

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

THURSDAY, FEBRUARY 29, 2024
9:00 A.M.

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

OPEN SESSION

Paul J. Wiedefeld, Chairman

MEMBERS ATTENDING:

Dontae Carroll
William H. Cox, Jr.
W. Lee Gaines, Jr. – via Telephone
Mario J. Gangemi
Cynthia D. Penny-Ardinger
Jeffrey S. Rosen – Via Telephone
Samuel D. Snead
John F. von Paris

STAFF ATTENDING:

Jeffrey Brown
Percy Dangerfield
Tonya Dorsey
Jeffrey Davis
Allen Garman
Bruce Gartner
Chantelle Green
James Harkness
Natalie Henson
Christopher Imms
Richard Jaramillo
James Kittleman
Lt. Col. Corey McKenzie
Kelly Melhem
Kimberly Millender, Esq.
Sushmita Mitra
Ebony Moore
Mary O'Keeffe
Bradley Ryon
Deborah Sharpless
Jennifer Stump
Robert Usher

OTHERS ATTENDING:

Virginia Downie, Retired MDTA Police Corporal

At 9:10 a.m. Chairman Paul J. Wiedefeld called the meeting of the Maryland Transportation Authority (MDTA) Board to order. The meeting was held in-person at MDTA Headquarters, 2310 Broening Highway, Baltimore MD 21224 and was livestreamed on the MDTA Board Meeting web page.

APPROVAL – OPEN SESSION MEETING MINUTES OF JANUARY 25, 2024

Upon motion by Member William H. Cox, Jr. and seconded by Member Samuel D. Snead, the open session meeting minutes of the MDTA Board meeting held on January 25, 2024 were unanimously approved.

APPROVAL – CLOSED SESSION MEETING MINUTES OF JANUARY 25, 2024

Upon motion by Member Mario J. Gangemi and seconded by Member Cynthia D. Penny-Ardinger, the closed session meeting minutes of the MDTA Board meeting held on January 25, 2024 were unanimously approved.

RESOLUTION – YEARS OF SERVICE RECOGNITION

Mr. Bruce Gartner read and presented the Years of Service Recognition Resolution for MDTA Police Corporal Virginia Downie. Mr. Gartner also recognized MDTA Police Major Richard Ricko. On the occasion of their retirement from their distinguished careers of service, the Chairman and Members of the Maryland Transportation Authority Board expressed to them their most sincere appreciation for their excellence and commitment.

APPROVAL – CONTRACT AWARD

• **MR-3030-0000 – Environmental On-Call Phase IV**

Mr. Jeffrey Davis requested contingent approval from the MDTA Board to execute Contract No. MR-3030-0000 – Environmental On-Call Phase IV with Brawner Builders, Inc. in the amount of \$4,397,736.00.

Mr. Davis explained that the scope of work includes miscellaneous repairs, upgrades, replacements, rehabilitation, and new construction on stormwater and landscaping/natural resources mitigation assets, including storm drain systems, stormwater management Best Management Practices (BMPs), slopes, and tree and vegetation.

Upon motion by Member Mario J. Gangemi and seconded by Member Samuel D. Snead, the Members unanimously gave contingent approval to execute Contract No. MR-3030-0000 – Environmental On-Call Phase IV.

- **MA-3018-0000R – Drainage Outfall Rehabilitation**

Mr. Jeffrey Davis requested contingent approval from the MDTA Board to execute Contract No. MA-3018-0000R – Drainage Outfall Rehabilitation with JJID, Inc. in the amount of \$4,402,604.80.

Mr. Davis explained that the scope of this project is to construct drainage improvements at 19 existing drainage outfalls located along I-895, Baltimore Harbor Tunnel Thruway (BHT), and I-95, John F. Kennedy Memorial Highway (JFK) facilities. The work includes repair, removal, replacement, and installation of drainage features such as manholes, inlets, end walls, end sections, storm drain pipes, vertical bends, concrete collars, ditches, riprap aprons, riprap plunge pools, gabion baskets, etc.; performing cured-in-place pipe (CIPP) rehabilitation; stabilizing and repairing existing erosion; providing, installing, and maintaining landscaping such as trees, shrubs, seeding, etc.; and installing, maintaining, and removing erosion and sediment control practices.

Upon motion by Member William H. Cox, Jr. and seconded by Member Mario J. Gangemi, the Members unanimously gave contingent approval to execute Contract No. MA-3018-0000R – Drainage Outfall Rehabilitation.

- **MR-3020-0000 – On-Call Facility Repairs**

Mr. Jeffrey Davis requested contingent approval from the MDTA Board to execute Contract No. MR-3020-0000 – On-Call Facility Repairs with Mid-Atlantic General Contractors, Inc. in the amount of \$4,984,475.00.

Mr. Davis explained that the scope of this project includes providing all labor, equipment, and materials necessary in performing miscellaneous facility and other types of repairs, upgrades, replacements, and new construction as directed by the MDTA Project Manager in an On-Call or Task based manner at all MDTA facilities. Work could include all building components, such as roof, ceiling, flooring, interior and exterior finishes, foundations, walls, windows and doors, electrical, plumbing, mechanical, fire alarm systems, security systems, automation systems, Data/IT, elevators, etc. Work might also include underground fuel storage tanks, on-site utilities, and hazardous materials removal, etc.

Upon motion by Member Mario J. Gangemi and seconded by Member John F. von Paris, the Members unanimously gave contingent approval to execute Contract No. MR-3020-0000 – On-Call Facility Repairs.

- **HT-3018-0000 – I-895 Resurfacing North and South of the Baltimore Harbor Tunnel (BHT)**

Mr. Jeffrey Davis requested contingent approval from the MDTA Board to execute Contract No. HT-3018-0000 – I-895 Resurfacing North and South of the Baltimore Harbor Tunnel (BHT) with P. Flanigan & Sons, Inc. in the amount of \$10,588,797.75.

Mr. Davis explained that this contract is for safety and resurfacing along the I-895 corridor. The work includes but is not limited to roadway resurfacing, drainage structure cleaning, and w-beam traffic barrier replacement to meet current standards. The project consists of two sections, the Southern section and Northern section. The southern section runs from the gore area for the I-895/I-95 interchange ramps in Howard County to approximately mile marker 4.8 on I-895 in Baltimore County. The northern section runs from approximately mile marker 13.5 on I-895 to the gore area for the I-895/I-95 interchange in Baltimore City.

Upon motion by Member W. Lee Gaines, Jr. and seconded by Member Samuel D. Snead, the Members unanimously gave contingent approval to execute Contract No. HT-3018-0000 – I-895 Resurfacing North and South of the Baltimore Harbor Tunnel (BHT).

UPDATE – PROCURMENT REPORT ON OPEN CONTRACTS

Mr. Jeffrey Davis presented the MDTA Board with a verbal report on how many contracts are currently open with the MDTA excluding state credit card purchases. There are currently 208 total contracts totaling \$2,737,769,818.45.

UPDATE – SERIES 2024 TFP REVENUE REFUNDING BOND SALE

Ms. Deborah Sharpless explained that Board Resolution No. 24-01 delegated authority to the Executive Director and staff to close the Series 2024A financing to refinance the \$721 million of Series 2009B and 2010B bonds. The refunding bonds were sold on February 21, 2024 through a negotiated process with a syndicate of underwriters led by Bank of America Securities.

She further explained that as discussed at the December 2023 and January 2024 MDTA Board meetings, risk reduction associated with the federal interest subsidy cuts and refinancing savings were the key goals.

1. The risk of continued federal interest subsidy cuts has been eliminated.
2. Although near breakeven savings would have been accepted in exchange for the risk elimination, realized savings were larger than anticipated. The refinancing achieved gross cash flow savings of \$21 million through 2043, approximately \$1.1 million annually or \$15 million on a Net Present Value basis.

She also explained that the refunding bonds issued with 5% coupons and callable at par in ten years provide for probable future refinancing opportunities that may further reduce debt service. The refunded bonds did not include a par call option.

APPROVAL – QUARTERLY REVIEW OF INVESTMENT STRATEGY AND BENCHMARKS

Mr. Allen Garman requested MDTA Board approval to continue with the current investment strategies and benchmarks for all accounts.

Mr. Garman explained that for the trailing twelve-month period ended December 31, 2023, investments conformed to Investment Policy limitations. The longer duration strategies employed in certain reserves generate higher return volatility with expected higher average annual returns over multiyear periods. Portfolio structuring by account adhered to Board approved strategy and should remain consistent, despite short-term return volatility associated with the rising interest rate environment. No changes in performance strategy or benchmark are recommended.

Upon motion by Member John F. von Paris and seconded by Member Cynthia D. Penny-Ardinger, continuation of the current investment strategies and benchmarks for all accounts was unanimously approved.

UPDATE – 2ND QUARTER OPERATING BUDGET COMPARISON

Mr. Jeffrey Brown updated the MDTA Board on actual versus projected year-to-date spending for the second quarter of Fiscal Year (FY) 2024 Operating Budget. As of December 31, 2023, 39% of the budget was spent compared to a target of 49%. Object 13 is overbudget at 147% spend rate due to higher insurance premiums. All other Objects are at or below the targeted spending level. The primary variance drivers include personnel vacancies, higher insurance premiums due to market pressures, and the seasonality of expenses. Identified risks associated with areas of overspending are expected to be fully offset by underspending in other categories, so no budget amendment is anticipated at this time.

UPDATE – 2ND QUARTER CAPITAL BUDGET COMPARISON

Ms. Jennifer Stump updated the MDTA Board on the second quarter Fiscal Year (FY) 2024 Capital Budget Comparisons. As of December 31, 2023, 22.7% of the FY 2024 budget was spent as compared to the targeted spending level of 50%. The total budget for FY 2024 is \$539.6 million. The actual spending through the second quarter was \$122.6 million. The first quarter percentage is low because there are outstanding accruals for work completed in FY 2023.

She further explained that procurement and contractor delays and supply availability impacted the FY 2024 second quarter spend rate. As the weather improves, construction activity will increase in the third and fourth quarters.

UPDATE – TRAFFIC AND REVENUE

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

Ms. Sharpless explained that this quarterly review looks at traffic and toll revenue trends and compares actual system-wide experience with traffic and toll revenue forecasts. CDM Smith tracks and evaluates the performance of traffic at the lane level and traffic and revenue collected on a cash basis

She further explained that the key takeaways are: 1) For the period ended December 31, 2023, actual toll revenue (in-lane and administrative toll) was slightly below the forecast by \$1.3 million, or 0.3%; 2) *E-ZPass*[®] revenue continued to exceed the forecast due to higher than forecasted daily average toll revenue; and 3) administrative toll revenue and video toll collections (at the Central Collection Unit level) were below the forecast mostly due to lower than anticipated revenue associated with MVA referrals.

UPDATE – HUMAN RESOURCES COMMITTEE

Member W. Lee Gaines, Jr. presented an update on the Human Resources Committee meeting that took place on February 6, 2024. The Human Resources Committee Members were given updates on the new PULSE eLearning Appraisal tool; the end of calendar year Recruitment and Examination report including 393 recruitment requests received in 2023; an overview of a facilitative process employed within MDTA to bridge communication gaps and address conflicts within divisions; and, the launch of the MDOT New Employee Orientation program where new hires will receive an overview of and exposure to all the MDOT modes.

UPDATE – LEGISLATIVE SESSION

Ms. Mary O’Keeffe briefly introduced Mr. James Kittleman, Assistant Manager of Government Relations. Mr. James Kittleman then gave an update to the MDTA Board regarding the bills that have been filed that will have an impact to the MDTA and the number of legislative casework/inquiries that his office has received thus far. He then passed the floor to Mr. Bruce Gartner who gave a more detailed update on SB1093/HB1070.

UPDATE – EXECUTIVE DIRECTOR’S REPORT

Mr. Bruce Gartner started his remarks by thanking the Chairman and the Members for his appointment as the Executive Director for a second tour. He stated that his priorities are safety, customer service, and project delivery and that he looks forward to working with everyone to accomplish these goals.

Mr. Gartner then gave updates on the following items: Legislative Session and meetings with Elected Officials; the implementation of the web-based PRISM System – Phase I; the February 7 Maryland Quality Initiative Conference in Baltimore where MDTA projects won 3 awards – I-95 Express Toll Lanes Northbound Extension – Abingdon Road Overpass Replacement Project received an award for Construction Subcontractor, US 50/301 Chesapeake Bay Bridge Automated Lane Closure System Project received an award for Partnering Project Over \$10 million, and the new Nice/Middleton bridge Project was awarded the MdQI Project of the Year – Over \$5 million; a scheduling update on two Bay Bridge projects; the Bay Bridge Reconstruction Advisory Group (BBRAG) meeting to be held on April 3 at 6:00 pm; and the March 21 from 9:00 am – 1:00 pm MDTA’s Civil Rights and Fair Practices outreach event – Doing Business with the Maryland Transportation Authority – at MDOT Headquarters. He ended his remarks by announcing the public engagement campaign to name our new tunnel cleaning vehicle.

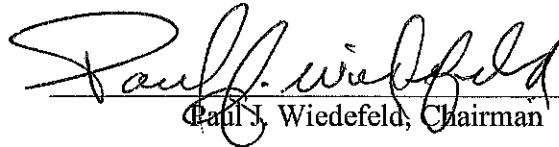
Chairman Paul Wiedefeld then welcomed Bruce Gartner back to the MDTA and stated that he has received overall positivity on the decision to bring him back for a second tour.

VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member Cynthia D. Penny-Ardinger and seconded by Member Dontae Carroll, the Members unanimously voted to adjourn the meeting at 10:15 a.m.

The next MDTA Board Meeting will be held on Thursday, March 28, 2024 at 9:00 a.m. at MDTA, 2310 Broening Highway, Baltimore MD and will be livestreamed on the MDTA Board webpage.

APPROVED AND CONCURRED IN:



Paul J. Wiedefeld, Chairman