are trained regularly. All operations employees, maintenance and all management alike are trained in the aspects of Incident Command System (ICS) as appropriate to their level. Seasonal training and preparedness exercises are conducted throughout the year to ensure that employees are knowledgeable in the tasks in which they may be assigned.

The Continuity Of Operations Plan (COOP) for the agency is also a tool available to all managers throughout the agency as a resource during a prolonged emergency situation.

IT COUNCIL
The Information Technology (IT) Council reviews proposed initiatives, establishes priorities, determines funding requests, and approves Major IT Development projects.

The IT Council is currently comprised of the Deputy Executive Secretary; the Chief Administrative Officer; the Chief Financial Officer; the Chief Engineer; the Director, Division of Operations; the Director, Division of Capital Planning; the Lt. Colonel – Chief of Staff – MDTAP; and the Chief Information Officer (CIO) as voting members. Additional Division of Information Technology staff serves as support to the IT Council.

The MDTA Chief Information Officer is the principle advisor on the effective application of information technology to business needs and will ensure that all information technology initiatives are managed in accordance with sound life cycle management principles and practices, are consistent with the MDTA Information Technology Management Plan, and establish and administer a project management control system to provide visibility into the actual progress of each IT project.

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 toll collection (ETC) transactions, which are all toll collection options except for cash; represented 74% of all transactions for FY 2013 (134,715,000 transactions). ETC transactions as a percentage of total transactions increased 3% points (from 71%) compared to FY 2012. EZ-Pass usage accounts for 71.6% of all transaction while video tolling accounts for 2.50%.

   (2) Appropriately respond to inspection findings

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.

Defects identified in yearly inspections are assigned a defect rating based on severity by the inspector. As a measure of quality assurance and control, each inspection report is reviewed by an independent party. 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 and Hatem Bridges, and substructure and superstructure rehabilitation to various "work horse" bridges.

(3) Annually, 90% of Capital Projects will meet their 60% design Ad Date

The Division of Capital Planning (DCP) holds monthly Ad/NTP meetings to review Advertisement and Notice to Proceed dates on all projects within the capital program scheduled to be advertised in the next six months. In February 2011 the DCP 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.

- Twenty-five capital projects were advertised in FY 2013.
- Seven projects were advertised on-time (within 30 days) for an efficiency rate of 30.4%. Three of the seven projects were advertised *earlier* than the estimated Ad Date. One project advertised *on* the estimated Ad Date.
- Four 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.

MDTAP Chief is developing a new CompStat process which is a method of management accountability and a philosophy of traffic and crime control. It is a process of organized problem solving that, when coupled with commitment and consistency, leads to a positive outcome and produces incremental reductions in traffic and crime related issues. The MDTAP process involves communication, collaboration, and cooperation in furtherance of the agency's mission to ensure Safety, Security and Service for all who utilize our vital transportation assets.

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

The fatal collision rate for CY 2012 is 0.3, which is a slight increase from the CY 2011 a, 0.2 fatal collision rate. This is calculated as follows: 4 fatal vehicle collisions/1307 millions (Vehicle Miles Travelled (VMT))/100. The CY 2011 injury collision rate of 16.1 increased to a 21.4 injury collision rate in CY 2012. This was calculated as 280 Personal Injury's (PI)/1307 millions (VMT)/100. The resulting fatal and injury vehicle collision rate per 100 million vehicle miles increased from 16.4 in CY 2011 to 21.8 in CY 2012. The total collision rate is calculated as follows; fatal collisions + personal injury collisions/ (VMT/100). The actual fatalities during CY 2012 decreased to 5 fatalities from 9 fatalities during CY 2011. This measure is a CY measure based on data reported to the Federal Highway Administration. *(The number of fatal vehicle collisions and fatalities are not the same number. The number of fatalities is the number of people who have died as a result of the accident, while the number of fatal collision is the number of vehicles collisions within the year that have resulted in fatalities)*

The method of calculation for rates has been changed from previous years. This is due to the fact that MDTA no longer calculates VMT and crash data from John F. Kennedy (I-95 JFK). This data is now being captured by the Maryland State Police. Therefore the rates appear higher even though the actual crash numbers have been reduced.

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

The actual fatalities (number of deaths) on MDTA facilities and concurrent jurisdictions for FY 2013 were 4, compared to 8 for FY 2012. Vehicle collisions involving personal injuries on MDTA facilities and concurrent jurisdictions during the same time period in FY 2013 was 214, compared to 437 in FY 2012. This is due to the fact that MDTA Police no longer calculates or includes JFK VMT or crash data in MDTAs data. This data is now captured by the Maryland State Police.

During FY 2013, the MDTAP issued 58,912 citations. Additionally, in FY 2013 97,870 warnings and 8,486 safety equipment repair orders were issued.

- **The following data is MDTAP facilities and concurrent jurisdiction**

Through FY 2013 MDTAP conducted 83,557 patrol checks (patrol checks are physical checks of secured and unsecured sensitive areas within MDTA and concurrent jurisdictional areas) and initiated 98,913 traffic stops. As a result of the patrol checks and traffic stops, 950 DUI arrests were made, which is a 25% increase when compared to FY 2012. There were 433 criminal arrests stemming from these traffic enforcement measures.

During FY 2013, the MDTAP Commercial Vehicle Safety Unit conducted 23,255 commercial vehicle inspections. From these inspections there were 3,643 overweight vehicles and 2,029 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 reported to the Federal Highway Administration for calendar year 2012 was 219; one or 0.3% was structurally deficient.

Of the five MDTA bridges categorized as structurally deficient in the 2011 inspection cycle, repair and rehabilitation work concluded in 2012 on four of the bridges and they have been re-inspected and formally removed from structurally deficient status. Design for the full replacement of the fifth bridge is in process and expected to advertise in 2015. 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) Annually, 90% of First Report of Injuries to the State Injured Worker Insurance Fund (IWIF) will meet the IWIF established submittal goals

The data available indicates that for FY 2013 the level of employee safety awareness and reduction in employee injuries have increased from the previous fiscal year. OERSM continues to release a monthly Safety Challenge Newsletter. In the newsletter there is a statistics section which shows the number of lost time work injury cases for the month, a safety tip and news section along with a safety question. Through June FY 2013, 182 safety visits were conducted, which is a 34% decrease, compared to FY 2012, 275 visits. The decrease can be attributed to the focus on new training programs and safety committee meetings. There were 130 safety-related training experiences during FY 2013, compared to 84 during FY 2012. There have been 1,859 employees trained in safety-related experiences, compared to 1,113 for the same period in FY 2012, which is a 67% increase.

Through FY 2013 there have been 189 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 2012 there were 168 instances, which is a 12.5% increase. In FY 2013 there were 31 lost-time cases, compared to 28 in FY 2012, a 10.7% 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 IWIF within 24 hours. In FY 2013, 99 FROI cases were reported within 24 hours of injury. 90 cases were reported after 24 hours, of which 52 cases exceeded the 3 day reporting time period.

To improve FROI reporting rates, OESRM is developing a process where all injury reports will be prepared and submitted electronically. Doing so should not only reduce the time necessary to prepare the FROI form, but will also expedite the transfer of the information to the OESRM representatives.

(4) Annually ensure that 90% of emergency personnel complete their required National Incident Management System (NIMS) training

The DOO 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, DOO has increased their CPR/AED & First-Aid requirement. All first responders (Maintenance & Vehicle Recovery) are now required to maintain a valid certification. Throughout CY 2012, training sponsored by the American Heart Association was provided to staff. Over 85% of Operations first responders are certified in CPR/AED & First-Aid. Additionally, with the recent installments of AEDs in MDTA buildings, the Operations Division has invited non-required personnel to attend training and obtain CPR/AED & First-Aid Training. The MDTAP 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 MDTAP training and expertise was evident in these successful events and exercises.

(5) Annually 100% of evaluated emergency preparedness exercises will be rated as successful.

During 2013, the Division of Operations performed several table top emergency preparedness exercises at existing facilities. The planning and execution of most of these exercises was conducted by Operations, MDTA Police, and surrounding external agencies. A major tabletop exercise was conducted at the Bay Bridge as a result of collaboration between the Administrator and members of the various AA and QA county emergency services. This very successful and fruitful exercise was developed and conducted by a mutually agreed upon consulting firm. A second exercise has recently been conducted with similar local EMS agencies in the Express Toll Lane areas. Based on the set goals of MDTA, these table top exercises, along with each of remaining internally developed scenarios were evaluated by all participants within and outside of the Authority and rated 100% successful. More tabletop exercises are planned for the upcoming year to include further Express Toll Lane and Intercounty Connector facilities along other facilities throughout the Authority.

The Agency's Continuity Of Operations Plan is established and approved by the appropriate departments within the state's emergency management structure. It is however, in the process of being updated to capture staff and organizational changes which have occurred when the last update, which included and additional Pandemic planning annex was completed.

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 peer transportation sector entities.

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

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

Strengths cited in rating agency reports include:
- 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; and
- Willingness and legal ability to raise tolls.

Weaknesses and challenges cited in ratings agency reports include:
- Adequacy of resources to meet life-cycle preservation needs;
- Possible, though limited, cost increases for capital projects completion;
- Legal ability and past history of transferring cash to MDOT;
- Large but manageable capital program; and
- 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 FY 2012 and FY 2014. During presentations to rating agencies in recent years, MDTA has communicated that there are no plans to upstream cash to MDOT.

(2) Annually, achieve actual operating budget expenditures within 10% of projections

FY 2012 Budget $242,559,702
FY 2012 Actual $212,937,282
FY 2013 Budget $258,611,652
FY 2013 Actual $237,981,108

MDTA strives to spend 90% - 100% of its Operating budget and in FY 2013 MDTA achieved 92% spending. Forecasting expenses accurately allows MDTA to properly plan the timing and amounts of bond sales and toll increases. MDTA spent 87.79% in FY 2012 and 92.02% in FY 2013 of its Operating budget. The largest areas of under

spending continue to be Salaries and Benefits at $7.8 million in FY 2013 and $9.9 million under in FY 2012; Equipment at $4.1 million in FY 2013 ($1.2 million in replacement vehicles was deferred to FY 2014 due to late delivery) and $5.4 million under in FY 2012 and Publicity and Advertising at $2.8 million under in FY 2013 and $4.0 million under in FY 2012

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

The MDTA Division of Finance (DOF) 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 DOF more than 20 days after receipt of the invoice by the approving authority or receipt of the goods/services, which ever 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 Dynamics SL upgrade the report to be used to track the payment of invoice has been finalized. The report is currently in User Acceptance Testing.

(4) 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%.
- In 2013 the capital budget was $517 million and percentage of the capital budget spent was 64%.

The DCP consistently increased the percentage of capital budget spent in 2009 through 2012 as reflected above. In 2013 the percentage of capital budget spent decreased. ETL and ICC project contingencies were not needed at this time and could be eliminated at project completion. Project schedule modifications also contributed to under spending.

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

A survey was not completed for FY 2012 due to staffing constraints; however, the survey completed at the beginning of FY 2013 achieved 86% customer satisfaction.

(2) Annually retain a minimum of 85 percent of employees to sustain business flow

Number of Employees (Avg)	1607
Resignations	88
Retirements	69
Terminations	47
Other Losses	35
Retention Rate (Avg)	98*
Employees with 20+ years	18%
Equal Opportunity Complaints	11
Number of Grievances	25

Empress Rating	
Outstanding	3%
Exceeds	22%
Meets	73%
Unsatisfactory	0.01%

*** Number of Employees – (Resignations, Retirements, Other Losses) = Y**
Monthly Retention Rate = (Y/Number of Employees) x 100
Yearly Retention Rate = Average of all months

(3) Achieve or exceed State established Minority Business Enterprise and Small Business Reserve Goals consistent with State procurement laws

> The State's over-all MBE Goal is 25%.
> The MDTA achieved 22.08% for FY2012.
> The MDTA achieved 28.37 % for FY2013
>
> The State's SBR Goal is 10%.
> The MDTA achieved 0.69% for FY2012.
> The MDTA achieved 1.91% for FY2013

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 FY 2011 and continues every fiscal year.

The MDTA's SBR goal achievement is monitored monthly by the Outreach and Reports Manager as well as 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. The MDTA Management staff and Executives are aware of the

SBR program and our need to achieve the goal; stronger consideration is placed on designating contracts to the SBR program that will be awarded and completed within the same fiscal year to achieve the full dollar value, since the SBR Program is payment based.

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, customized outreach efforts in FY 2014 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 rate by 5% over the previous year

This metric is measured over the calendar year, not the fiscal year. The Maryland Recycling Act (MRA) requires State agencies to achieve waste minimization through recycling. The recycling rate State agencies are being asked to achieve is 30% for 2012. As a Transportation Business Unit (TBU), MDTA's recycling data are compiled with MDOT's five (5) other TBUs, which are collectively reported under MDOT. MDOT has set a recycling goal of 45% for 2013. In addition, the Maryland Department of the Environment (MDE) assists with development of Maryland's Climate Action Plan (CAP). Through the CAP, MDE has set a "stretch goal" for State agency recycling of 55% by the year 2020.

For calendar year 2012, the MDTA's recycling program was at 30.9%, an increase of 7.1% from the 2011 rate of 23.8%. CY 2012 marked the first year that all MDTA facilities were fully operational and sustaining office material recycling programs (i.e., cardboard, paper, bottles, and cans). Printer and toner cartridge recycling were added to the list of materials being collected for recycling at all MDTA locations in 2012.

Calendar Year	2009	2010	2011	2012
Recycling Rate[*]	10.2%	12.5%	23.8%	30.9%

MDTA intends to increase its recycling rate by implementing the following practices:
- Continuing to promote the annual recycling competition among MDTA facilities.
- Utilizing the MDTA intranet and the bi-weekly employee newsletter, the Connections, to promote the program and the competition.
- Undertaking several measures to expand the recycling program at MDTA facilities:
  - Adding the recycling of household batteries at all MDTA facilities
  - Providing recycling bins for the traveling public who visit E-ZPass locations at MDTA facilities
- MDTA continues to convey the importance of its recycling efforts to current and new employees. New Employee Orientation (NEO) and New Employee Safety

Training (NEST) are training opportunities that occur within the first 30 days of employment for new MDTA hires.

- o During NEO, newly hired employees are educated on MDTA's Environmental Management System (EMS). One component of the EMS is recycling and waste diversion. The New Employee Orientation reaches all employees, regardless of classification or division.
- o Recycling continues to be a topic of discussion within the NEST program. NEST is geared towards Division of Operations employees and is most likely their second training encounter that touches on recycling after joining MDTA.
- Evaluating trash pick-up schedules for all MDTA facilities to ensure the frequency matches the facility's needs.

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% from the 2008 rate by 2015

Year	kWh	Employees	kWh/Employees
2010	39,507,176	1683	23,474
2011	36,652,767	1704	21,510
2012	34,966,819	1645	20,629
2013	39,313,446	1677	23,443

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 vendors to discuss the installation of LED lighting fixtures in the Fort McHenry Tunnel
- Working with Maryland Energy Administration and Department of General Services (DGS) to determine if SOLAR panels can be installed (buildings and ground locations)
  - o 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
  - o 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
- Evaluating and installing more energy efficient exterior lighting on our parking lots and facilities

(3) Improve fuel utilization of the MDTA fleet

MDTA has 595 light duty vehicles, of which 57.5% of the light duty fleet are hybrid or flex-fueled. A hybrid vehicle is defined as an automobile that uses two or more distinct power sources to move the vehicle; a flex-fuel vehicle is defined as an automobile that can alternate between two or more sources of fuel such as gasoline or ethanol mixtures. Since 2010, 71.6% of the light duty vehicles purchased by MDTA have been flex-fuel. In FY 2013, 1,139,457 gallons of fuel were used by MDTA. There are five types of fuel used by MDTA: Conv/Regular, E-85, Bio-Diesel, Diesel and CNG. The fuel types most used are Conv/Regular, in which 756,356 gallons and Bio-Diesel in which 381,454 gallons were used. The fuel types that are most environmental friendly are E-85, Bio-Diesel and CNG.