

MARYLAND TRANSPORTATION AUTHORITY ANNUAL REPORT ■ ■ ■

2011



Maryland
Transportation
Authority

WHO ARE WE?

Financed by toll revenue, the Maryland Transportation Authority (MDTA) is an independent State agency established in 1971 to finance, construct, operate, preserve and improve the State's toll facilities, as well as to finance new revenue-producing transportation projects for the Maryland Department of Transportation.

The MDTA's eight toll facilities – two turnpikes, two tunnels and four bridges – connect One Maryland. The MDTA's revenues are reinvested into our facilities to operate and maintain them. The MDTA's Trust Agreement for the benefit of its bondholders outlines how these funds may be used as it develops and finances transportation solutions for Maryland's citizens.

For 40 years, the MDTA has provided Maryland's citizens and visitors with safe, secure and convenient transportation facilities. We are committed to preserving our vital infrastructure and to quality and excellence in customer service. We rely on our organization's values, traditions and – most important – our employees to achieve these goals.



MDTA Honor Guard

EMPLOYEES WHO SERVED ON ACTIVE MILITARY DUTY IN 2011

Officer Peter Leyden, MDTA Police, BWI Marshall/Port of Baltimore

Officer Harold Murdock, MDTA Police, Headquarters

Michelle Lewis, MDTA Police, Telecommunications Supervisor

Aarion Franklin, Strategic Development, Manager of Performance Management

Ronald Hammond, MDTA Operations, Vehicle Recovery Technician

GOVERNOR'S MESSAGE

On behalf of the citizens of Maryland, I am pleased to share with you this report detailing the operations of the Maryland Transportation Authority (MDTA) during 2011. As you will see in this annual review, MDTA's employees are committed to protecting the safety of Maryland's citizens and visitors; preserving our tunnels, bridges and highways; and providing excellent customer service to the public.

This report highlights the important efforts and key initiatives we have implemented during 2011. These efforts include the opening of Maryland's first all-electronic toll facility, the Intercountry Connector (ICC)/MD 200; enhancing traffic enforcement and homeland security initiatives; and continuing to undertake significant maintenance and preservation work at our toll facilities.

We recognize that our bridges, tunnels and highways are not like trees; they do not grow stronger with age. They require continued investment so that we can preserve and rehabilitate some of our State's most important assets. Together, we have made the difficult choices that allowed us to continue making these investments that are so crucial to preserving our quality of life, and the quality of life for generations to come.

Martin O'Malley
Governor



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VISION
**CREATING EZ PASSAGE
 THROUGHOUT MARYLAND.**

MISSION

The MDTA will be financial stewards of our dedicated revenue sources to provide vital transportation links that move people to promote commerce in Maryland by:

- Creating and maintaining a transportation network of highways, bridges and tunnels where safety and transportation efficiency are priorities.
- Operating and securing our facilities with innovative technologies.
- Financing transportation facilities that offer convenient choices to travelers.

EMPLOYEE GUIDING PRINCIPLES

SAFETY:

We provide safe and secure facilities for our customers, employees and the communities we serve.

EMPLOYEE EMPOWERMENT & ACCOUNTABILITY:

Our employees conduct routine business without excessive oversight and accept responsibility for their actions.

RESPONSIVENESS:

We adjust quickly to unforeseen and sudden events.

VIGILANCE:

We proactively keep watch over our facilities to protect the public and the environment.

INTEGRITY:

We work within our legal and ethical framework with honesty.

COMMUNICATION:

We work to keep our stakeholders informed and value their feedback.

EQUAL OPPORTUNITY:

We value our diversity and provide opportunities regardless of our differences.

GOVERNING MEMBERS

The Maryland Transportation Authority (MDTA) Board is a group of eight citizens appointed by the Governor with the advice and consent of the State Senate. This group, representing Maryland's geographic regions, serves as our policy-setting, decision-making and governing body and is responsible for all actions taken by the MDTA. The authority to set tolls is at the sole discretion of the Board Members.

Maryland's Secretary of Transportation presides as the MDTA's Chairman. Each Member serves a four-year term, and term expirations are staggered. Board Members are eligible for reappointment to the MDTA; however, since 2007, there is a limit of three consecutive terms.



Louise P. Hoblitzell
 Served July 1983–
 October 2011



Walter E. Woodford, Jr., P.E.
 Appointed July 1991



Rev. Dr. William C. Calhoun, Sr.
 Appointed May 2007



Michael J. Whitson
 Appointed May 2007



Peter J. Basso
 Appointed August 2007



Richard C. Mike Lewin
 Served August 2007–
 November 2011



Mary Beyer Halsey
 Appointed February 2008



A. Bradley Mims
 Appointed April 2011

CHAIRMAN'S MESSAGE

Thank you for your interest in learning more about the Maryland Transportation Authority (MDTA). On behalf of the MDTA Board Members, it is my pleasure to share with you the agency's 2011 annual report.

Throughout the year, the MDTA's Board Members, management team and employees worked together to provide the most efficient and safe transportation services and facilities possible while maintaining the fiscal responsibility that is the backbone of the MDTA. The decisions we made this year to implement toll increases and changes at our facilities were difficult ones. However, they were necessary to continue providing safe, efficient and well-maintained transportation links and to meet legally binding and fiscal obligations. In the days ahead, we will continue

to work hard so that our State's transportation network meets the evolving needs of our citizens, our visitors and our economy.

We appreciate your interest in the Maryland Transportation Authority. Our dedicated employees, the MDTA Board Members and I look forward to continuing to support the agency and its mission.



Beverley K. Swaim-Staley
Chairman



MANAGEMENT COMMITTEE

Randolph P. Brown, P.E.
Deputy Executive Secretary

John J. Ayd
Chief Information Officer

David W. Chapin
Special Projects Coordinator

David K. Greene
Director of Strategic Development

Beverly Hill
Director of Procurement
& Statutory Program Compliance

Douglas M. Hutcheson, P.E.
Chief Engineer

Derek Jones
Director of Operations

Mjr. Michael Kundrat
Acting MDTA Police Chief

Jody D. McCurley
Director of Audits

Marjorie Nesbitt
Director of Human Resources &
Workforce Development

Deborah E. Sharpless, CPA
Chief Financial Officer

Dennis Simpson
Director of Capital Planning

Valerie Johnston Smith
Principal Counsel

Cheryl M. Sparks
Director of Communications

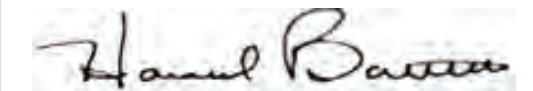
EXECUTIVE SECRETARY'S MESSAGE

Welcome to our report on the activities and operations of the MDTA for 2011. It has been a privilege to re-join the agency as Executive Secretary.

My decision to do so was easy, as the dedicated men and women at the MDTA make it a pleasure to come to work each day. Their hard work, determination and the enthusiasm that they bring to our team are invaluable, and I continue to be grateful for their contributions in meeting the growing needs of the nearly 152 million motorists who travel our toll facilities each year.

The MDTA is indeed fortunate to have nearly 1,700 employees who perform their jobs in a professional manner each and every day. In fact, I often visit our facilities and take great pride in seeing the positive impact our employees have on our customers on a daily basis. No matter which division or office they are assigned, our employees come together as a team for the benefit of our organization and undoubtedly are our greatest assets.

Thank you for your support of the Maryland Transportation Authority. I look forward to the many challenges that lie ahead.



Harold M. Bartlett
Executive Secretary



OUR FACILITIES

VITAL LINKS IN MARYLAND'S TRANSPORTATION NETWORK

1 Thomas J. Hatem Memorial Bridge (US 40)



The oldest of the MDTA's facilities, this 1.4-mile, four-lane bridge opened in August 1940. It spans the Susquehanna River on US 40 between Havre de Grace and Perryville in northeast Maryland. Tolls are collected in the eastbound direction only.

FY 2011 traffic volume – 10.1 million vehicles.

2 John F. Kennedy Memorial Highway (I-95)



Opened in November 1963, the John F. Kennedy Memorial Highway is a 50-mile section of I-95 from the northern Baltimore City line to Delaware. Tolls are collected in the northbound direction only at the toll plaza located one mile north of the Millard Tydings Memorial Bridge over the Susquehanna River in northeast Maryland.

FY 2011 traffic volume – 30.7 million vehicles.



3 Fort McHenry Tunnel (I-95, I-395)



The largest underwater highway tunnel, as well as the widest vehicular tunnel ever built by the immersed-tube method, the Fort McHenry Tunnel opened to traffic in November 1985. The eight-lane tunnel is nearly 1.4-miles long and connects the Locust Point and Canton areas of Baltimore, crossing under the Patapsco River, just south of historic Fort McHenry. The tunnel is a vital link in I-95, the East Coast's most important interstate route. Including the tunnel and approach roadways, the facility is approximately 10.3 miles in length.

FY 2011 traffic volume – 46.3 million vehicles.

4 Baltimore Harbor Tunnel (I-895)



The 1.4-mile, four-lane tunnel opened in November 1957. Designated I-895, the facility crosses under the Patapsco River and connects major north/south highways and many arterial routes in Baltimore City's industrial sections. Including the tunnel and approach roadways, the facility is approximately 17 miles in length.

FY 2011 traffic volume – 26.1 million vehicles.

5 Francis Scott Key Bridge (I-695)



This outer crossing of the Baltimore Harbor opened in March 1977 as the final link in I-695 (the Baltimore Beltway). The 1.7 mile Key Bridge crosses over the Patapsco River where Francis Scott Key was inspired to write the words of the Star Spangled Banner. This facility also includes the Curtis Creek Drawbridge. Including the bridge and approach roadways,

the facility is 10.9 miles in length.

FY 2011 traffic volume – 11.6 million vehicles.

6 Intercounty Connector (ICC)/MD 200



The Intercounty Connector (ICC)/MD 200 links I-270/I-370 in Montgomery County and I-95 in Prince George's County. The ICC is the MDTA's first all-electronic, variably priced toll facility. The first segment between I-370 at Shady Grove and MD 97 in Rockville/Olney opened in February 2011, with the segment to I-95 in Laurel opening in November 2011. Tolls are paid at highway speeds via E-ZPass and video tolling as vehicles pass beneath tolling structures.

FY 2011 (February-June) traffic volume – 2.2 million vehicles.

7 William Preston Lane Jr. Memorial (Bay) Bridge (US 50/301)



The Bay Bridge crosses the Chesapeake Bay along US 50/301. Its dual spans provide a direct connection between recreational and ocean regions on Maryland's Eastern Shore and the metropolitan areas of Baltimore, Annapolis and Washington, D.C. At four miles, the spans are among the world's longest and most scenic over-water structures. The original span opened in July 1952 and provides a two-lane roadway for eastbound traffic. The parallel structure opened in June 1973 and has three lanes for westbound travelers. During periods of heavy eastbound traffic, one lane of the westbound bridge is "reversed" to carry eastbound travelers ("two-way" traffic operations). Tolls are collected in the eastbound direction only.

The original span opened in July 1952 and provides a two-lane roadway for eastbound traffic. The parallel structure opened in June 1973 and has three lanes for westbound travelers. During periods of heavy eastbound traffic, one lane of the westbound bridge is "reversed" to carry eastbound travelers ("two-way" traffic operations). Tolls are collected in the eastbound direction only.

FY 2011 traffic volume – 27.1 million vehicles.

8 Governor Harry W. Nice Memorial Bridge (US 301)



Opened in December 1940, this 1.9-mile, two-lane bridge is located on US 301 and spans the Potomac River from Newburg, Md., to Dahlgren, Va. President Franklin D. Roosevelt participated in the facility's groundbreaking in 1939. Tolls are collected in the southbound direction only.

FY 2011 traffic volume – 6.8 million vehicles.

CAPITAL INVESTMENTS

CONSOLIDATED TRANSPORTATION PROGRAM

The MDTA's current six-year Consolidated Transportation Program (CTP) is almost \$2.2 billion, including projects to preserve our facilities for years to come.

In FY 2012, the MDTA's annual capital program is more than \$603 million. With the extensive projects at hand, there continues to be unprecedented opportunities to partner with Minority Business Enterprises (MBE), Disadvantaged Business Enterprise and Small Business Reserve programs. The Baltimore Chapter of Women's Transportation Seminar (WTS) honored the Intercounty Connector (ICC)/MD 200 with the group's annual Rosa Parks Diversity Leadership Award for 2011. The award nomination touted the project for its significant success in achieving multiple diversity goals since project management began in 2005.

Our CTP consists of 234 projects that range from small feasibility studies of \$25,000 to large-scale construction projects like the ICC and I-95 Express Toll LanesSM (ETLsSM). Projects are organized by three major components for the six-year program:

- **Construction Program:**
41 projects with a total value of about \$1.3 billion.
- **Development and Evaluation Program:**
3 projects with a total value of \$1.8 million.
- **Minor Projects Program:**
190 projects with a total value of more than \$886 million.

SYSTEM PRESERVATION

The MDTA has shifted emphasis in the last few years to System Preservation to ensure the aging transportation infrastructure is in good working condition. In addition to annual inspections and repairs based on findings, the MDTA has programmed projects to address regular maintenance needs such as deck sealing, painting, deck repair, deck replacement, substructure rehabilitation, superstructure repairs and full structure replacements. The expanded System Preservation Program is comprised of 93 projects with a total budget of over \$1 billion for FY2012 thru FY2017.

Hatem Bridge Deck Rehabilitation

In June 2011, the MDTA completed major rehabilitation work on the 71-year-old Hatem Bridge deck. The 3.5-year, four-phase project included bridge roadway (deck), substructure (concrete piers) repairs and installation of a new, permanent barrier wall in the center of the bridge.

Throughout the project, one lane of traffic remained opened in each direction except during times requiring delivery of construction materials, moving equipment, repositioning of barrier walls and routine inspections.

For customers' convenience, Automatic Vehicle Identification (AVI) decals were renewed annually for free while work was being performed, and noise restrictions were instituted to minimize disturbances to the surrounding communities.

Complex maintenance of traffic and construction plans, as well as extensive public outreach efforts, helped



Hatem Bridge deck rehabilitation

contribute to the successful delivery of the project on this critical route for Cecil and Harford County residents, visitors and businesses.

I-95 Resurfacing Work

Between June 2010 and December 2011, work took place to resurface a two-mile portion of I-95 and interchange ramps in Baltimore City and upgrade signs and lighting.

Construction consisted of resurfacing all travel lanes on northbound and southbound I-95 and on the ramps at Caton Avenue and Washington Boulevard; resurfacing and repairs to the Joh and Caton Avenue bridges over I-95; installing a new overhead dynamic message sign in each direction of I-95 between I-695 and Russell Street; installing 21 new sign structures; upgrading 95 high-mast light poles; drainage improvements; and safety upgrades.

Work required daily lane closures, along with complex lane and ramp closures and detours during overnight and weekend hours, and reductions in travel-lane widths.

During peak-travel times, the four main travel lanes remained opened in each direction of I-95.

The project team's thorough coordination and implementation of numerous, concurrent lane and ramp closures helped ensure smooth traffic flow and safety approaching and within the work zone.

I-695/Quarantine Road

The I-695 Quarantine Road Interchange Project is enhancing safety, adding capacity and reducing congestion, especially during peak-travel periods, and providing environmental enhancements on I-695 at Exit 1 (Quarantine Road) and on Quarantine Road approaching I-695.

In spring 2010, crews began widening three of the existing interchange ramps, removing the ramp from Quarantine Road to eastbound I-695 and widening the approach roadways to the Quarantine Road bridge. A new traffic signal was added at the end of the ramp from eastbound I-695 to Quarantine Road while existing signals were replaced and timed to reduce peak-hour delays. Environmental upgrades include a stormwater management pond that improves water quality and reduces rainfall runoff and pollutants from roadway surfaces. The project also provides three acres of native species reforestation, erosion and sediment control and landscaping. The majority of work was completed in winter 2011/2012.



Pond seeding at Quarantine Road interchange

Millard E. Tydings Bridge (I-95) Repairs

In October 2011, the MDTA began a \$42.7 million preservation project to perform underwater foundation (concrete piers/bridge supports) repairs to the Tydings Bridge. Work is anticipated to be complete by late 2013 and will be performed on 10 of 13 bridge piers in three stages. This is the first time in the bridge's history that work of this nature has been performed.

The complex operation and sequencing includes excavation of the river bottom and installation of cofferdams (temporary watertight enclosures that are pumped dry to expose the bridge foundations); removal of water and earth inside the cofferdams; concrete placement inside the excavated cofferdam; transporting excavated material; repairing piers; and removing the cofferdams to restore the river bottom to its original condition.

In an effort to minimize disturbance of the river bottom to protect map turtle hibernation habitat and promote the growth of sub-aquatic vegetation, environmental restrictions are in effect between November and April.

TOLL INCREASE

On September 22, 2011, the MDTA Board approved a revised tolling plan after considering substantial public comments received during a 60-day public-comment period held earlier in the summer. This largest toll increase in agency history, phased in during calendar years 2011, 2012 and 2013, is projected to generate approximately \$90 million in its first full year (\$90 million in subsequent years) to pay significant debt for rehabilitating MDTA's aging bridges, tunnels and highways and for constructing additional highway capacity in the Baltimore and Washington regions.

It has been years, decades in some cases, since the MDTA raised many of its toll rates. Commuter toll



Public Hearing in Harford County

rates were last raised in 1985 for Baltimore toll facilities and in 1983 for the Bay and Nice bridges. Toll rates for passenger vehicles were last raised in 2003 at the Baltimore toll facilities, the Kennedy Highway and the Hatem Bridge and in 2001 at the Nice Bridge. Before the increase, the Bay Bridge toll rate for passenger vehicles was lower than when the original span opened in 1952, when drivers of passenger cars paid \$2.80 round trip, plus \$.25 per passenger. Toll rates for vehicles with three or more axles were last raised at all facilities in 2009.

Nearly 4,000 citizens and elected officials submitted comments or provided testimony at one of the ten public hearings held throughout the State. The MDTA took extensive measures to help ensure transparency in the process, providing public hearings, web comment forms and making financial documents available to the public via the agency's website.

The funds to finance, operate, preserve, maintain, improve and protect Maryland's eight toll facilities come directly from the tolls that customers pay. The MDTA combines toll revenue from all facilities to pay operating costs and the debt on bonds that are issued to fund major projects. The MDTA does not receive funds or contribute to the Transportation Trust Fund. Revenue "pooling" makes the MDTA financially strong with top bond ratings that reduce borrowing costs.

Bay Bridge Painting

In July 2011, a project to preserve the westbound span of the Bay Bridge by cleaning and painting its steel girder spans began. This Phase One work, which involves complete removal of the existing paint and repainting girders in the Western Shore portion of the westbound bridge, is anticipated to be complete in fall 2012. Work will continue in Phases Two through Four, with completion expected in June 2017. The estimated cost for all four phases is \$99.5 million. This is the first full-scale painting of the westbound span since it opened in 1973.

Hatem Bridge Painting

To extend the bridge's useful life, a 1.5-year project to clean and paint the Hatem Bridge began in July 2011. Portions of steel above the tops of the bridge piers and portions of the overhead truss are being cleaned and painted, and areas below the bridge deck are being spot painted. The last Hatem Bridge painting took place in 1990.

Key Bridge Painting

Cleaning and painting steel surfaces and girders, repairing drainage troughs and miscellaneous repairs of the approach spans began in August 2011. The work will address areas of corrosion and paint deterioration, restore the structural members of the bridge and extend its useful life. Completed in 1977, the Key Bridge underwent painting of its main span and replacement of drainage troughs in 2006. The current project is anticipated to be complete in summer 2013.

I-895 Patapsco Flats

On the I-895 bridge over the Patapsco River, located approximately 2.5 miles south of the Baltimore Harbor Tunnel, work to repair deteriorating concrete of the bridge piers began in November 2011. Anticipated to be complete in fall 2013, the \$3.2 million project also includes in-river scour (erosion) repairs and protection and other miscellaneous structural repairs to the approximately one-half-mile bridge. The Baltimore Harbor Tunnel, including approach roadways, opened to traffic in 1957. The most recent improvements to this area involved widening the bridge by approximately 16 feet in the early 1980s.

Curtis Creek Drawbridge

A seven-month project to replace the steel decks on the I-695 drawbridges over Curtis Creek, between Quarantine Road (Exit 1) and MD 10 (Exit 2), in order to address existing wear and extend the bridge's useful life, began in December 2011. Work consists of replacing the drawbridge's steel grid deck and steel floor beams, deck supports and locking mechanism and spot painting of its structural steel. This is the first time the drawbridge has undergone this type of work.

The Inner Loop of the I-695 Curtis Creek Drawbridge (originally one-lane of traffic in each direction) opened in 1977. The Outer Loop drawbridge span was added in 1979, resulting in two lanes of travel in each direction.

Canton Viaduct on I-895

Design is underway on a project to completely replace the existing structurally deficient and functionally obsolete Canton Viaduct structure. Full replacement will address wear on the viaducts' bridge deck, substructure and superstructure and result in improved safety and rideability. The bridge deck has not been renovated since 1985. Construction is scheduled to begin in FY 2015.

Kennedy Highway Bridge Painting

A \$3.9 million project is underway to preserve seven bridges on or over the John F. Kennedy Memorial Highway (I-95) by cleaning and painting structural steel. These

bridges were built in 1963, with widening performed in 1970 or 1971 to accommodate increased traffic. Full painting will help maintain the bridges' structural integrity. This is the first time these bridges have been fully painted. This project is expected to be complete by late 2012.

HIGHLIGHTS FROM THE DESIGN & EVALUATION PROGRAM

US 301 Harry W. Nice Memorial Bridge Improvement Project

The purpose of the US 301 Nice Bridge Improvement Project is to study a crossing of the Potomac River that is



Harry W. Nice Memorial Bridge

WHY ARE ROADS TOLLED?

The construction and maintenance of many roads in Maryland have typically been paid for with state and federal taxes. However, as transportation needs have increased, government budgets have decreased. Toll roads offer a way to meet transportation challenges without raising taxes.

Roads are tolled for three basic reasons:

1. To pay for a road that can't be built soon enough with available resources

– Some transportation projects are needed now. However, the typical process to fund, plan and construct a roadway can take years. By the time the work is actually completed, we have outgrown what was just built and need to start all over again. Paying for construction today allows the MDTA to avoid inflation for materials, labor and land.

2. To pay for the continued maintenance and operation of a roadway

– A road is never actually paid for. From the day it opens the pavement begins to deteriorate from weather and wear. Cracks need to be filled, signs and lighting maintained, steel painted, grass mowed, bridge decks replaced, and asphalt rebuilt or resurfaced, which often can cost more than the original construction.



Margaret Wyatt, Northern Region Toll Collector

3. To pay for other transportation

improvements in the area – When a road is tolled, the prospective stream of future revenues allows the capital markets to be tapped for loans and equity to finance other needed transportation improvements in the area, such as work on highways, bridges and tunnels, travel plazas or toll facilities.

Toll roads offer economic, quality of life and safety benefits that can be delivered years in advance of using other funding methods.

geometrically compatible with the US 301 approach roadways, will provide sufficient capacity to carry projected traffic volumes in 2030, will improve traffic safety and provide the ability to maintain two-way traffic flow during maintenance and incidents.

A Preferred Alternate has been identified, which consists of a new, barrier-separated four-lane bridge installed parallel to and north of the existing bridge, with a two-way bicycle/pedestrian path along the south side and removal of the existing bridge.

MDTA continues to coordinate with the Federal Highway Administration (FHWA) and regulatory agencies to complete the environmental document and the Final Section 4(f) Evaluation, which outlines the project's impacts to parkland and historic resources, for the Preferred Alternate. Upon completion of the final environmental document and Final Section 4(f) Evaluation in 2012, this project will become a candidate for MDTA capital improvement project funds. No funding is currently available for future project phases, including final design, right-of-way and construction.

I-95 Section 200 Planning Study

The I-95 Section 200 Planning Study, completed in January 2011, examined how traffic congestion and safety could be improved along 16 miles of I-95 from north of MD 43 in Baltimore County to just north of MD 22 in Harford County. Following many months of study, public and agency review and detailed engineering and environmental analysis, the MDTA determined Express Toll LanesSM (ETLsSM) as the Selected Alternative. Options for the I-95 interchanges at MD 152, MD 24, MD 543 and MD 22, as well as two park and ride sites and a pedestrian/bicycle option, have been selected. There is no funding programmed for the next stages of the project.

I-95 FMT Carroll Camden Access Study

The study evaluated alternatives to improve access to and facilitate the development of the Carroll Camden area in Baltimore City, south of the Fort McHenry Tunnel. Improved safety and operations along I-95 between Caton Avenue (Exit 50) and Hanover Street (Exit 54) were also studied.

The study team developed four concepts that included new or extended ramps, flyover ramps or ramp replacements at various locations along I-95. Study results indicated that access improvements between I-95 and the Carroll Camden area are geometrically feasible; however, there would be a negative impact on the operations of I-95 if additional interchanges are added, and the project would be extremely complex and costly.



Chesapeake House Travel Plaza

Virtual Weigh Station (VWS) Study

The VWS study evaluated the feasibility of implementing six stations at three MDTA facilities: I-95 southbound approaching the Fort McHenry Tunnel; I-895 northbound and I-895 southbound approaching the Baltimore Harbor Tunnel; I-695 eastbound and I-695 westbound approaching the Key Bridge; and on southbound Broening Highway approaching the Key Bridge. A VWS prescreens commercial vehicles at highway speeds for weight and height violations via the use of in-pavement detectors. The draft report was completed in December 2011, and a decision whether to move the project forward is expected to be made in 2012.

I-95/MD 222 Study

The MDTA is partnering with the State Highway Administration (SHA) and the Maryland Department of Transportation (MDOT) in a concept study to identify future improvements at the I-95/MD 222 interchange in Cecil County and along MD 222 near the interchange. In 2011, the study team developed roadway concepts and estimated project costs. Additionally, a work group, comprised of State and local elected officials and government representatives, was formed to help address the area's future transportation needs and funding. The group meets periodically to review concepts, costs and future actions.



Maryland House Travel Plaza

I-95 Travel Plaza Redevelopment

In November, the MDTA received multiple proposals for a public-private partnership to redevelop, operate and maintain Maryland's aging travel plazas over the next 35 years. The State will retain ownership and oversight of the 36-year old Chesapeake House and the 48-year old Maryland House, while receiving revenue over the course of the agreement. The selection is anticipated in early 2012 with a final decision occurring after legislative review and approval by the Board of Public Works.



Bridge inspection at the Bay Bridge

As the MDTA preserves and improves Maryland's highways, tunnels and bridges, our top priority remains the safety of our customers and our employees. We are committed to keeping Maryland's families and visitors and our employees and construction workers safe and make every effort to prevent traffic fatalities and injuries by inspecting our facilities, enforcing motor-vehicle law, educating our customers and coming to the aid of stranded motorists.

Public outreach and education is a significant component of this effort. Safety messages emphasize "Stay Alert So No One Gets Hurt" and "Choose Safety for Life." In partnership with SHA, the MDTA provided motorists with tips to drive safely through construction work zones and focused on four key areas to help make Maryland roads safer and more secure: education, engineering, enforcement and emergency medical services. In addition, the MDTA continued its Bay Bridge safety campaign, in which "Spokesbirds" Spike and Otis emphasized safety tips and best times for traveling the bridge.

ENHANCED FACILITY INSPECTIONS

The MDTA is committed to maintaining the safety and integrity of Maryland's transportation infrastructure. Over the last five years, MDTA has strengthened its bridge and tunnel inspection program by increasing budgets devoted to inspections, supplementing staff dedicated to inspections, instituting requirements for more comprehensive "hands-on" inspections and enhancing procedures for addressing deficiencies.

MDTA has implemented a robust structures-management system. The Authority Structures Inspection and Repair (ASIR) system is used by engineering staff to document inspection findings, prioritize remedial repair or replacement and record repair history.

In July 2011, the Federal Highway Administration conducted a peer review of the methods and procedures of MDTA's facility-inspection program. The review found that "all inspection methods and procedures are fully documented to ensure there is uniformity and consistency in the quality of bridge inspections being performed by the consultants. Quality control and quality assurance procedures in place are quite noteworthy. The facilities inspection program is being administered by qualified, conscientious personnel that are dedicated to the delivery and quality improvement of their work."

Independent, certified and nationally experienced engineering firms inspect all bridges, tunnels, roadways, lighting and signage annually, exceeding federal inspection standards. Inspections are performed from September through June each year. In 2011, 25

consultant and sub-consultant firms performed more than \$11 million of inspection services. All facilities were found to "be maintained in good repair, working order and condition" and allow for legally-loaded vehicles, emergency vehicles and school buses to traverse safely.

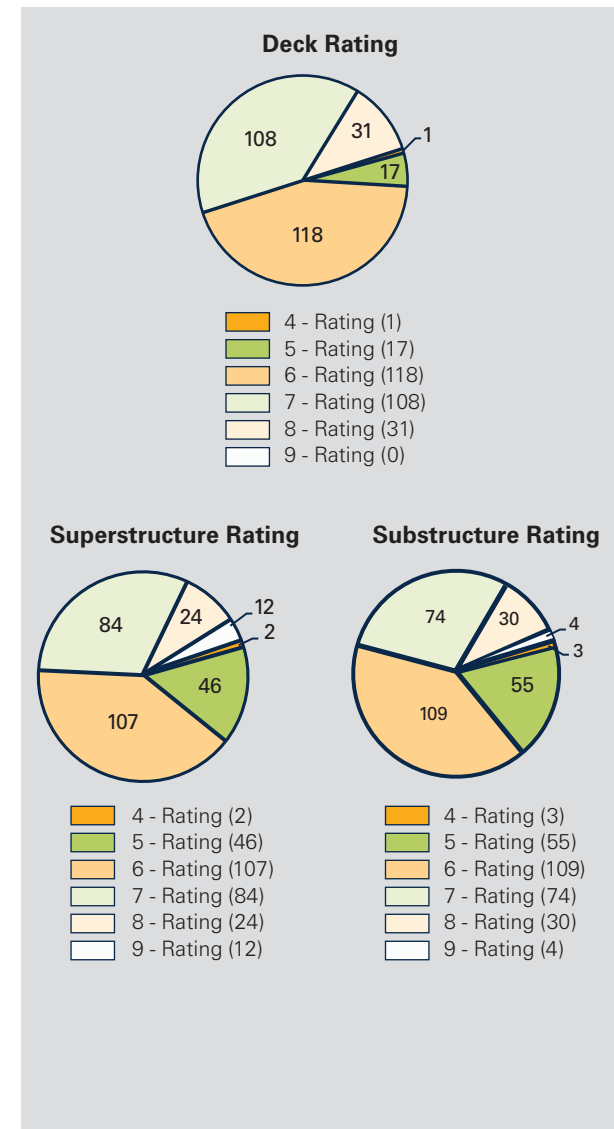
The National Bridge Inspection Standards (NBIS) for bridge structures require separate and specific condition ratings for the primary components of each bridge. These components are the deck, superstructure (beams, girders, etc.) and substructure (piers and abutments). In 2011, MDTA inspected 275 bridge structures, including its large and complex signature structures.

The 2011 condition ratings of MDTA's signature structure bridges are as follows:

	Deck	Superstructure	Substructure
Francis Scott Key Bridge (I-695)	6	5	5
Bay Bridge (Eastbound US 50/301)	5	5	6
Bay Bridge (Westbound US 50/301)	5	5	5
Thomas J. Hatem Bridge (US 40)	8	5	5
Harry W. Nice Bridge (US 301)	5	6	6
Millard Tydings Bridge (I-95)	6	5	5

NBIS Condition Rating Codes:
 0 = Failed, 1 = Imminent Failure, 2 = Critical, 3 = Serious, 4 = Poor, 5 = Fair, 6 = Satisfactory, 7 = Good, 8 = Very Good, 9 = Excellent

The following charts summarize the NBIS condition ratings for all 275 of MDTA's bridge structures.



The MDTA has just four bridges classified as "structurally deficient." Three of these bridges are currently under construction, with the fourth planned for complete replacement starting in 2014.

The MDTA also inspects the Baltimore Harbor and Fort McHenry tunnels using guidelines and rating criteria similar to the bridge inspection program. In 2011, the Fort McHenry Tunnel was given an overall rating of 6 (Satisfactory) and the Baltimore Harbor Tunnel received a 5 (Fair).

COURTESY PATROLS

Courtesy Patrols, staffed by our Vehicle Recovery Technicians (VRTs) and Emergency Response Technicians (ERTs), are vital to improving service and safety on our roadway, especially with the many work zones agency-wide. By assisting drivers of disabled vehicles with gasoline, flat tires and other minor repairs, patrols minimize the risk for crashes and potential congestion from stopped vehicles – a necessity for facilities without roadway shoulders like our bridges and tunnels. VRTs and ERTs also assist with incident management efforts and tow disabled vehicles to expedite emergency response and clearing of incidents. Courtesy Patrols provide 24-hour coverage at the Bay Bridge, the ICC and the two tunnels; operate 16 hours-a-day, seven days-a-week at the Kennedy Highway; and, when staffing levels permit, 16 hours-a-day, five days-a-week at the



Ryder Malone VRT III, Baltimore Harbor Tunnel Courtesy Patrol

Key Bridge. In 2011, patrols assisted drivers of more than 30,000 disabled vehicles, removed more than 2,400 of those vehicles from MDTA roadways and changed more than 5,700 flat tires, returning most vehicles to the road within 15 minutes. In 2011, appreciative customers sent more than 160 emails and letters commending the patrols and our employees.

INTERCOUNTY CONNECTOR ■ ■ ■

ICC/MD 200: FIRST ALL-ELECTRONIC TOLL FACILITY IN THE REGION

In 2011, Maryland's eighth and first all-electronic toll facility opened with two historic ribbon cuttings. The Intercounty Connector (ICC)/MD 200, connecting Montgomery and Prince George's counties near Washington, D.C., now provides reduced and reliable travel times and greater convenience for commuters, businesses and transit users between the I-270 and I-95 corridors.

Governor Martin O'Malley and U.S. Transportation Secretary Ray LaHood hosted the ceremonial opening of the ICC's first segment from I-270/I-370 at Shady Grove to MD 97 (Georgia Avenue) in February. Just before Thanksgiving, Lt. Governor Anthony Brown and U.S. Deputy Transportation Secretary John Porcari joined congressional, State and local officials in cutting the ribbon to open the next 10 miles of the ICC, connecting I-270/I-370 to I-95 at Laurel. With each opening, drivers were able to "test drive" the ICC at no charge for approximately two weeks to provide motorists the



Ribbon cutting ceremony for the ICC opening from MD 97 to I-95

opportunity to see how the roadway worked and sample its time-saving benefits.

There are no toll plazas on the ICC with stop-and-go traffic for cash payment. Tolls are collected via *E-ZPass* and video tolling at highway speeds as vehicles pass beneath tolling structures, eliminating vehicle queuing and congestion, promoting safety, reducing pollution and improving the overall quality of life for commuters.

ICC per-mile toll rates are at the low end of the tolling plan approved by the MDTA Board in December 2009 following a 60-day public-comment period. Drivers of cars and light trucks with *E-ZPass* pay a Peak toll rate of \$0.25/mile, Off-peak rate of \$0.20/mile and Overnight rate of \$0.10/mile. Drivers without *E-ZPass* pay a Video Toll Rate, which is 150% of the base toll rate with a minimum of \$1/maximum of \$15 above the base rate.

Varying toll rates by time of day and day of the week provides generally free-flowing traffic on the ICC – even during peak periods like morning and afternoon rush hours. Tolling also provides funds for financing, operating and maintaining a large transportation project like the ICC. Without tolling, the ICC could not have been built, as conventional transportation funding was insufficient to build the roadway.

The ICC improves mobility and connectivity for Marylanders, whether they drive the roadway; use the roadway to access Metrorail, MARC or local transit services; use one of the Maryland Transit Administration's five commuter bus routes that operate on the ICC; or enjoy connections to bike trails and pedestrian paths. Studies have shown that trip times



can be reduced by up to 70 percent by using the ICC. For example, traveling from the Shady Grove Metro Station to Georgia Avenue on the local road network takes about 22 minutes, compared to just seven minutes on the ICC. A trip between Gaithersburg and BWI Thurgood Marshall Airport is cut in half by taking the ICC – 71 minutes on local roads, compared to 37 minutes with the ICC.

An economic catalyst, the \$2.43 billion ICC is supporting 4,500 jobs involving more than 200 contractors in its construction alone with \$330 million of its construction dollars designated for Disadvantaged Business Enterprise. An independent study by the University of Maryland projects that the ICC, when fully open, will support the development of about 14,000 jobs in Prince George's and Montgomery counties. The study also found the ICC will save Maryland drivers and businesses an estimated \$6.7 billion over the next 20 years in time, fuel and wear-and-tear on vehicles.

The MDTA, which provided approximately half of the ICC's financing, owns and operates the highway. The State Highway Administration (SHA) is managing construction of the ICC. A final segment of the ICC from I-95 to US 1 is scheduled to open in spring 2014.

I-95 IMPROVEMENTS ■ ■ ■

I-95 EXPRESS TOLL LANESSM (ETLSSM)

With five of its nine roadway contracts and two of its three environmental contracts complete, the I-95 ETLS Project in northeast Baltimore is already enhancing safety, operations and the environment. Benefits realized to date include improved entrances and exits at the I-95/I-695 and I-95/I-895 interchanges, new highway lighting and signage, emergency turnarounds for expedited incident response, stormwater management, reforestation and landscaping. The project is expected to be fully operational in 2014.

Newly awarded contracts in 2011 included the I-95/I-695 mainline bridges, which will carry two ETLS in each direction of I-95 through the I-695 interchange, and reconstruction of the I-95/MD 43 interchange, which will provide ETLS access to and from Baltimore County at MD 43 and replace the MD 43 structurally deficient bridges. A final contract will be advertised for work between MD 43 and Joppa Road (north of the ETLS), which will complete the project to the north and transition traffic to all general purpose lanes.

The I-95 ETLS Project, which began in 2006, is located along eight miles of I-95 from the I-95/I-895 interchange in northeast Baltimore to just north of MD 43 in White Marsh. Access to the southbound ETLS will be available in two locations – from I-95 just north of MD 43 and at the I-95/MD 43 interchange. Access to the northbound ETLS will be available at three locations – at the I-95/Moravia Road interchange, from I-895 south of I-95 and from I-95 south of I-895. The ETLS will offer motorists a choice to travel the general-purpose lanes at no cost as they do today or pay a toll to use the relatively, congestion-free ETLS.



Steel setting for I-95/I-895 interchange

Similar to the ICC, the ETLS will be all-electronic. Toll rates will vary based on vehicle type and time of day/day of the week. The tolling plan will be set approximately one year prior to the ETLS opening.

I-95/MD 24 IMPROVEMENT PROJECT

In December 2011, construction of the I-95/MD 24 Improvement Project was substantially complete. The project enhances safety; adds capacity and reduces congestion on a 1.5-mile stretch of MD 24 in Harford County.

The project began in fall 2008 and included a new MD 24 bridge, widening the northbound MD 24 bridge over I-95; widening and implementing new traffic patterns on the ramps at the I-95/MD 24 interchange; roadway resurfacing; line painting; new guardrails, retaining walls and traffic signal installation; landscaping; and erosion and sediment control. In October 2011, the new

overpass bridge that carries MD 24 traffic over the MD 924 (Emmorton Road) and Tollgate Road intersection opened. Travel conditions and commuter drive times have improved as motorists on MD 24 utilize the bridge to bypass the signalized intersection and local traffic.

To minimize motorist disruption while being sensitive to the environment, the project team worked in coordination with MDTA operations, Maryland State Police, SHA, Maryland Department of the Environment, Harford County, utility companies and local businesses to implement numerous complex traffic plans and traffic pattern changes on I-95 and MD 24. Public outreach included open houses, fact sheets, fliers, interchange renderings and graphics, media alerts and interviews. Regular phone, e-mail and website updates kept the public informed of progress and traffic pattern changes throughout the duration of the project.

E-ZPASS® CUSTOMER SERVICE ■ ■ ■

April 2011 marked 12 years of electronic toll collection in Maryland. In those 12 years, *E-ZPass* use has consistently grown each year. More than 925,000 *E-ZPass* Maryland transponders are on the move, and nearly 65% of all traffic at MDTA facilities uses *E-ZPass* to pay tolls electronically. In fact, 82 - 85% of customers using the Intercounty Connector pay by *E-ZPass* on the State's first all electronic toll facility.

In its continuing efforts to create EZ Passage throughout Maryland, the MDTA enhanced customer service and improved tolling operations at its facilities:

- More than 864,000 customers contacted the *E-ZPass* Maryland Customer Service Center in 2011 and received assistance.
- The *E-ZPass* Stop-in Centers (SIC) initiated *E-ZPass* On-the-Go holiday sales campaigns. These enhanced marketing efforts promoted the benefits of *E-ZPass* On-the-Go and led to increased sales. In addition, select Giant Food Stores joined Mars Supermarkets in retail sales of *E-ZPass* On-the-Go transponders.
- A new SIC opened at the John F. Kennedy Memorial Highway (I-95).
- To provide enhanced customer service and to identify the best hours of operation, the Bay Bridge Stop-in Center conducted a trial period with new operating hours. Following the trial period and customer feedback, Bay Bridge staff set new permanent hours.

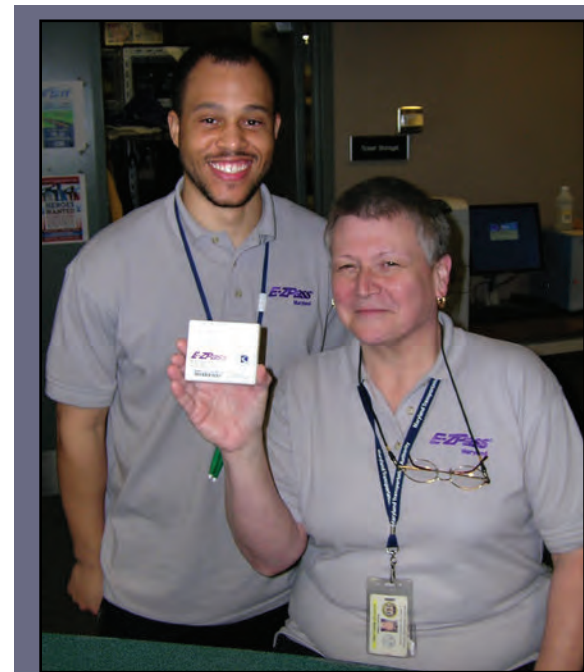
- In June 2011, the MDTA announced the continuation of the I-95 "Purple Dots" program, which tests the use of pavement marking (purple) dots at the northbound Fort McHenry Tunnel Toll Plaza. The project's goal is to improve safety and operations by making it easier for motorists to find their way to *E-ZPass* Only lanes. Evaluation factors include examining lane changes, lane use patterns, toll violations and crashes to determine the dots' effectiveness. If results are positive, the program could be expanded to other facilities.

- The MDTA continues to examine the potential for All Electronic Tolling (AET) at its facilities. AET affords motorists the full benefits of electronic toll collection by recording transactions at highway speeds without toll plazas. AET eliminates vehicle queuing and congestion at toll plazas, which promotes safety, saves motorists money, reduces pollution and improves the overall quality of life for commuters and communities. AET is the toll collection method used on the ICC and planned for the I-95 Express Toll Lanes.

- The MDTA's Business Outreach Team continued to provide information to large employers, businesses and civic organizations on how to use the ICC and get *E-ZPass*. The group sold 642 *E-ZPass* transponders and shared information with nearly 19,000 citizens during local events and visits to area businesses in 2011.

- Officials added Saturday hours for the Gaithersburg and Beltsville SICs to accommodate the increased *E-ZPass* demand with ICC openings in February and November 2011.

- Video Toll Rates (VTR) were established as a viable payment option at all MDTA's facilities in November 2011. The \$3 Notice of Toll Due fee was replaced by VTRs.



Barry Wright and Victoria Shaffer, Harbor Tunnel *E-ZPass* Stop-in Center

ADVANCES IN TECHNOLOGY (GIS) ■ ■ ■

The MDTA's Enterprise Geographic Information System (GIS) supports key MDTA goals of efficiency and effectiveness, safety and security, strategic financing and financial stewardship and service. First rolled out in 2009, the system provides a unified view of data provided from Engineering, Finance, Operations, Police and Administration. MDTA currently utilizes an Enterprise GIS application that hosts its own data (imagery, terrain and property data), thus providing a fast, easy-to-use geovisualization tool for navigating GIS data.

MDTA's GIS fully supports commonly used data elements and format therefore ensuring interoperability with MD iMap, a Governor O'Malley directed effort to provide Maryland with a statewide repository of

authoritative GIS data. The product integrates seamlessly with other state and local GIS applications via web services and is available on laptops for responding to disaster situations like hurricane or grid failure.

Currently, the application supports 1,700 MDTA users and several Maryland Department of Transportation Business Unit users. Some of the more heavily used functionality of the application includes the following:

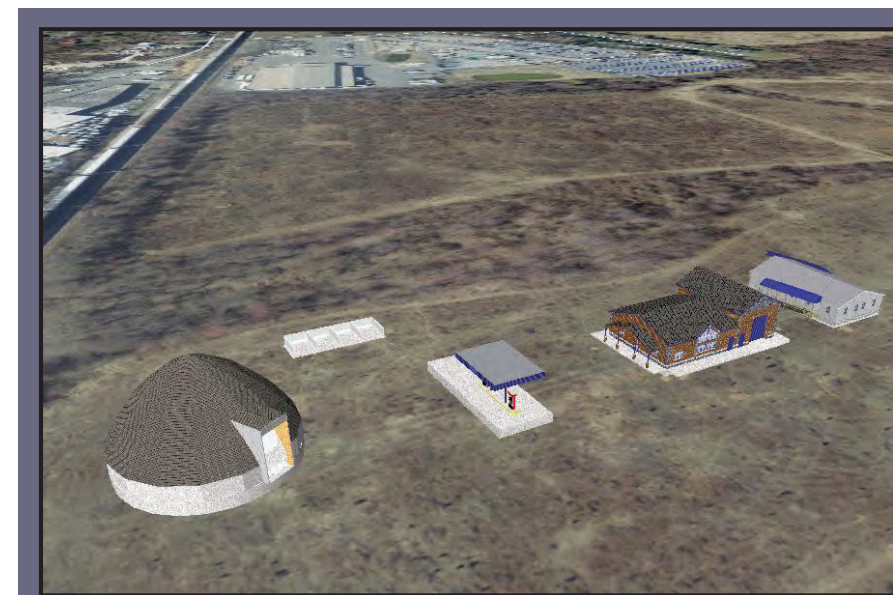
- Real-time services (traffic flow, active incidents and construction, live camera pictures, dynamic message signs, weather, etc.).
 - During the 2011 Labor Day Weekend Grand Prix Race, officials relied on GIS to monitor traffic flow in downtown Baltimore.

- Right-of-way boundary determination for property issues.
 - An MDTA Facility Administrator used the right-of-way boundary to determine whether an advertisement signboard is inside MDTA's property line.

- Utilities and bridge diagrams for repairs.
 - Engineering and Facility Administrators use to locate plans for bridge repairs.

- Environmental planning.

- State Stat data.



ICC Western Operations Facility



Maryland House Travel Plaza

LAW ENFORCEMENT ■ ■ ■

The nationally accredited Maryland Transportation Authority (MDTA) Police force comprises more than 600 sworn and civilian professionals. Every day, officers keep Maryland's citizens and visitors safe and secure as they use vital transportation assets like MDTA bridges and tunnels, the Port of Baltimore and BWI Thurgood Marshall Airport.

To increase traffic and criminal enforcement, the MDTA Police uses Interagency Traffic Initiatives and DUI and security check points. In 2011, officers made 549 criminal arrests, 919 arrests for suspected DUI offenses and issued 64,431 traffic citations and 92,424 traffic warnings – of which 8,832 were seatbelt-related citations and warnings.

In 2011, the Commercial Vehicle Safety Unit (CVSU) inspected 26,573 vehicles, finding 4,677 vehicles overweight. The unit took 4,169 vehicles and 1,912 drivers out-of-service to help preserve our roadways and facilities.

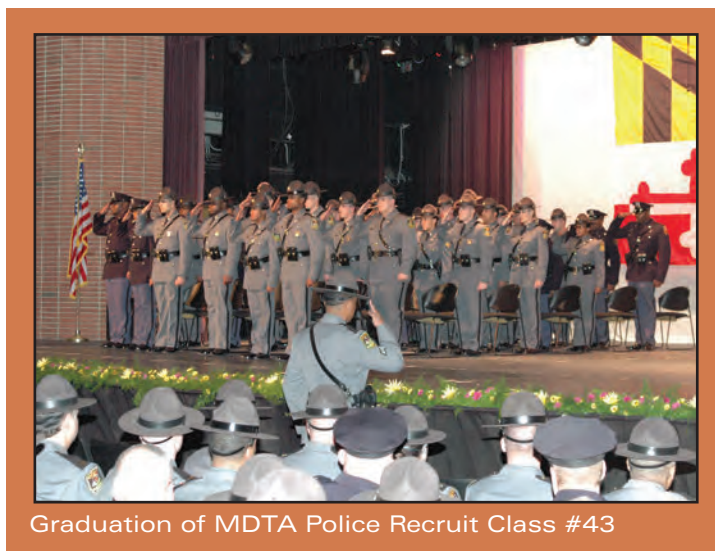
Other law-enforcement highlights include:

- A Graduation Ceremony was held on January 20, 2011, for MDTA Police Class 43. Thirty-six police recruits graduated and now serve the MDTA and the Maryland Transit Administration Police departments. Police recruits trained for 31 weeks at the MDTA Police Academy.
- The 44th Recruit Class entered the 31-week MDTA Police Training Academy in June 2011.

- The MDTA Police hosted its second annual Police Cadet Career Night on March 25, 2011. More than 53 young men and women participated in the event, which provided high school seniors and graduates – ages 17-20 – information about becoming an MDTA Police Cadet. Cadets receive training and work alongside MDTA Police officers until they are eligible to enter the MDTA Police Training Academy.

- Throughout the year, MDTA Police hit the roads to enhance travel safety by targeting impaired and aggressive drivers through initiatives like the Smooth Operator Program. The Smooth Operator Program is a cooperative effort among law-enforcement agencies in Maryland, Pennsylvania, Virginia and the District of Columbia to reduce the number of crashes caused by aggressive driving. In addition, MDTA Police held DUI checkpoints and participated in the "Click It or Ticket" campaign for seatbelt enforcement.

- In November 2011, the MDTA Police Training and Communications units underwent the Commission on Accreditation for Law Enforcement (CALEA) Tri-Arc Accreditation process (accreditation pending). The Tri-Arc Award is given to organizations that have concurrent CALEA accreditation for their entire law-enforcement agency, as well as their



Graduation of MDTA Police Recruit Class #43

Communications and Training units. Nationally, only five agencies have obtained this prestigious award.

- On November 17, 2011, the MDTA Police hosted its annual Women's Law Enforcement Career Night, "Women Empowering Women." Approximately 63 guests attended the forum.

HOMELAND SECURITY ■ ■ ■

Governor Martin O'Malley continues to make homeland security a top priority for the state of Maryland. The MDTA Police work directly with the Maryland Emergency Management Agency (MEMA) to provide incident management and terrorism prevention services to the citizens of Maryland. Officers also partner with federal, State and local officials as part of the Maryland Coordination and Analysis Center (MCAC) and the Joint Terrorism Task Force (JTTF).

MARYLAND STATE COMMUNICATIONS INTEROPERABILITY PROGRAM

The 700MHz Statewide radio system continues to move forward. This radio system will enable first responders in every region of the State to communicate with each other using standard issued equipment. Civil work at sites throughout the State is being completed on schedule on the existing 172 radio towers needed for the 700MHz system.

In December 2011, the MDTA participated in the factory staging in Schaumburg, Ill., along with representatives from the Maryland State Police, SHA and Maryland Department of Information Technology.

Upcoming projects that are scheduled to be completed by December 2012 include:

- System keys
- Memoranda of Understanding with allied agencies scheduled to use the 700MHz Statewide radio system
- Site approvals
- System testing
- Governor's First Call
- Training

- Transition from current UHF radio system to the 700MHz radio system (cutover)
- Full implementation of the 700MHz Statewide radio system

The MDTA and Maryland State Police are funding a portion of the initial phases of this statewide project.



MDTA police officer Michael McNerney

ADDITIONAL HOMELAND SECURITY HIGHLIGHTS

- The MDTA Police continued to oversee security and law-enforcement patrols of MARC rail transportation.
- The MDTA Police worked with the Department of Homeland Security's Visible Intermodal Protection and Response (VIPR) Team deployments. VIPR teams consist of MDTA Police Special Response Team officers, Behavior Detection Officers, Federal Air Marshalls, Explosives-Detecting Canine Teams, Transportation Security Inspectors and officers. State and local police officers, who operate in the airport environment as an additional layer of security, also compose VIPR teams.

CPL. COURTNEY BROOKS

A portion of northbound I-95 near I-395 was dedicated to fallen MDTA Police Cpl. Courtney G. Brooks. A sign was unveiled during a ceremony held with his family on May 18, 2011. Cpl. Brooks was struck on December 31, 2007, by a hit-and-run driver while placing flares on I-95 at I-395 during a traffic initiative. Cpl. Brooks passed away on January 1, 2008. A 13-year police veteran, Cpl. Brooks served as a member of the Commercial Vehicle Safety Unit (CVSU). At the time he was struck, he was participating in homeland-security efforts to divert commercial vehicles away from Baltimore's Inner Harbor during New Year's Eve festivities.



SMART, GREEN AND GROWING ■ ■ ■

The MDTA joins the O'Malley-Brown Administration in its Smart, Green & Growing initiative, in which Marylanders are coming together to strengthen the State's economy, protect the environment and improve our quality of life.

Highlights for 2011 include:

EARTH DAY

To commemorate Earth Day 2011, the MDTA sponsored a litter clean-up and Chesapeake Bay storm drain stenciling event at the Maryland House Travel Plaza. Employees stenciled approximately 60% of the storm drains around the facility and, during the event, two employees assisted two travelers with oil-spill cleanups, preventing the material from reaching storm drains and contaminating the Chesapeake Bay.



Maryland House stenciling project

RENEWED RECYCLING EFFORTS

Over the last three years, the MDTA has steadily increased its recycling numbers. In 2008, the MDTA reported a recycling rate of 5.38%; in 2009, the number increased to 10.2%; in 2010, the rate increased to 13.69% and in 2011, the recycling rate increased to 18.7%. These numbers include the following recyclable commodities: paper, cardboard, batteries, rubber, fluorescent lamps, bottles and cans. In addition, 132,798 kilowatt (kW) hours of energy and 1,943 pounds of air pollution effluents were conserved.

Our automotive shops recycle scrap metal, concrete, sweeper dirt, sludge/wastewater, wood and used oil. Together, the combined efforts of our office and shop personnel resulted in recycling 1,205.37 tons of materials in 2011.



Our recycling 32.4 tons of paper and cardboard led to the conservation of:

- 551 trees (35 feet in size)
- 97 cubic yards of landfill space
- 226,713 gallons of water
- 65 barrels of oil

In addition, the MDTA recycled one ton of bottles and cans, which led to additional conservation of:

- 4,170 kW hours of energy
- 436 pounds of sand
- 142 pounds of limestone
- 6 cubic yards of landfill space

Recycling paper generated \$1,310.27 in revenues, which were used to help off-set the costs associated with establishing and maintaining the recycling program agency-wide. Revenues from the recycling program are set aside in a "Green Fund" that will be used for future efforts.

ENERGY CONSERVATION & GREENHOUSE GAS REDUCTIONS

With assistance from Energy Systems Group (ESG) – the MDTA's energy-services contractor – the agency is halfway through a one year, \$8.1 million project to upgrade and install energy-efficient equipment and systems at its facilities. Over the next 14 years, the MDTA will realize a direct energy savings of \$13 million and \$3 million in operations and maintenance savings. Areas of emphasis include:

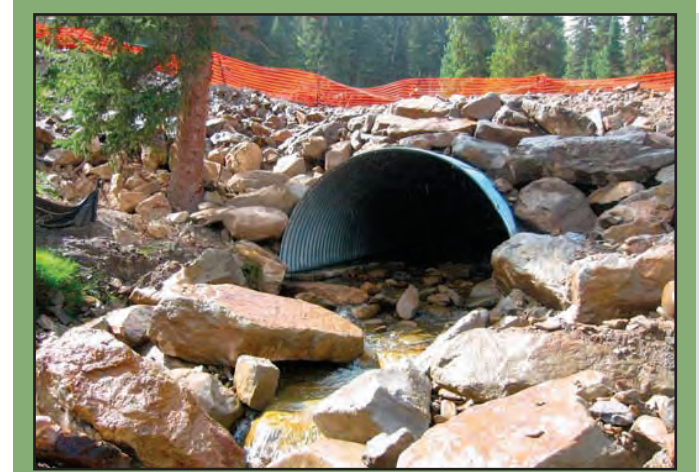
- Lighting
- Heating, ventilation and air conditioning (HVAC)
- Water conservation
- Building weatherization and insulation
- Green initiatives, such as solar-powered hot water

The MDTA is initiating an Energy Management Control System to monitor and control the HVAC systems in our facilities. With this program, we will be able to more easily cycle-down facility systems when buildings are not occupied. The system currently in use at MDTA Headquarters (2310 building at Point Breeze) has reduced kilowatt hour usage by 15% each year since it was installed in January 2009.

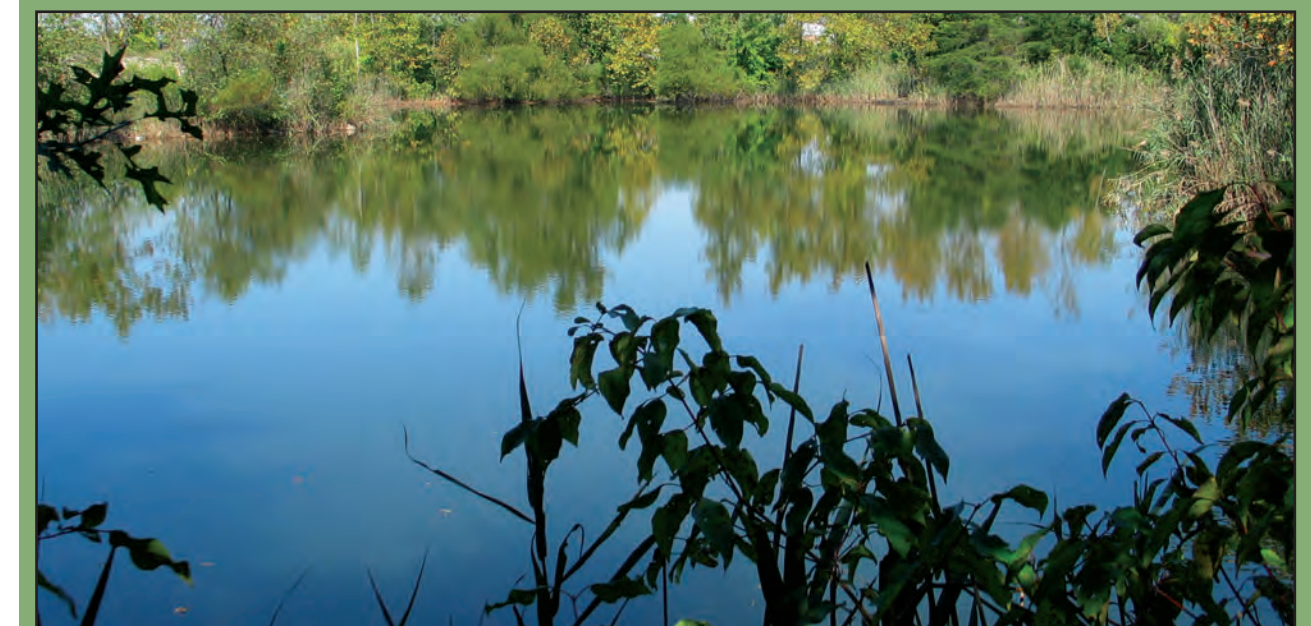
The MDTA also enrolled in an energy-curtailment program with Energy Curtailment Specialists, Inc. In this program, the MDTA will shut down facility energy loads during regional and national peak-demand periods. We will have 20 major facility buildings in the program and will help reduce power-grid demand and greenhouse gases in the area.

OTHER EFFORTS

Construction of eight miles of new Express Toll Lanes (ETLs) in each direction of I-95 from the I-895 interchange to north of White Marsh Boulevard (MD 43) is a major transportation undertaking. Throughout the planning, design and construction stages, the MDTA has made environmental stewardship a high priority. Transportation construction projects, particularly large ones like this, have the potential to negatively impact environmental features such as streams, wetlands and forests. Taking care of the environment and leaving it in the same or better condition helps to ensure its long-term health and sustainability.



Bottomless arch culvert at I-95 ETLs Project



White Marsh Run wetland at I-95 ETLs Project

COMMUNICATIONS & COMMUNITY ■ ■ ■

In 2011, the MDTA's Division of Communications (DOC) continued to keep customer service at the forefront of the agency's operations. Using public relations, education efforts and grassroots marketing, the team is committed to providing customers with the tools necessary to plan their daily commutes or their vacations.

The 1-877-BAYSPAN (229-7726) hotline for 24/7 Bay Bridge traffic conditions continues to be an invaluable resource for residents, commuters and travelers and is coordinated with Maryland's new 511 traveler information system. In 2011, the hotline received more than 1.1 million calls. The baybridge.com web site remained an extremely popular information source, with nearly 416,000

unique visitors accessing the web site during 2011, a remarkable 321,000 of which were first-time visitors. In addition, more than 13,000 baybridge.com visitors are registered to receive email alerts. The DOC generates the email alerts – more than 30 alerts were sent in 2011 – providing information about major incidents, lane closures, bridge services and safety efforts.

Following a redesign in 2010, the agency's mdta.maryland.gov web site continued to provide valuable information about all facets of the agency. More than 510,000 unique visitors browsed the site in 2011.



Participants prepare to begin the ICC/MD 200 10-mile Family Bike Ride and 5K Walk/Run

Other customer service and community highlights for this year included:

- During 2011, DOC staff handled more than 4,677 customer calls, emails and pieces of correspondence and 739 media inquiries. In addition, 236 traffic advisories and news releases were provided to media outlets.
- Spike and Otis "Spokesbirds" continued to emphasize safety tips, travel tools and the best times for traveling the Bay Bridge.
- The 1-888-MDTA-411 hotline provided 24/7 traffic information related to the Hatem Bridge Preservation Project until its completion in June 2011. In addition, nearly 500 hatembridge.com visitors were registered to receive email alerts.
- The I-95ExpressTollLanes.com web site provided project information to nearly 64,000 visitors during 2011.
- Maryland Public Television premiered a one-hour film on the Bay Bridge on April 11, 2011, during the station's Chesapeake Bay Week. MDTA Board Member Walter E. Woodford, Jr., P.E.; Facility Maintenance Supervisor Jamie Turner, and Toll Collection Shift Supervisor Nancy Althoff were featured in the film.
- MDTA employees participated in numerous events and activities to benefit Special Olympics Maryland, including:
 - The 25 members of the MDTA Police Plungers raised more than \$5,000 by participating in the 15th Annual Polar Bear Plunge.

- The MDTA Police participated in the annual Law Enforcement Torch Run – the largest grassroots fund-raiser and public awareness vehicle in the world for Special Olympics.
- MDTA Police joined Baltimore County Police for the 2011 Maryland Cops on Rooftops event in August at a Baltimore-area Dunkin' Donuts. During the event, Mjr. Danielle Bradshaw-Lee and Lt. Jason Pulliam perched on top of the building for 31 hours and raised \$5,000.
- The MDTA Police and MDTA staff hosted the Fort McHenry Tunnel 5K Run/Walk on September 18. Participants ran or walked through the right northbound tunnel tube and raised nearly \$40,000.
- The ICC/MD 200 10-mile Family Bike Ride and 5K Walk/Run was held on October 23, and offered more than 500 participants the opportunity to travel the ICC/MD 200 by bike and by foot. The event raised approximately \$17,000.

The Annapolis Open Baseball Tournament was held March 18-20 in memory of MDTA Police Off. Grant Turner, who passed away after participating in the Duke Aaron 5K Memorial Run with fellow members of the 37th Police Academy Class. The tournament raised \$35,000 for the Grant Turner Memorial Fund, which provides college scholarships in Grant's name.

The State's new 511 system was introduced and provides traffic information 24/7. Traffic data from a variety of information sources, including the Coordinated Highway Action Response Team (CHART), of which the MDTA is a member, is updated and constantly provided to the public through an automated telephone line, web site and Twitter. Dial "511" in Maryland, call toll-free 1-855-GOMD511 or 1-855-466-3511 or visit MD511.org.



Tunnel Run participants head to the starting line

MDTA Police, Communications and Operations Center employees at the Bay Bridge donated school supplies for fourth-grade students at Annapolis Elementary School. This is the seventh year that the police detachment has participated in the Anne Arundel County "Back to School" program.

MDTA employees showed their continued commitment to keeping our roadways safe for Maryland's citizens and visitors during an unprecedented week in August 2011 that began with an earthquake and ended with a hurricane. Our employees faced these events head-on and did their part to meet the challenges that were presented. No damage to our facilities or major incidents occurred during these weather events.

MDTA Police and operations personnel dedicated many hours preparing for and staffing the inaugural Baltimore Grand Prix held Sept. 2-4. In addition, nearly 40 MDTA employees volunteered as Maryland Transit Administration (MTA) Transit Ambassadors and assisted downtown Baltimore visitors using mass transit and attempting to navigate the area.

The MDTA Police and MDTA staff hosted another successful Toys for Tots campaign in December marking the 22nd year the MDTA has participated in this program. More than 4,600 toys and \$5,700 were collected during the 2011 campaign. Since 1990, more than 127,000 toys and \$91,000 has been collected from MDTA customers and employees.

AWARDS

INDUSTRY AWARDS

- 2011 – Thomas J. Hatem Memorial Bridge Deck Replacement ranked #5 in the country by Road & Bridges magazines
- 2011 – Exemplary Ecosystem Initiative Award from the Federal Highway Administration (FHWA) for ICC/MD 200
- 2011 – Honorable Mention in the 2011 MarCom Awards for I-95/MD 24 Project
- 2011 – Gold Winner of the 2011 MarCom Awards for I-95/MD 24 Project

EMPLOYEE AWARDS

Off. Ronald Davies III was honored with the Rotary Club of Centreville’s 2010 Sgt. Wallace J. Mowbray Memorial Award for Outstanding Law Enforcement for Queen Anne’s County. Off. Davies is a five-year veteran of the MDTA Police and is assigned to the Bay Bridge.

MDTA Office of Risk Management’s Mike Rigsby (photo) was honored with State Employee Risk Management Administration’s (SERMA) Governor’s Award for Individual Achievement.

Off. Tyler Sheldon was named MDTA Police Officer of the Year. He is a five-year member of the force and received the award for his exceptional work and service. He was the top DUI-enforcement Officer for the year agency-wide.

The MDTA Police received the First Place award during the National Highway Traffic Safety Administration’s annual national safety challenge competition.

The following employees received Award of Excellence, Heroic Act and Special Act awards:

Award of Excellence:

- Tara Airey (Baltimore Harbor Tunnel)
- Darlene Rasin (Key Bridge)
- Sharon Johnson (Northern Region)
- Doug Evans (Engineering and Construction)
- Mark Travers (Engineering and Construction)
- Bill Pross (Engineering and Construction)
- Mike Rigsby (Risk Management)
- Liz Smith (Finance)
- Mary Ayd (Strategic Development)
- Tina Dorn (Strategic Development)
- Sarah Candell (Strategic Development)
- Aarion Franklin (Strategic Development)

Heroic Act:

- David Bennett (Baltimore Harbor Tunnel)
- Vera Hayden (Northern Region)
- Kathy Savage (Northern Region)
- Jennifer Winfelder (Northern Region)
- Al Korpisz (Engineering and Construction)
- Kelvin Copper (Bay Bridge)
- Randy Timms (Bay Bridge)

Special Act:

- Sheila Allen (Northern Region)
- John Raymond (Northern Region)
- Ray Kyler (Fort McHenry Tunnel)
- Cornell Williams (Procurement and Statutory Program Compliance)
- Jamie Turner (Bay Bridge)



Mike Rigsby (center with award) is joined by (left to right) IWIF/SERMA’s Nathaniel Oaks and Lisa Kruska, MDTA’s Joseph Lewandowski, IWIF’s Gary Pahr and Jack Cooper

FINANCIALS

The MDTA is responsible for various Transportation Facilities Projects, the pooled revenue from which is pledged to the payment of toll revenue bonds. Transportation Facilities Projects include the Nice Bridge, Bay Bridge, Baltimore Harbor Tunnel, Key Bridge, Kennedy Highway, Fort McHenry Tunnel and the ICC/MD 200. The Hatem Bridge is the only Maryland toll facility categorized as a General Account Project under the Trust Agreement for the benefit of MDTA’s bondholders. The MDTA may issue either taxable or tax-exempt municipal bonds to finance the cost of large-scale projects that would otherwise exceed current available operating revenues. Through this financing mechanism, the MDTA is able to finance the construction of projects that will generate sufficient future revenues to repay bondholders the principal amount borrowed, along with interest.

The outstanding principal and interest due each year is paid from all revenues collected from the MDTA’s toll facilities. Toll revenues are the primary source of funds. Revenues from all eight toll facilities are combined for operating, maintaining, preserving, protecting/securing and making capital

improvements to these facilities. The agency’s strong bond ratings secure its position to finance transportation solutions for Maryland’s citizens. This year, the MDTA received underlying affirmed “AA” ratings from all three bond-rating agencies.

By Maryland statute, the MDTA also may issue bonds to finance other revenue-producing, transportation-related projects that are not tolling projects. Conduit bonds and Grant and Revenue Anticipation (GARVEE) bonds are secured by revenues pledged from the individual projects or federal government grants and are backed by sources external to the MDTA. To date, the agency has issued bonds for transportation projects at BWI Marshall Airport; parking facilities at Metrorail stations operated by the Washington Metropolitan Area Transit Authority (WMATA); and a State parking facility in Annapolis. Additionally, the MDTA has issued GARVEE bonds to finance a portion of the ICC.

As of June 30, 2011, the MDTA had direct, conduit and GARVEE debt outstanding of \$3.3 billion.

The following are excerpts of the Maryland Transportation Authority’s financial statements for the year ended June 30, 2011. The MDTA’s financial statements were audited by Clifton Gunderson LLP. Their opinion, issued on October 4, 2011, concluded that the MDTA’s statements present fairly, in all material respects, the financial position of the MDTA as of June 30, 2011, and the changes in its financial position and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America. A copy of the MDTA’s complete financial statements, including the accompanying footnotes which are an integral part of the financial statements, can be obtained on the MDTA’s web site at mdta.maryland.gov.

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STATEMENT OF NET ASSETS

AS OF JUNE 30, 2011 (IN THOUSANDS)

ASSETS		LIABILITIES AND NET ASSETS	
Current Assets		Current Liabilities	
Cash and cash equivalents	\$ 145,093	Accounts payable & accrued liabilities	\$ 111,764
Restricted cash and cash equivalents	316,227	Intergovernmental payable	65,495
Investments	347,452	Unearned revenue	13,710
Restricted investments	530,806	Accrued interest	67,921
Intergovernmental receivable	4,345	Contractor deposits and retainage	7,770
Inventory	4,406	Accrued annual leave	515
Accounts receivable	9,742	Accrued workers' compensation costs	1,654
Accrued interest	3,094	Bonds payable	88,058
Notes receivable	1,674		
Contractor deposits	269	Total current liabilities	356,887
Total current assets	1,363,108	Noncurrent Liabilities	
Noncurrent Assets		Contractor deposits and retainage, net of current portion	1,778
Capital assets, not being depreciated		Accrued annual leave, net of current portion	8,106
Land	411,331	Accrued workers' compensation costs, net of current portion	9,015
Construction in progress	2,833,233	Bonds payable, net of current portion	3,253,961
Capital assets being depreciated, net of accumulated depreciation	1,365,518	Total noncurrent liabilities	3,272,860
Total capital assets	4,610,082	Total liabilities	3,629,747
Notes receivable, net of current portion	9,961	Net Assets	
Direct financing lease receivable	362,886	Invested in capital assets, net of related debt	2,115,839
Contractor deposits, net of current portion	1,372	Restricted for:	
Other assets	8,332	Debt service	98,949
Deferred financing costs, net of accumulated amortization	17,052	Capital expenses	143,537
Total noncurrent assets	5,009,685	Unrestricted	384,721
TOTAL ASSETS	\$ 6,372,793	Total net assets	2,743,046
		TOTAL LIABILITIES AND NET ASSETS	\$ 6,372,793

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2011 (IN THOUSANDS)

Operating Revenues	
Toll	\$ 308,018
Intergovernmental	204,665
<i>E-ZPass</i>	21,131
Concession	7,924
Other	5,589
Total operating revenues	547,327
Operating Expenses	
Collection, police patrol, and maintenance	152,904
Major repairs, replacements, and insurance	59,389
General and administrative	30,616
Depreciation	45,354
Total operating expenses	288,263
Income from operations	259,064
Non-operating Revenues (Expenses)	
Investment revenue	1,467
Restricted interest income on investments	6,459
Loss on disposal of land	(996)
Interest expenses	(66,208)
Total non-operating revenues & expenses	(59,278)
Change in net assets	199,786
NET ASSETS – BEGINNING OF YEAR	2,543,260
NET ASSETS – END OF YEAR	\$ 2,743,046

STATEMENT OF CASH FLOWS

AS OF JUNE 30, 2011 (IN THOUSANDS)

Cash Flows from Operating Activities

Receipts from toll collections and <i>E-ZPass</i>	\$ 328,744
Receipts from concessions and other revenue	13,434
Receipts from other governmental agencies for services	214,189
Payments to employees	(125,396)
Payments to suppliers	(89,268)
Net cash provided by operating activities	341,703

Cash Flows from Noncapital Financing Activities

Debt principal payments, net of direct financing lease receivable	(59)
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Cash Flows from Capital Financing Activities

Bond proceeds	683,497
Capital debt interest payments	(124,624)
Capital debt principal payments	(71,450)
Direct financing costs	(1,775)
Proceeds from sales of fixed assets	163
Purchase of capital assets	(717,003)
Net cash used in capital financing activities	(231,192)

Cash Flow from Investing Activities

Proceeds from sales of investments	4,875,094
Proceeds from interest income on investments	5,393
Purchase of investments	(4,954,954)
Net cash used in investing activities	(74,467)

Net Increase in Cash and Cash Equivalents

35,985

CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR **425,335**

CASH AND CASH EQUIVALENTS – END OF YEAR **\$ 461,320**

Supplemental disclosure of significant noncash investing activities – change in fair value of investments \$ 1,834

Supplemental disclosure of significant noncash capital financing activities – unpaid additions to capital assets \$ 4,321

Supplemental disclosure of significant noncash financing activities – amortization of debt issuance costs and premium \$ (5,945)

Reconciliation of Operating Income to Net Cash Provided by Operating Activities

Income from operations	\$ 259,064
Depreciation and amortization	45,354
Effect of changes in operating assets and liabilities:	
Intergovernmental receivables	8,544
Inventory	(145)
Accounts receivable	590
Note receivable	980
Accounts payable and accrued liabilities	(5,708)
Intergovernmental payables	31,540
Unearned revenue	(1,074)
Accrued annual leave	83
Accrued workers' compensation costs	2,475

NET CASH PROVIDED BY OPERATING ACTIVITIES **\$ 341,703**

REVENUE, EXPENSES AND CHANGES IN NET ASSETS

YEARS ENDED JUNE 30, 2011, 2010, 2009 (IN THOUSANDS)

	2011	2010	2009
Operating revenues	\$ 547,327	\$ 549,177	\$ 402,969
Operating expenses	<u>288,263</u>	<u>282,152</u>	<u>257,887</u>
Net operating income	259,064	267,025	145,082
Non-operating revenues (expenses)	<u>(59,278)</u>	<u>25,832</u>	<u>(19,991)</u>
INCREASE IN NET ASSETS	\$ 199,786	\$ 292,857	\$ 125,091

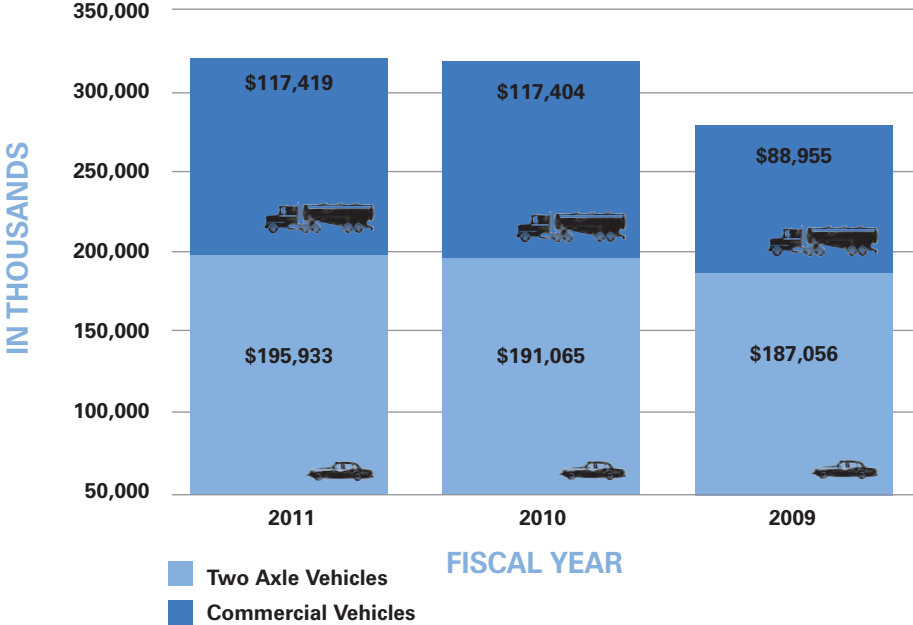
ASSETS, LIABILITIES AND NET ASSETS

YEARS ENDED JUNE 30, 2011, 2010, 2009 (IN THOUSANDS)

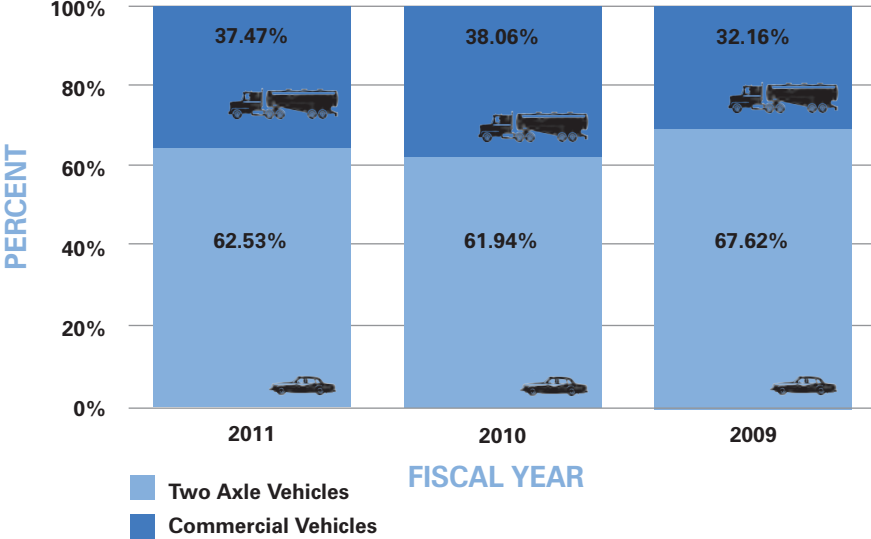
	2011	2010*	2009
Current Assets	\$ 1,363,108	\$ 1,257,961	\$ 1,151,776
Noncurrent Assets	399,603	422,943	434,570
Capital Assets, net of Depreciation	<u>4,610,082</u>	<u>3,880,548</u>	<u>3,193,708</u>
TOTAL ASSETS	\$ 6,372,793	\$ 5,561,452	\$ 4,780,054
Current Liabilities	356,887	\$ 314,375	\$ 279,865
Long-term Bonds Payable	3,253,961	2,676,028	2,212,434
Other Long-term Liabilities	<u>18,899</u>	<u>27,789</u>	<u>37,352</u>
TOTAL LIABILITIES	\$ 3,629,747	\$ 3,018,192	\$ 2,529,651
Net Assets			
Invested in Capital Assets	\$ 2,115,839	\$ 1,896,303	\$ 1,362,646
Restricted	242,486	309,338	606,522
Unrestricted	<u>384,721</u>	<u>337,619</u>	<u>281,235</u>
TOTAL NET ASSETS	\$ 2,743,046	\$ 2,543,260	\$ 2,250,403

*Prior year items have been reclassified to conform with current year.

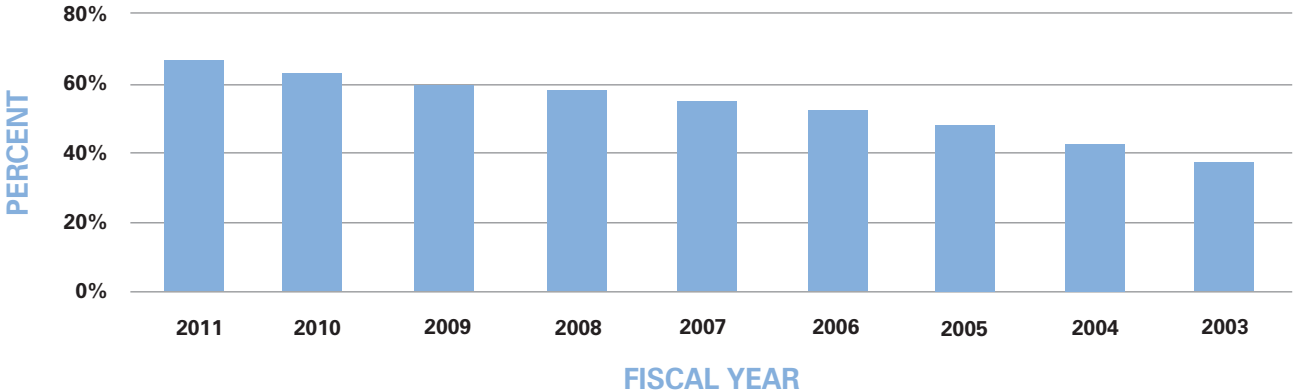
TOLL REVENUE



TOLL COMPOSITION



PERCENT OF CUSTOMERS USING ELECTRONIC TOLL COLLECTION



IN SERVICE TO THE MARYLAND TRANSPORTATION AUTHORITY

TRUSTEE – THE BANK OF NEW YORK MELLON
 INDEPENDENT AUDITORS – CLIFTON GUNDERSON LLP

MARTIN O'MALLEY, GOVERNOR
ANTHONY G. BROWN, LT. GOVERNOR
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