



Maryland Transportation Authority

BOARD MEETING

THURSDAY, FEBRUARY 24, 2022

MARYLAND TRANSPORTATION AUTHORITY
VIRTUAL LIVESTREAM MEETING



MARYLAND TRANSPORTATION AUTHORITY BOARD MEETING

FEBRUARY 24, 2022 9:00 AM

This meeting will be livestreamed on the [MDTA Board Meeting Page](#)

NOTES:

- This is an In-Person Open Meeting being conducted via livestreaming.
- The public is welcomed to watch the meeting at the link above.
- *If you wish to comment on an agenda item please email your name, affiliation, and the agenda item to nhenson@mdta.state.md.us no later than 12:00 noon on Tuesday, February 22. You **MUST** pre-register and attend the meeting in person in order to comment.* Once you have pre-registered you will receive an email with all pertinent information.

AGENDA

OPEN SESSION – 9:00 AM

Call Meeting to Order

- | | | |
|--|-----------------------------|---------|
| 1. <u>Approval</u> – <u>Open Session and Closed Session Meeting Minutes of January 27, 2022</u> | Chairman | 5 min. |
| 2. <u>Update</u> – <u>2nd Quarter Operating Budget Comparison</u> – Review of Actual vs. Projected Fiscal Year 2022 Operating Budget Spending | Jeffrey Brown | 5 min. |
| 3. <u>Update</u> – <u>2nd Quarter Capital Budget Comparison</u> – Review Of Actual vs. Projected Fiscal Year 2022 Capital Budget Spending | Jeanne Marriott | 5 min. |
| 4. <u>Update</u> – <u>Traffic and Revenue</u> – Monthly Update on Traffic and Revenue | Deb Sharpless | 10 min. |
| 5. <u>Update</u> – <u>Legislative Session</u> – Verbal | Bradley Ryon | 5 min. |
| 6. <u>Approval</u> – <u>Customer Assistance Plan</u> | Will Pines
Deb Sharpless | 20 min. |
| 7. <u>Approval</u> – <u>Quarterly Review of Investment Strategy and Performance</u> – Approval to Continue with the Current Investment Strategy | Allen Garman | 5 min. |
| 8. <u>Approval</u> – <u>Board Resolution 22-01</u> – Authorizing PFC Backed Debt Refinancing | Allen Garman | 5 min. |
| 9. <u>Approval</u> – <u>Board Resolution 22-02</u> – Authorizing Toll Revenue Backed Debt Refinancing and Financing New Projects | Allen Garman | 5 min. |
| 10. <u>Update</u> – <u>Procurement Report on Open Contracts</u> – Verbal | Donna DiCerbo | 5 min. |

**MDTA BOARD MEETING
FEBRUARY 24, 2022 9:00 AM**

**AGENDA
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| 11. Update – <u>Human Resources Committee Report</u> – Verbal | Member Gaines | 10 min. |
| 12. Update – <u>Third Generation Electronic Toll Collection (3G ETC) System</u> – Current Operations Update | Joseph Quattrone | 15 min. |
| 13. Update – <u>Executive Director’s Report</u> – Verbal | William Pines | 10 min. |
- Vote to Adjourn Meeting

TAB 1

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

THURSDAY, JANUARY 27, 2022
9:00 A.M.

2310 BROENING HIGHWAY, BALTIMORE MD 21224
VIRTUAL & LIVESTREAMED OPEN MEETING

OPEN SESSION

James F. Ports, Jr., Chairman
Sean Powell, Acting Chairman

MEMBERS ATTENDING:

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

STAFF ATTENDING:

Ryan Bounds, Esq.
Percy Dangerfield
Donna DiCerbo
Tonya Dorsey
Anna Dove
Kaushik Dutta
David Goldsborough
Chantelle Green
James Harkness
Natalie Henson
Bob Jordan
Walter Laun
Kimberly Millender, Esq.
Sushmita Mitra
Mary O'Keeffe
Will Pines
Joseph Quattrone
Bradley Ryon
Deb Sharpless
Tim Sheets
Christina Thompson

OTHER ATTENDEES:

Samantha Biddle, MDOT TSO
Ebony Moore, MDOT TSO

At 9:01 a.m. Acting Chairman Sean Powell called the meeting of the Maryland Transportation Authority (MDTA) Board to order. The meeting was held virtually and was livestreamed on the MDTA Board Meeting web page. Acting Chairman Powell announced that due to a conflicting schedule Chairman James F. Ports, Jr. would be joining the meeting late.

APPROVAL – OPEN SESSION AND CLOSED SESSION MEETING MINUTES OF DECEMBER 16, 2021

Upon motion by Member William H. Cox, Jr. and seconded by Member Mario J. Gangemi, the open session meeting minutes of the MDTA Board meeting held on December 16, 2021 were unanimously approved.

Upon motion by Member Mario J. Gangemi and seconded by Member W. Lee Gaines, Jr., the closed session meeting minutes of the MDTA Board meeting held on December 16, 2021 were unanimously approved.

APPROVAL – OPEN SESSION AND CLOSED SESSION MEETING MINUTES OF JANUARY 7, 2022

Upon motion by Member Dontae Carroll and seconded by Member Jeffrey S. Rosen, the open session meeting minutes of the MDTA Board meeting held on January 7, 2022 were unanimously approved.

Upon motion by Member Mario J. Gangemi and seconded by Member John F. von Paris, the closed session meeting minutes of the MDTA Board meeting held on January 7, 2022 were unanimously approved.

RESOLUTIONS – YEARS OF SERVICE RECOGNITION

Mr. Will Pines announced the Years of Service Recognition for retired employees Senior Officer James Hedgecoth, Jr., Ms. Kathy Savage, and Mr. Darol E. Smith.

On the occasion of their retirement from their distinguished careers of service, the Chairman and Members of the Maryland Transportation Authority hereby express to them their most sincere appreciation for their excellence and commitment.

APPROVAL – CONTRACT AWARDS

• **J01B2600004 – Electronic Security System Software Maintenance and Service Plan**

Ms. Donna DiCerbo requested approval from the MDTA Board to execute Sole Source Contract No. J01B12600004 – Electronic Security System Software Maintenance and Service Plan with ASCVid Holdings, LLC in the bid amount of \$3,506,927.85.

Ms. DiCerbo explained that the MDTA is issuing this Sole Source contract in order to procure a full-service plan that includes software and hardware maintenance, support, and professional services for the Electronic Security System (ESS) currently installed at various bridges, tunnels, and buildings located throughout the MDTA. This consists of maintenance of the central software and field hardware modules, and associated field hardware for perimeter detection systems, radar devices, thermal night vision cameras, color and black and white cameras for a term of 5 years.

Upon motion by Member Mario J. Gangemi and seconded by Member W. Lee Gaines, Jr., the Members unanimously gave approval to execute Sole Source Contract No. J01B2600004 – Electronic Security System Software Maintenance and Service Plan.

- **KH-3042-0000 – I-95 at Belvidere Road Interchange – Offsite Mitigation Contract**

Ms. Donna DiCerbo requested contingent approval from the MDTA Board to execute Sole Source Contract No. KH-3042-0000 – I-95 at Belvidere Road Interchange – Offsite Mitigation Contract with Greenvest, LLC in the bid amount of \$1,617,733.68.

Ms. DiCerbo explained that the purpose of this Sole Source contract is to provide the wetland mitigation credits to achieve the required offsite mitigation necessary to compensate for unavoidable wetland impacts associated with the I-95 at Belvidere Road Interchange project. The required wetland mitigation cannot be entirely achieved on-site. This contract is intended to fulfill the mitigation requirements through the purchase of credits in exchange for the design, establishment, and long-term maintenance and monitoring of a wetland mitigation site by a third-party environmental developer.

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. KH-3042-0000 – I-95 at Belvidere Road Interchange – Offsite Mitigation Contract.

- **MT-3136-0000 – Bay Bridge Facility (WPL) and Baltimore Harbor Tunnel Facility (BHT) Field Hardware Maintenance Contract**

Ms. Donna DiCerbo requested contingent approval from the MDTA Board to execute Contract No. MT-3136-0000 – Bay Bridge Facility (WPL) and Baltimore Harbor Tunnel Facility (BHT) Field Hardware Maintenance Contract with Communication Electronics, Inc. in the bid amount of \$4,567,665.00.

Ms. DiCerbo explained that the MDTA is issuing this Contract in order to procure a full-service on-call emergency and non-emergency repair services and miscellaneous maintenance and repair services contract for MDTA's Intelligent Transportation System (ITS) field hardware at WPL and BHT. This Contract includes all labor, materials, parts, hardware, supplies, tools, equipment, transport, expenses, and all unspecified incidental items for a full maintenance service contract for MDTA's ITS field hardware.

Upon motion by Member Dontae Carroll and seconded by Member William C. Ensor, III, the Members unanimously gave contingent approval to execute Contract No. MT-3136-0000 – Bay Bridge Facility (WPL) and Baltimore Harbor Tunnel Facility (BHT) Field Hardware Maintenance Contract.

- **MDTA 2020-03 – Electronic Toll Collection Services**

Ms. Donna DiCerbo requested contingent approval from the MDTA Board to execute Contract No. MDTA 2020-03 – Electronic Toll Collection Services # AE 3096-0000 with Rummel, Klepper & Kahl, LLP in the bid amount of \$11,500,000.00.

Ms. DiCerbo explained this project involves the contract award to a consultant engineering firm to provide professional design services for Electronic Toll Collection Systems and Services as directed by the MDTA. The scope includes but is not limited to project management of toll systems contracts for tolling systems and opportunities throughout Maryland. The services will be related to existing facilities as well as any future or potential future tolling facilities. The work shall include but not be limited to project management support, inspection, business analysis, financial analysis, traffic and revenue study, and analysis, policy analysis, design, preliminary design, planning, benchmarking, cost estimation, construction management, public meeting support services, RFP development, specifications development, schedule development and analysis, industry research, and any related activities and services related to toll systems and tolling. The services provided shall be applied to tolling related work and may also include parking applications, the use of tolling technology for other transportation related services, automated vehicles, DSRC, Vehicle to Vehicle and Vehicle to infrastructure communications and applications, and any other related technology that may involve toll collection, traffic information, or transportation safety.

Upon motion by Member W. Lee Gaines, Jr. and seconded by Member Jeffrey S. Rosen, the Members unanimously gave contingent approval to execute Contract No. MDTA 2020-03 – Electronic Toll Collection Services # AE 3096-0000.

UPDATE – TRAFFIC AND REVENUE

Ms. Deb Sharpless gave an update to the MDTA Board on Traffic and Revenue (T&R) performance through December 31, 2021.

Ms. Sharpless explained that for the period of July 1, 2021 through December 31, 2021, MDTA's actual toll revenue received totaled \$386.8 million, \$22.9 million below its official forecast. When adjusting for timing differences in the receipt of toll revenue, MDTA is \$19.3 million above its forecast.

Ms. Sharpless further explained that timing differences are transactions that we continue to have a reasonable expectation of collection within the Fiscal Year (FY) 2022. These transactions, totaling \$42.2 million, were forecasted to be processed and collected by December 31, 2021.

Should the estimated revenue timing differences not materialize in FY 2022, the MDTA will still exceed its financial standards.

UPDATE – THIRD GENERATION ELECTRONIC TOLL COLLECTION (3G ETC) SYSTEM

Mr. Joseph Quattrone updated the MDTA Board on the Third Generation Electronic Toll Collection (3G ETC) post-transition operations.

Mr. Quattrone explained that TransCore and Kapsch’s systems went live on April 29, 2021. Post-transition and software development activities and risk management continue. Implementation of the plan to address the backlog of unprocessed transactions is ongoing.

UPDATE – LEGISLATIVE SESSION

Mr. Bradley Ryon gave an update to the MDTA Board regarding the bills that have been filed that will have an impact to the MDTA. Mr. Ryon also introduced the new Assistant Manager of Government Relations, Ms. Anna Dove.

***** Chairman James F. Ports, Jr. joined the meeting. Chairman Ports presided over the remainder of the meeting. *****

UPDATE – EXECUTIVE DIRECTOR

Mr. Will Pines started his update by wishing the Board a very Happy New Year. He proceeded to tell them that 2022 will certainly be another productive year for the MDTA as we continue advancing work on the new Nice/Middleton Bridge and northbound extension of the I-95 ETLs; continue with significant progress in removing the remaining toll plazas; and preparing for the combined Tier1 Final Environmental Impact Statement (FEIS/Record of Decision (ROD) for the Bay Crossing Study.

Mr. Pines expressed that this is the first Board Meeting as the MDTA Acting Executive Director and that it is an honor to work with the Board and to serve the MDTA’s dedicated workforce and toll customers.

Mr. Pines informed the Board that he has met virtually with some key legislators and will continue to make outreach throughout the 90-day legislative session.

He updated the Board on the January 5th Bay Bridge Reconstruction Advisory Group meeting. This meeting covered several topics including: the additional “Stay-on-50” signs that will be installed before Memorial Day; Update on the Tier 1 NEPA Bay Crossing study which led to discussions about the possible paths forward on funding for a potential Tier 2 NEPA study; an overview of the Anne Arundel and Queen Anne’s County resolutions in support of a replacement

bridge where the current bridges stand; and Queen Anne's County update on their continued activities in support of funding a Tier 2 NEPA study.

In addition, Mr. Pines updated the Board on the Division of Communications and E-ZPass Operations joint project which developed a New Year's email that was sent to more than 1 million E-ZPass customers who have emails associated with their accounts. This email was to help our E-ZPass customers start the year off right by paying the lowest possible rate. The email blast provided a list of best practices for our E-ZPass customers to follow, including: Having your account fully funded; Having a valid, up-to-date credit card on file; and proper transponder mounting. This messaging campaign has been successful with 53% of recipients opening their emails and 3/7% clicking on the links. These rates are well above the industry standard.

Finally, Mr. Pines announced that Ms. Ebony Moore has left the MDTA to work for MDTA Chairman/MDOT Secretary Jim Ports and he thanked her for all she has done.

***** Prior to Closed Session Member Penny-Ardinger left the meeting due to a scheduling conflict and did not return. *****

VOTE TO GO INTO CLOSED SESSION

At 10:40 a.m., upon motion by Member William H. Cox, Jr. and seconded by Member W. Lee Gaines, Jr., the Members voted unanimously to move into Closed Session under the Maryland Open Meetings Act, the MDTA Board will meet in Closed Session under the General Provisions Article, Sections 3-305(b)(7) & (9) to discuss matters related to the collective bargaining negotiations with FOP 34 that have not yet been ratified and to consult with counsel to receive legal advice regarding the legal duties of the MDTA Board related to the collective bargaining agreement; General Provisions Article, Sections 3-305(b)(1) to discuss the compensation of one or more specific individuals of the MDTA Police command staff; General Provisions Article, Sections 3-305(b)(10) & (12) to receive an update on deployment of police staff and resources and other security measures and to discuss a pending investigative proceeding involving possible criminal conduct; and General Provisions Article, Sections 3-305(b)(8) to receive a status update on all litigation currently pending against the MDTA.

In attendance for Closed Session was Chairman Jim Ports; Acting Chairman Sean Powell; Members Carroll, Cox, Ensor, Gaines, Gangemi, Rosen, and von Paris; and Samantha Biddle, Ryan Bounds, Percy Dangerfield, Tonya Dorsey, Natalie Henson, Kim Millender, Ebony Moore, Will Pines, and Christina Thompson.

VOTE TO ADJOURN CLOSED SESSION

At 12:05 p.m., a motion was made by Member Mario J. Gangemi and seconded by Member W. Lee Gaines, Jr. which was unanimously approved, to adjourn the Closed Session and return to Open Session.

RATIFICATION TAKEN IN CLOSED SESSION

Upon motion by Member William H. Cox, Jr. and seconded by Member John F. von Paris, the Members ratified their approval of extending the same compensation benefits to the members of the MDTA Police command staff that will be granted to union members under the pending collective bargaining agreement contingent upon the MDTA Board approval, Governor signature, and ratification by the FOP.

***** NOTE: Due to the length of the meeting, it was decided in Closed Session that two of the Closed Session agenda items (To Discuss Public Security and To Discuss Pending Litigation) would be moved to the February 24, 2022 Board Meeting agenda. *****

APPROVAL – COLLECTIVE BARGAINING AGREEMENT WITH FRATERNAL ORDER OF POLICE (FOP)

Mr. Percy Dangerfield requested approval from the MDTA Board to provide additional benefits to certain members of the MDTA Police as a result of the collective bargaining agreement reached between the MDTA and the Fraternal Order of Police (FOP) Lodge #34 contingent upon signature of the Governor and ratification by the FOP.

Mr. Dangerfield explained that on December 31, 2021, the State and the FOP reached a tentative agreement through collective bargaining. The final agreed upon package is a three (3) year agreement, effective July 1, 2022 through June 30, 2025.

The following details the agreed upon proposals with significant economic impact:

- A 7% cost-of-living adjustment (COLA) in fiscal year 2023;
- a one-step increase for all bargaining unit members effective January 1, 2023;
- A 5% cost-of-living adjustment in fiscal year 2024;
- a one-step increase for all bargaining unit members effective January 1, 2024;
- A 5% cost-of-living adjustment in fiscal year 2025; and
- a one-step increase for all bargaining unit members effective January 1, 2025

In addition, the bargaining unit will receive additional cars to be distributed to officers at the rank of sergeant and up to 50 officers that are members of the Civil Disturbance Team.

Upon motion by Member Mario J. Gangemi and seconded by Member William H. Cox, Jr., the Members unanimously gave contingent approval of the collective bargaining agreement reached between MDTA and the FOP Lodge #34 contingent upon signature of the Governor and ratification by the FOP.

Speaking for the MDTA Board, Member Rosen gave the following statement: “The Board would like to direct Will Pines to work with DBM to secure an MOU for previously negotiated funding to offset the increased funds that we just approved in support of MDTA’s outstanding police force.”

VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member Jeffrey S. Rosen and seconded by Member William H. Cox, Jr., the Members unanimously voted to adjourn the meeting at 12:10 p.m.

The next MDTA Board Meeting will be held on Thursday, February 24, 2022 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:

James F. Ports, Jr., Chairman

TAB 2



MEMORANDUM

TO: MDTA Board
FROM: Mr. Jeffrey Brown, Director of Budget
SUBJECT: Fiscal Year (FY) 2022 Operating Budget vs. Actual Spending Review
DATE: February 24, 2022

PURPOSE

The purpose of the memorandum is to advise the MDTA Board on the status of 2nd Quarter Year To Date (YTD) spending against the Fiscal Year (FY) 2022 Operating Budget.

KEY TAKEAWAYS

Key takeaways regarding YTD spending against the FY 2022 Operating Budget:

- As of December 31, 2021, 31% of the budget was spent compared to a target of 50%.
- Except for Object 13, all other Objects were at or below the targeted spending level.
- The primary drivers for the reduced spending are personnel vacancies, the seasonality of certain expenses, and the timing of invoices.
- Expenses are expected to become more aligned with the budget as the year progresses.

SUMMARY

Budget analysis threshold: More than \$500,000 budgeted with variances greater than +/- 5% of the targeted spending level.

- Salaries & Wages/Technical & Special Fees (Object 01 & 02) is below budget at 42% spent. Object 01 is at 42% spent and Object 02 is at 6% spent. The ongoing vacancies account for the majority of the performance in Object 01 & 02.
- Communications (Object 03) is below budget at 15% spent.
 - Telecommunications (0303) is at a 25% spend. Vacancies and the timing of invoices drives this performance.

FY 2022 Operating Budget vs. Actual Spending Review

Page Two

- State Paid Telecommunications (0305) is at a 0% spend and accounts for the performance of Object 03. This line item contains the State Radio System, (\$1.7 million), which is billed once a year.
 - All other sub-objects average a 40% spend, which is slightly below budget.
- Object 4 (Travel) is below budget at a 16% spend. Ongoing COVID-19 effects (more teleworking and telelearning, postponement of in-person conferences) drives the performance.
- Fuel and Utilities (Object 06) is below budget at a 33% spend. Electricity (0620) is below budget at a 29% spend. LED replacements, the timing of when we receive invoices, and toll booth removals reduce the electricity needs.
- Motor vehicle operations and maintenance (Object 07) is below budget at a 37% spend. The primary driver of performance is the timing of both invoices and the orders of vehicle purchases. Also, the seasonality of maintenance results in greater expense in the 3rd quarter. This is expected to be on budget.
- Contractual Services (Object 08) are below budget target with a 13% spend. Significant spending variances include:
 - Advertising (0801) is at a 10% spend. This is primarily due to seasonality – key expenses not to occur until later in the year. Also, there was a coding error – an additional \$348k should have been charged. The planned activity for the remainder of the year is expected to bring this line item within budget.
 - Engineers (0807) is at a 20% spend. The timing of the work and invoices accounts for the underspend.
 - Equipment Repairs & Maintenance (0809) is above budget at a 62% spend. This is due to the timing of IT storage invoices. This is expected to be on budget.
 - Building/Road Repairs & Maintenance (0812) is below budget at a 23% spend. A combination of the seasonality of expenses and the reduced cost for sludge removal for the Baltimore Harbor Tunnel account for the variance. Sludge removal was performed in-house rather than using contractors.
 - Janitorial Services (0813) is below budget with a 34% spend, primarily due to construction shutting down some buildings for a period of time which limited janitorial access to the facilities.
 - Education & Training (0819) is below budget with a 15% spend, primarily due to seasonality.
 - Management Studies (0821) is below budget with a 20% spend, primarily due to the timing of invoices and work. At this time, it is expected to be on budget.
 - Security Services (0823) is below budget with a 30% spend. This is expected to track to budget by year end.
 - Fiscal Services/E-ZPass[®] Retail Fees (0829) is below budget with a 23% spend. The timing of payments accounts for the performance. Expected payments in January will bring this close to budget performance.

- The primarily IT objects (0841 through 0869) are collectively at a 30% spend to budget. The timing of the invoices account for any variances in these objects. These objects are expected to track to budget for the full year.
- *E-ZPass* Service Center Costs (0873) is at a -8% spend. A miscoding of vendor payments drives this performance. With the correction, this will be close to budget performance.
- Other Contractual Services (0899) is at a 30% spend due to timing of invoices but is expected to be on budget.

- Supplies & Materials (Object 09) is at a 30% spend:
 - Roadway Maintenance Materials (0905) is at a 26% spend due to the timing of invoices and the seasonality of the expenses.
 - Salt (0906) is at a 0% spend (total budget of \$1.4 million). This drives a lot of the underspend in Object 09. This performance will be dependent on the snow season, which we have entered. We will have a better understanding after the 3rd quarter whether this will track to budget.
 - Ammunition (0934) is at 139% spent. Annual payment for the Taser contract, which occurs in the 1st quarter plus an additional purchase from the Asset Forfeiture account (federal funds) drives this expense.
 - Uniforms (0912) is at 37% spend. Vacancies, supply chain issues, and timing of orders account for the variance.
 - *E-ZPass* Transponders (0951) is 23% spent. This line item is expected to end the year above budget as there is a greater need for the transponders.

- Replacement Equipment (Object 10) is below budget at a 36% spend, primarily due to the timing of invoices. Also, equipment for the new Nice/Middleton Bridge administration building is delayed. These funds may need to be rolled into next year.

- Additional Equipment (Object 11) is at a 7% spend primarily due to the timing of equipment orders.

- Fixed Costs (Object 13) is over budget at a 90% spend, primarily due to an insurance invoice (Object 1309) that is above budget (112%). The remaining sub-objects are expected to track close to budget.

ATTACHMENT

- Budget vs Actual by Object 2nd Qtr. FY22

MDTA OPERATING FUND
 Bgt vs. Actual by Obj and RC Detail
 Summary of All Units
 For the Six Months Ending Friday, December 31, 2021

	<u>Expenditures</u>		<u>YTD</u>		<u>%</u>
	<u>This Month</u>	<u>Budget</u>	<u>Expense</u>	<u>Balance</u>	<u>Spent</u>
OBJECT 01 Salaries and Wages					
0101 REGULAR EARNINGS	\$6,114,896	\$110,447,746	\$39,351,873	\$71,095,873	35.63%
0102 ADDITIONAL ASSISTANCE		223,251		223,251	0.00%
0104 OVERTIME EARNINGS	286,601	4,957,020	1,644,109	3,312,912	33.17%
0104 OVERTIME EARNINGS - SNOW	7,075	1,721,230	10,913	1,710,317	0.63%
0105 SHIFT DIFFERENTIAL	9,583	1,017,063	25,123	991,939	2.47%
0110 MISCELLANEOUS P/R ADJUSTMENTS		2,322,174	1,179,553	1,142,620	50.80%
0111 ACCRUED LEAVE PAYMENTS		64,261	352,702	(288,441)	548.86%
0112 RECLASSIFICATIONS		700,527		700,527	0.00%
0151 SOCIAL SECURITY CONTRIBUT	10,912	7,829,966	29,326	7,800,640	0.37%
0152 HEALTH INSURANCE	73,004	17,264,889	164,971	17,099,918	0.96%
0154 RETIREE'S HLTH INSURANCE P	42,192	8,632,445	93,872	8,538,573	1.09%
0161 EMPLOYEES RETIREMENT SYS	7,255	13,156,858	19,267	13,137,591	0.15%
0165 STATE POLICE RETIREMENT SY	303,485	2,767,772	773,151	1,994,621	27.93%
0169 LAW ENFORCEMNT OFF PENSION SYS		19,587,691		19,587,691	0.00%
0171 BURDEN EXPENSE	5,639,530		36,335,730	(36,335,730)	0.00%
0174 UNEMPLOYMENT COMPENSAT	1,641	309,419	3,744	305,675	1.21%
0175 WORKERS COMPENSATION		3,510,153	8,544	3,501,609	0.24%
0189 TURNOVER		(5,812,961)		(5,812,961)	0.00%
0199 OTHER FRINGE BENE - CLOTH ALLOW		819,858	398,322	421,536	48.58%
Total Object 01	12,496,175	189,519,362	80,391,200	109,128,161	42.42%
Object 02 Technical and Special Fees					
0202 PER DIEM PAYMENTS	11,000	125,000	49,500	75,500	39.60%
0220 SPECIAL PAYMENTS PAYROLL		648,893		648,893	0.00%
Total Object 02	11,000	773,893	49,500	724,393	6.40%
Object 03 Communications					
0301 POSTAGE	2,001	69,604	11,104	58,499	15.95%
0302 TELEPHONE	7,423	213,680	122,945	90,736	57.54%
0303 TELECOMMUNICATIONS	40,836	767,426	189,145	578,281	24.65%
0305 STATE PAID TELECOMMUNCIATIONS		1,725,000		1,725,000	0.00%
0306 CELL PHONE EXPENDITURES	26,165	404,050	140,186	263,865	34.70%
Total Object 03	76,425	3,179,760	463,380	2,716,381	14.57%
Object 04 Travel					
0401 IN STATE/ROUTINE OPERTN TR	1,732	33,714	4,912	28,802	14.57%
0402 INSTATE/CONF/SEMNR/TRNG T	380	53,467	12,980	40,487	24.28%
0403 OUTSTATE/ROUTINE OPERTN T	(95)	55,353	3,520	51,833	6.36%
0404 OUTSTATE/CONF/SEMNR/TRNC	5,511	256,479	41,428	215,051	16.15%
Total Object 04	7,529	399,013	62,840	336,173	15.75%
Object 06 Fuel and Utilities					
0603 FUEL-OIL #2	28,789	178,415	48,522	129,893	27.20%
0606 FUEL-NATURAL GAS/PROPANE	20,890	214,340	57,874	156,466	27.00%
0620 UTILITIES-ELECTRICITY	156,053	3,776,472	1,108,970	2,667,502	29.37%
0621 UTILITIES-WATER/SEWAGE	27,756	321,229	279,371	41,858	86.97%
Total Object 06	233,488	4,490,456	1,494,738	2,995,718	33.29%
Object 07 Motor Vehicle Operations and Maintenance					
0701 PURCH VEH-CAR,LIGHT TRUCK	84,403	3,193,000	1,115,126	2,077,873	34.92%

MDTA OPERATING FUND
 Bgt vs. Actual by Obj and RC Detail
 Summary of All Units
 For the Six Months Ending Friday, December 31, 2021

	<u>Expenditures</u>		<u>YTD</u>		<u>%</u>
	<u>This Month</u>	<u>Budget</u>	<u>Expense</u>	<u>Balance</u>	<u>Spent</u>
0702 VEHICLE GAS & OIL	139,619	1,786,601	768,467	1,018,134	43.01%
0703 VEHICLE MAINTENANCE & REI	99,292	1,661,742	617,696	1,044,046	37.17%
0704 INSURANCE		407,863		407,863	0.00%
0721 VEHICLE GAS & OIL - WATERC	3,312	39,265	15,679	23,586	39.93%
0722 VEHICLE MAINT & REPAIR - W	1,762	53,856	17,706	36,150	32.88%
0724 BOAT SLIP RENTAL/LAUNCHING FEES		4,200	1,532	2,668	36.48%
0730 PURCH VEH-OTHER LAND VEH - DUMP, TRAC		315,000	1,300	313,700	0.41%
0731 GAS & OIL - OTHER LAND VEHI	58,758	864,901	381,249	483,652	44.08%
0732 LG VEHICLE MAINT & REPAIR	209,507	1,880,186	839,859	1,040,327	44.67%
0789 COMMUTER CHARGE	(1,591)	(5,000)	(11,611)	6,611	232.21%
0799 OTHER MOTOR VEHICLE CHARGES		54,053	2,570	51,483	4.75%
Total Object 07	595,061	10,255,667	3,749,575	6,506,092	36.56%
Object 08 Contractual Services					
0801 ADVERTISING/LEGAL PUBLICA	111,091	3,395,931	326,859	3,069,072	9.63%
0802 APPLICATIONS SOFTWARE MAINTENANCE		106,960		106,960	0.00%
0804 PRINTING/REPRODUCTION	14,550	94,800	49,557	45,244	52.27%
0807 ENGINEERS	216,282	5,500,000	992,752	4,507,248	18.05%
0807 ENGINEERS - Environmental (MA	44,133	2,495,000	342,893	2,152,107	13.74%
0807 ENGINEERS - Highways (MA0983	17,747	200,000	48,546	151,454	24.27%
0807 ENGINEERS - Architectural (MA23	15,481	400,000	130,670	269,330	32.67%
0807 ENGINEERS - ITS/Electrical (MA2	98,645	845,000	92,610	752,390	10.96%
0807 ENGINEERS - Structural (MA2055	18,707	960,000	189,802	770,198	19.77%
0807 ENGINEERS - Traffic (MA2181)	192,201	1,300,000	367,792	932,208	28.29%
0807 ENGINEERS - Asset Mgmt (MA28t	9,396	550,000	(45,490)	595,490	(8.27%)
0807 ENGINEERS - On-Call (All MR)	922,834	1,000,000	2,340,181	(1,340,181)	234.02%
0807 ENGINEERS - Annual Inspections (133,261	13,500,000	1,013,353	12,486,647	7.51%
0808 EQUIPMENT RENTAL	29,688	500,940	149,157	351,784	29.78%
0809 EQUIPMENT REPAIRS & MAINT	999,365	1,614,933	1,002,703	612,231	62.09%
0810 EXTERMINATION		16,771	1,010	15,761	6.02%
0812 BUILDING/ROAD REPAIRS & M.	491,567	5,628,156	1,831,116	3,797,040	32.53%
0812 BUILDING/ROAD REPAIRS & M.	270,236	8,600,000	1,481,186	7,118,814	17.22%
0813 JANITORIAL SERVICES	67,149	1,657,933	560,793	1,097,140	33.82%
0814 GROUNDS MAINTENANCE		47,086	3,040	44,046	6.46%
0815 LAUNDRY	95	3,449	568	2,881	16.48%
0817 LEGAL SERVICES	3,836	204,381	42,637	161,744	20.86%
0819 EDUCATION/TRAINING CONTR	27,014	1,207,966	176,450	1,031,516	14.61%
0820 MEDICAL CARE	1,590	271,720	56,844	214,876	20.92%
0821 MGMT STUDIES AND CONSULT	117,349	1,911,658	377,147	1,534,511	19.73%
0823 SECURITY SERVICES	95,418	1,269,230	374,407	894,823	29.50%
0824 LABORATORY SERVICES		45,911	10,620	35,291	23.13%
0825 VETERINARIAN	1,196	27,565	11,083	16,482	40.21%
0826 FREIGHT AND DELIVERY	508	18,989	1,595	17,394	8.40%
0827 TRASH AND GARBAGE REMOV	19,656	421,381	200,449	220,932	47.57%
0828 OFFICE ASSISTANCE	912	61,244	4,936	56,308	8.06%
0829 FISCAL SERVICES	10,000	19,888,900	4,525,238	15,363,662	22.75%
0841 DP CENTRAL PROCESS SVC		1,331,600	179,766	1,151,834	13.50%
0843 DP COMMUNICATIONS CONTR	34,580	600,000	206,460	393,540	34.41%
0849 TELECOMM LINES, MODEMS &	14,805	97,764	44,251	53,513	45.26%
0854 COMPUTER MAINTENANCE CONTRACTS		183,160	97,977	85,183	53.49%

MDTA OPERATING FUND
 Bgt vs. Actual by Obj and RC Detail
 Summary of All Units
 For the Six Months Ending Friday, December 31, 2021

	Expenditures		YTD		%
	This Month	Budget	Expense	Balance	Spent
0858 SOFTWARE LICENSES		141,894		141,894	0.00%
0861 APPL SOFTWARE ACQUISITION	54,636	100,000	54,636	45,364	54.64%
0862 APPL SOFTWARE MAINTENANC	24,554	2,207,582	337,744	1,869,838	15.30%
0863 SYSTEMS SOFTWARE ACQUISITION		100,000		100,000	0.00%
0864 SYSTEMS SOFTWARE MAINTEN	755,583	945,920	820,676	125,244	86.76%
0865 OUTSIDE SVCS-SYS ANALYSIS	376,179	5,160,720	1,479,717	3,681,003	28.67%
0866 OUTSIDE SVCS-PROGRAMMINC	32,640	408,000	136,620	271,380	33.49%
0869 OUTSIDE SVCS-COMPUTER USAGE		753,005	196,534	556,471	26.10%
0873 OUTSIDE SVC - E-Z PASS SVC CENTER		44,977,550	(3,525,249)	48,502,799	(7.84%)
0874 OFFICE OF ATTORNEY GENERAL FEE		42,474		42,474	0.00%
0875 RETIREMENT AGENCY ADMIN FEE		204,565	200,495	4,070	98.01%
0876 STATEWIDE DOIT SERVICES		51,476		51,476	0.00%
0894 STATEWIDE PERSONNEL SYS ALLOC		55,433		55,433	0.00%
0897 STATE ENTERPRISE BUDGET SYSTEM		27,574		27,574	0.00%
0899 OTHER CONTRACTUAL SVC-NC	277,724	2,560,607	755,857	1,804,750	29.52%
Total Object 08	5,500,609	133,695,229	17,645,987	116,049,242	13.20%
Object 09 Supplies and Materials					
0901 AGRICULTURE	119	29,740	11,199	18,541	37.66%
0902 OFFICE SUPPLIES	21,710	395,646	107,984	287,662	27.29%
0903 ELECTRICAL MATERIALS	32,300	440,802	162,834	277,968	36.94%
0904 BUILDING & HOUSEHOLD SUPP	16,287	398,855	120,556	278,299	30.23%
0905 ROADWAY MAINT MATERIALS	37,649	666,043	170,470	495,574	25.59%
0906 SALT/SNOW MELTING MATERIALS		1,436,765	1,032	1,435,733	0.07%
0908 HOUSEKEEPING SUPPLIES	333	79,137	17,338	61,799	21.91%
0909 MEDICAL SUPPLIES	2,204	30,115	5,784	24,331	19.21%
0912 WEARING APPAREL-UNIFORMS	63,394	1,118,557	415,046	703,511	37.11%
0915 LIBRARY SUPPLIES	441	25,255	9,051	16,204	35.84%
0917 SMALL TOOLS	16,072	387,034	73,981	313,053	19.11%
0918 VETERINARY SUPPLIES	1,269	26,812	4,169	22,643	15.55%
0920 FOOD	3,696	186,182	19,545	166,637	10.50%
0926 DATA PROCESSING SUPPLIES	2,197	33,721	10,178	23,543	30.18%
0932 MICROCOMPUTER OPER SYS SI	241,899	65,000	241,899	(176,899)	372.15%
0934 AMMO GUNS FIRING RANGE SU	605	526,808	733,131	(206,324)	139.16%
0951 E-ZPASS TRANSPONDERS	96,336	4,014,000	936,289	3,077,712	23.33%
0999 OTHER SUPPLIES AND MATERI	3,826	310,666	60,897	249,769	19.60%
Total Object 09	540,334	10,171,139	3,101,381	7,069,757	30.49%
Object 10 Replacement Equipment					
1002 REPL AUDIO-VISUAL EQUIP			1,466	(1,466)	0.00%
1009 REPL HUMAN ENVIRONMENTAL EQUIP		100		100	0.00%
1013 REPL MAINTENANCE & BUILDING EQUIP		384,000	15,063	368,937	3.92%
1015 REPL OFFICE EQUIPMENT	590	38,875	(5,760)	44,635	(14.82%)
1019 REPL RADIOS & ELECTRONIC EQUIPMENT		196,000	62	195,938	0.03%
1031 REPL DP EQUIP-MAINFRAME		75,000		75,000	0.00%
1033 REPL DP EQUIP-MICROCOMPUT	622,668	1,042,000	627,078	414,922	60.18%
1036 REPL DP EQUIP-PERIPHERALS	1,180		6,175	(6,175)	0.00%
1099 OTHER REPLACEMENT EQUIPM	10,140	221,806	62,956	158,850	28.38%
Total Object 10	634,578	1,957,781	707,040	1,250,741	36.11%

MDTA OPERATING FUND
 Bgt vs. Actual by Obj and RC Detail
 Summary of All Units
 For the Six Months Ending Friday, December 31, 2021

	<u>Expenditures</u>		<u>YTD</u>		<u>%</u>
	<u>This Month</u>	<u>Budget</u>	<u>Expense</u>	<u>Balance</u>	<u>Spent</u>
Object 11 Additional Equipment					
1102		2,000	3,775	(1,775)	188.73%
1109		1,000		1,000	0.00%
1113		424,000		424,000	0.00%
1115		60,142		60,142	0.00%
1119		5,500		5,500	0.00%
1133		100,000	29,938	70,062	29.94%
1199	1,250	382,776	37,574	345,202	9.82%
Total Object 11	1,250	975,418	71,286	904,132	7.31%
Object 13 Fixed Charges					
1301		425,000		425,000	0.00%
1302		450,989		450,989	0.00%
1304		26,941	1,908	25,033	7.08%
1305	8,031	257,282	41,840	215,442	16.26%
1308	329	9,577	1,499	8,078	15.65%
1309		4,251,822	4,748,963	(497,141)	111.69%
1320		950	84,536	(83,586)	8898.13%
Total Object 13	8,359	5,422,561	4,878,745	543,816	89.97%
Total All Objects	20,104,807	360,840,279	112,615,673	248,224,606	31.21%

TAB 3



MEMORANDUM

TO: MDTA Board
FROM: Ms. Jeanne Marriott, Capital Program Manager
SUBJECT: Second Quarter Review of Fiscal Year 2022 Capital Budget vs. Actual Spending
DATE: February 24, 2022

PURPOSE OF MEMORANDUM

The purpose of the memorandum is to update the MDTA Board on the status of actual Fiscal Year (FY) 2022 spending against the FY 2022 capital budget in the FY 2022-2027 Draft Consolidated Transportation Program (CTP). This information was presented to the Finance Committee on February 8, 2022.

SUMMARY

As of December 31, 2021, 31.8% of the FY 2022 budget was spent as compared to the targeted spending level of 50%. The total budget for FY 2022 is \$602.9 million. The actual spending through the second quarter was \$191.5 million.

ANALYSIS

Twenty-five of the 95 projects budgeted in FY 2022 were within the acceptable spending limits of 25% to 75% (plus or minus 25% of the 50% target). Due to normal lags in invoicing, generally two months, a plus or minus 25% threshold was determined to be reasonable.

Actual spending through the second quarter for eight projects budgeted for more than \$10 million each in FY 2022 was \$135.5 million. The eight projects are detailed in Attachment A.

ATTACHMENT

- Attachment A – FY 2022 Capital Program Spending – Projects with FY 2022 Budget Over \$10 Million

**FY 2022 Capital Program Spending
Compared to Draft FY 2022-2027 CTP Budget
Projects with FY 2022 Budget Over \$10 Million**

Project Name	FY 2022 Budget Draft FY22-27 CTP (\$000)	FY 2022 Actual thru 12/31/2021 (\$000)	Q2 Spend Rate	FY 2022 Amount Remaining (\$000)
Replace Nice/Middleton Bridge	\$227,706	\$93,428	41%	\$134,278
I-95 ETL NBE - Express Toll Lanes to MD 152	\$58,733	\$8,785	15%	\$49,948
I-95 ETL NBE - MD 152 Interchange Reconstruction	\$40,064	\$4,378	11%	\$35,686
William Preston Lane Jr. Memorial Bridge AET Conversion	\$22,869	\$10,249	45%	\$12,620
Replace 5KV Feeder on EB Span and Add Redundant Cable to EB & WB Spans	\$19,916	\$8,904	45%	\$11,012
I-895 Bridge Replacement	\$16,719	\$2,370	14%	\$14,349
Rehabilitate Fort McHenry Tunnel Vent Fans	\$13,000	\$3,876	30%	\$9,124
I-95 ETL NB Extension - Eccelston Mitigation	<u>\$11,750</u>	<u>\$3,527</u>	<u>30%</u>	<u>\$8,223</u>
Total	<u>\$410,757</u>	<u>\$135,517</u>	<u>33%</u>	<u>\$275,240</u>

TAB 4



MEMORANDUM

TO: MDTA Board
PREPARED BY: Ms. Deb Sharpless, Chief Financial Officer (CFO)
 Mr. Walt Laun, Acting Revenue Supervisor
PRESENTED BY: Ms. Deb Sharpless, CFO
SUBJECT: Traffic & Revenue Update
DATE: February 24, 2022

PURPOSE OF MEMORANDUM

The purpose of this agenda item is to update the Maryland Transportation Authority (MDTA) Board on fiscal year (FY) 2022 traffic & revenue (T&R) performance through January 31, 2022.

KEY TAKEAWAYS

- Expected revenue continues to outperform the financial forecast
- Difference between actual revenue and the forecast improved and timing differences decreased
- Eliminated prior concern with current year *E-ZPass*[®] revenue below forecast and the potential to negatively impact future years revenue—no negative impact

SUMMARY

For the period of July 1, 2021 through January 31, 2022, MDTA’s actual toll revenue received totaled \$458.6 million, \$17.9 million below its official forecast, an improvement from last month by \$5 million. When adjusting for timing differences in the receipt of toll revenue, MDTA is \$11.9 million above its forecast.

FY 2022 Forecasted and Actual Revenue Comparison
July 1, 2021 – January 31, 2022

	Current Year	<i>E-ZPass</i> Prior Year	Total	Video, Administrative ¹ & Pay-By-Plate	Total
Forecast Revenue	\$ 302,219,386	\$ 100,776,614	\$ 402,996,000	\$ 73,535,000	\$ 476,531,000
<i>less</i> Actual Revenue	305,058,177	74,530,296	379,588,473	79,004,107	458,592,581
Unadjusted Difference	2,838,791	(26,246,318)	(23,407,527)	5,469,107	(17,938,419)
<i>plus</i> Timing Differences	7,119,853	8,001,188	15,121,041	14,679,706	29,800,747
Adjusted Difference	\$ 9,958,644	\$ (18,245,130)	\$ (8,286,486)	\$ 20,148,813	\$ 11,862,328

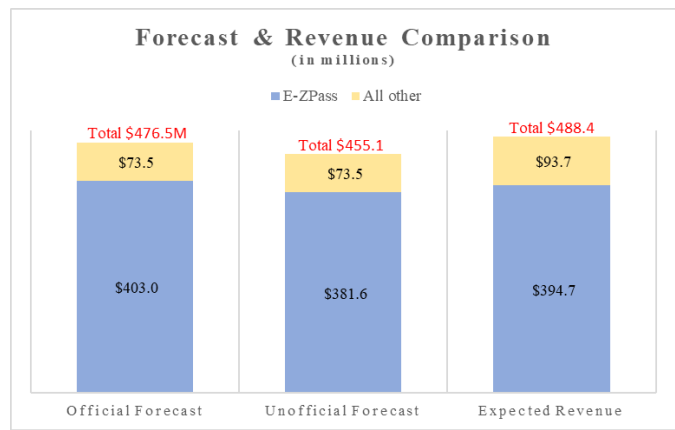
¹ Includes items such as Hatem Bridge discount plan (\$20.00 annual plan), oversize permit fees, transponder sales, civil penalties, unused trips, commercial post-usage discount & monthly account fees (non-Maryland addresses).

Timing differences are transactions that we continue to have a reasonable expectation of collection within FY 2022. These transactions, totaling \$29.8 million, were forecasted to be processed and collected by this reporting period. Should the estimated revenue timing differences not materialize in FY 2022, the MDTA would still exceed its financial standards.

Elimination of Current Year E-ZPass Revenue Underperformance

Prior MDTA Board updates showed the current year *E-ZPass* revenue under-performing the forecast and the prior year over-performing the forecast. Due to the potential future year revenue forecast impacts, the current year under-performance required further analysis. Working collaboratively with CDMSmith and TransCore, we determined the current year forecast included backlog revenue that was also included as prior year revenue. This analysis and future analyses capture the additional backlog revenue in the prior year *E-ZPass* category. As of January 31, 2022, the additional revenue totaled \$21.4M¹. CDMSmith determined the forecast overstatement is limited to FY 2022.

The identification of the forecast overstatement is good news for the MDTA. First, MDTA’s actual/expected revenue is the relevant measure to evaluate MDTA’s financial health. The forecast overstatement has no bearing on MDTA’s actual revenue. MDTA’s actual/expected revenue is exceeding the original forecast and far exceeding the unofficial forecast.



Second, the prior concerns with possible current year 2-axle *E-ZPass* revenue underperformance has been eliminated. Attachment B shows 2-axle Maryland accountholder (Home) and Commercial revenue aligns with the forecast and 2-axle non-Maryland accountholder (Away) revenue exceeds the forecast. CDMSmith will analyze the away transaction over achievement in the fall when preparing MDTA’s official forecast to determine if the positive performance is isolated to the current fiscal year or expected to continue in subsequent years.

Forecast and Actual Performance Analysis

MDTA’s official T&R forecast, issued by CDMSmith, dated November 4, 2021, projects T&R on a cash basis to mirror MDTA’s trust agreement revenue recognition requirement². Attachment A analyzes toll revenue performance by comparing actual revenue collected (cash basis) to the official forecast. Actual revenue collected was then adjusted for revenue staff expectations. The actual revenue adjustments include: 1) revenues certain to be collected prior to June 30, 2022, and 2) revenues that at the time of the forecast were expected to be processed and collected as of January 31, 2022.

¹ The overstatement for the entire fiscal year totals \$36M. \$21M represents the cumulative overstatement as of January 31, 2022. At this point, the monthly increase in the overstatement is being offset by the over-performance in other areas.

² MDTA’s financial statements recognize revenue on an accrual basis in accordance with generally accepted accounting principles.

Traffic & Revenue Update
Page Three

A positive outcome since last month is the decrease between unadjusted actual revenue and the forecast and timing differences. Unadjusted actual revenue compared to the forecast improved by \$5 million and timing differences decreased \$4.7 million.

	as of		Difference
	1/31/2022	12/31/2021	
	amounts in millions		
Unadjusted Actual Revenue less Forecasted Revenue	\$ (17.9)	\$ (22.9)	\$ 5.0
Timing Difference Total	\$ 29.8	\$ 42.2	\$ (12.4)
IAG I-tolls excluded in January & included in December ⁴	\$ 7.8	\$ -	\$ 7.8
Adjusted Difference Total	\$ 37.6	\$ 42.2	\$ (4.7)

⁴ In order to ensure conservatism, the *E-ZPass* backlog, IAG, I-tolls timing difference was removed from this month's analysis because these transactions may be processed as Video Tolls.

Attachment B analyzes the reasons for variances. This analysis has not identified any variances that are concerning or would negatively impact MDTA's subsequent year revenue forecasts. For the seven-month period of July 2021 to January 2022, the FY2022 daily legacy facility *E-ZPass* revenue exceeded the forecast by nearly \$10 million. The ICC and ETL are below forecast by nearly \$4 million.

Attachments

- Attachment A: Comparison of Official Forecast to Actual Toll Revenue Performance
- Attachment B: Analysis of Actual Toll Revenue Performance & Financial Forecast Differences
- Attachment C: FY 2022 Forecast vs. Actual Revenue – By Facility
- Attachment D: FY 2022 Forecast vs. Actual Revenue – By Payment Method

Attachment A
Comparison of Official Forecast to Actual Toll Revenue Performance
July 1, 2021 to January 31, 2022

Toll Revenue Forecast:		\$476,531,000
Actual Revenue:		
<i>E-ZPass</i>	379,588,473	
Pay-By-Plate	848,976	
Video Toll	61,655,629	
Administrative Toll	16,499,502	
Total Actual Revenue		458,592,581
Unadjusted Actual Revenue less Forecasted Revenue		(17,938,419)
Timing Difference Estimates:		
<u>E-ZPass FY2022 (Current) Transaction Timing Differences</u>		
Posted Fewer Days than Forecasted, as of January 31, 2022		
▪ All Facilities: IAG File Transfer Lag (5 days, 1 partial days)	3,403,738	
▪ All Facilities: Home Lag (5 days, 1 partial day)	2,840,832	
▪ All Facilities: IAG, E-tolls (VDOT 1 day, CFX 14 partial days, MASSDOT 1 partial day, PTC & FTE 3 days)	344,577	
▪ ICC: Home & IAG, E-tolls & I-tolls (3 Days)	418,788	
Total Posted Fewer Days than Forecasted, net		7,007,936
All Facilities: Image Files Region of Interest Corrections		111,917
Total <i>E-ZPass</i> FY2022 Transaction Timing Differences		7,119,853
<u>E-ZPass FY 2021 (Backlog) Transaction Timing Differences:</u>		
Posted Fewer Days than Forecasted, as of January 31, 2022, net		
▪ ICC: Home, E-tolls (29 days behind)	2,112,902	
▪ ICC: IAG, E-tolls (62 days behind)	994,455	
▪ All Facilities: IAG, E-tolls (9 days behind, 7 partial days behind)	3,200,674	
▪ All Facilities: Home, I-tolls (ICC 20 days behind, Legacy 18 days behind)	773,690	
Total Posted Fewer Days than Forecasted, net		7,081,721
All Facilities: Image Files Region of Interest Corrections		919,467
Total <i>E-ZPass</i> FY 2021 Transactions Timing Differences		8,001,188
<u>Video Toll Timing Differences:</u>		
Mailed 4.3M less Transactions than Forecasted (Jul-Dec 2021)		14,679,706
Total Video Tolls Timing Differences		14,679,706
Total Timing Difference Estimates		29,800,747
Adjusted Actual Revenue less Forecasted Revenue		11,862,328

Attachment B
Analysis of Actual Toll Revenue Performance & Financial Forecast Differences

Adjusted Difference (Forecast less Adjusted Actual Revenue)	\$11,862,328
Forecast Assumption Difference Estimates:	
Transactions Not Included in the Forecast	
FY 2021 E-ZPass Transactions	7,552,092
FY 2021 Image Region of Interest Corrections	919,467
FY 2021 or prior Video Toll CCU & Court Collections	286,060
Payments for NOTDs mailed in January 2022 (included in February forecast)	2,111,012
Total Transaction Not Included in the Forecast (1)	10,868,631
Forecast Overstatement (1)	(21,358,729)
E-ZPass Assumptions:	
IAG I-tolls forecasted, likely to be processed as Video Toll Transactions (3)	(7,751,758)
FY 2021 Daily E-ZPass Actual Average Revenue Higher than Forecasted (1)	2,393,799
FY2022 Daily E-ZPass Actual Average Revenue Higher than Forecasted	
Legacy: 2-axle vehicles (Home) (3)	1,146,000
Legacy: 2-axle vehicles (Away) (4)	10,829,000
Legacy: Commercial (3)	1,889,000
ICC & ETL (4)	(3,920,000)
Rounding	14,644
Total FY2022 Daily E-ZPass Actual Average Revenue Higher than Forecasted	9,958,644
Total E-ZPass Assumption Differences	4,600,685
Video Toll Assumptions:	
Video Toll Actual Average Toll Rate Higher than Forecasted (3)	4,269,402
Video Toll Collection Rate Higher than Forecasted (3)	7,136,028
Pay-By-Plate Payments Lower than Forecasted (4)	(3,685,948)
Total Video Toll Assumption Differences	7,719,482
Administrative Toll Revenue Higher than Forecasted (3)	9,343,502
Total Forecast Assumption Differences	11,173,570
Unreconciled/Analyzed Difference	\$ (688,758)

(1) No impact on future T&R forecast

(2) Positive impact on future T&R forecast

(3) Unlikely to impact future T&R forecast

(4) Further analysis required to determine if future T&R forecast will be impacted

Attachment C
FY 2022 Forecast vs. Actual Revenue – By Facility
Current Year + Backlog

FY22									
Legacy Facilities									
		July	August	September	October	November	December	January	Jul-Jan
E-ZPass	Forecast	\$ 72,938,000	\$ 47,967,000	\$ 45,000,000	\$ 46,263,000	\$ 44,823,000	\$ 46,162,000	\$ 41,689,000	\$ 344,842,000
	Actual	72,663,031	45,750,497	36,455,410	45,876,015	42,783,257	37,914,827	45,604,984	327,048,022
	Difference	(274,969)	(2,216,503)	(8,544,590)	(386,985)	(2,039,743)	(8,247,173)	3,915,984	(17,793,978)
Video, Pay-By-Plate & Other	Forecast	(656,746)	1,574,599	8,685,429	11,925,731	13,548,618	16,680,216	16,688,498	\$ 68,446,345
	Actual	3,818,872	3,658,360	9,509,751	9,661,671	12,695,460	14,360,914	17,354,155	\$ 71,059,183
	Difference	4,475,618	2,083,762	824,323	(2,264,060)	(853,158)	(2,319,303)	665,658	2,612,839
Total	Forecast	72,281,254	49,541,599	53,685,429	58,188,731	58,371,618	62,842,216	58,377,498	\$ 413,288,345
	Actual	76,481,903	49,408,857	45,965,162	55,537,686	55,478,717	52,275,741	62,959,140	\$ 398,107,206
	Difference	\$ 4,200,649	\$ (132,741)	\$ (7,720,267)	\$ (2,651,045)	\$ (2,892,900)	\$ (10,566,476)	\$ 4,581,642	\$ (15,181,139)
Intercounty Connector									
		July	August	September	October	November	December	January	Jul-Jan
E-ZPass	Forecast	\$ 8,446,000	\$ 7,023,000	\$ 6,858,000	\$ 7,214,000	\$ 6,837,000	\$ 6,652,000	\$ 6,301,000	\$ 49,331,000
	Actual	8,437,820	6,116,460	6,440,834	6,309,779	6,203,961	5,727,699	5,201,993	44,438,547
	Difference	(8,180)	(906,540)	(417,166)	(904,221)	(633,039)	(924,301)	(1,099,007)	(4,892,453)
Video, Pay-By-Plate & Other	Forecast	(140,254)	69,401	649,571	868,269	1,121,382	1,270,784	1,249,502	\$ 5,088,655
	Actual	440,084	153,236	607,061	970,222	1,407,721	1,831,766	2,534,832	\$ 7,944,924
	Difference	580,338	83,835	(42,510)	101,953	286,339	560,983	1,285,330	2,856,269
Total	Forecast	8,305,746	7,092,401	7,507,571	8,082,269	7,958,382	7,922,784	7,550,502	\$ 54,419,655
	Actual	8,877,904	6,269,696	7,047,896	7,280,001	7,611,683	7,559,466	7,736,825	\$ 52,383,471
	Difference	\$ 572,158	\$ (822,705)	\$ (459,676)	\$ (802,268)	\$ (346,699)	\$ (363,318)	\$ 186,323	\$ (2,036,185)
I-95 Express Toll Lanes									
		July	August	September	October	November	December	January	Jul-Jan
E-Zpass, Video, Pay-By-Plate & Other	Forecast	\$ 1,804,000	\$ 1,265,000	\$ 1,103,000	\$ 1,317,000	\$ 1,207,000	\$ 1,218,000	\$ 909,000	\$ 8,823,000
	Actual	1,797,323	1,125,344	911,081	1,122,837	1,071,180	972,348	1,101,792	8,101,904
	Difference	\$ (6,677)	\$ (139,656)	\$ (191,919)	\$ (194,163)	\$ (135,820)	\$ (245,652)	\$ 192,792	\$ (721,096)
All Facilities									
		July	August	September	October	November	December	January	Jul-Jan
	Forecast	\$ 82,391,000	\$ 57,899,000	\$ 62,296,000	\$ 67,588,000	\$ 67,537,000	\$ 71,983,000	\$ 66,837,000	\$ 476,531,000
	Actual	87,157,130	56,803,898	53,924,138	63,940,524	64,161,580	60,807,554	71,797,757	\$ 458,592,581
	Difference	\$ 4,766,130	\$ (1,095,102)	\$ (8,371,862)	\$ (3,647,476)	\$ (3,375,420)	\$ (11,175,446)	\$ 4,960,757	\$ (17,938,419)

Attachment D
FY 2022 Forecast vs. Actual Revenue – By Payment Method
Current Year + Backlog

		FY22							
		E-ZPass							
		July	August	September	October	November	December	January	Jul-Jan
Forecast	Legacy	\$ 72,938,000	\$ 47,967,000	\$ 45,000,000	\$ 46,263,000	\$ 44,823,000	\$ 46,162,000	\$ 41,689,000	\$ 344,842,000
	ICC	8,446,000	7,023,000	6,858,000	7,214,000	6,837,000	6,652,000	6,301,000	\$ 49,331,000
	ETL	1,804,000	1,265,000	1,103,000	1,317,000	1,207,000	1,218,000	909,000	\$ 8,823,000
	Total	83,188,000	56,255,000	52,961,000	54,794,000	52,867,000	54,032,000	48,899,000	402,996,000
Actual	Legacy	72,663,031	45,750,497	36,455,410	45,876,015	42,783,257	37,914,827	45,604,984	\$ 327,048,022
	ICC	8,437,820	6,116,460	6,440,834	6,309,779	6,203,961	5,727,699	5,201,993	\$ 44,438,547
	ETL	1,797,323	1,125,344	911,081	1,122,837	1,071,180	972,348	1,101,792	\$ 8,101,904
	Total	82,898,174	52,992,301	43,807,326	53,308,631	50,058,399	44,614,874	51,908,769	379,588,473
Difference		\$ (289,826)	\$ (3,262,699)	\$ (9,153,674)	\$ (1,485,369)	\$ (2,808,601)	\$ (9,417,126)	\$ 3,009,769	\$ (23,407,527)

		Video, Pay-By-Plate & Other							
		July	August	September	October	November	December	January	Jul-Jan
Forecast	Legacy	\$ (656,746)	\$ 1,574,599	\$ 8,685,429	\$ 11,925,731	\$ 13,548,618	\$ 16,680,216	\$ 16,688,498	\$ 68,446,345
	ICC	(140,254)	69,401	649,571	868,269	1,121,382	1,270,784	1,249,502	\$ 5,088,655
	Total	(797,000)	1,644,000	9,335,000	12,794,000	14,670,000	17,951,000	17,938,000	73,535,000
Actual	Legacy	3,818,872	3,658,360	9,509,751	9,661,671	12,695,460	14,360,914	17,354,155	\$ 71,059,183
	ICC	440,084	153,236	607,061	970,222	1,407,721	1,831,766	2,534,832	\$ 7,944,924
	Total	4,258,956	3,811,597	10,116,813	10,631,892	14,103,181	16,192,680	19,888,988	79,004,107
Difference		\$ 5,055,956	\$ 2,167,597	\$ 781,813	\$ (2,162,108)	\$ (566,819)	\$ (1,758,320)	\$ 1,950,988	\$ 5,469,107

		All Revenue							
		July	August	September	October	November	December	January	Jul-Jan
Forecast		\$ 82,391,000	\$ 57,899,000	\$ 62,296,000	\$ 67,588,000	\$ 67,537,000	\$ 71,983,000	\$ 66,837,000	\$ 476,531,000
Actual		87,157,130	56,803,898	53,924,138	63,940,524	64,161,580	60,807,554	71,797,757	\$ 458,592,581
Difference		\$ 4,766,130	\$ (1,095,102)	\$ (8,371,862)	\$ (3,647,476)	\$ (3,375,420)	\$ (11,175,446)	\$ 4,960,757	\$ (17,938,419)

TAB 5

VERBAL

TAB 6



MEMORANDUM

TO: MDTA Board
FROM: Mr. Will Pines, Acting Executive Director
Ms. Deb Sharpless, Chief Financial Officer
SUBJECT: Customer Assistance Plan
DATE: February 24, 2022

PURPOSE

The purpose of this agenda item is to request MDTA Board approval of a temporary Customer Assistance Plan that includes (1) immediately suspending the escalation of accounts to the Maryland Department of Transportation Motor Vehicle Administration (MDOT MVA) and the Central Collections Unit (CCU); (2) waiving civil penalties when the associated Video Tolls are paid by November 30, 2022; (3) increasing the number of Call Center Customer Service Representatives (CSR) over the coming months; and (4) exploring a potential payment plan option for future deployment.

This civil penalty waiver grace period is **not** toll forgiveness (or amnesty) nor an elimination of tolls owed.

KEY TAKEAWAYS

Customer Service

- Provides customers a grace period to spread out payments of unpaid Video Tolls at the customer’s convenience, while avoiding further escalations to MVA & CCU and saving customers millions on actual & potential civil penalties.
 - Acts as a temporary payment plan by allowing customers to stretch out toll payments over the waiver grace period.
 - Aligns with MDTA’s long-standing goal for customers to pay their tolls without incurring penalties.
- Reduces customer wait times to acceptable standards.

Financial

- Adheres to financial policies, including unencumbered cash and debt service coverage.
- Results in long-term adherence with financial policies remaining unchanged.

- Focuses on net impact to the MDTA's bottom line, including current civil penalty waivers, improved Video Toll payment rates, and cost avoidance.
- Results in net costs projected to be largely offset by current year revenue over-achievement compared to the official forecast.
- Provides a path forward for the continued payment of tolls, including proactively utilizing the website to pay Video Tolls prior to the mailing of a Notice of Toll Due and receiving a 15% discount (maximum savings of \$5.00 per transaction), or toll transfers when Video Toll customers sign up as *E-ZPass*® customers to save on tolls.

SUMMARY

A temporary Customer Assistance Plan is being proposed at this time to help address customer service issues stemming from the Video Toll Notice of Toll Due (NOTD) backlog processing and the associated web site/call center challenges the backlog has created. Since resuming backlog mailings in October 2020, customers have experienced long call wait times, despite expanded in person service hours since January 2021. Notwithstanding advanced notices of forthcoming toll postings, the metered backlog processing, and new payment options available with the major toll system transition in April 2021, customers without an *E-ZPass* are facing financial challenges to pay their tolls prior to incurring civil penalties.

The proposed plan includes:

1. Immediately discontinuing the escalation of unpaid tolls and civil penalties to CCU and MDOT MVA through November 30, 2022, to provide a grace period for customers to pay unpaid tolls without the worry of further consequences;
2. Providing a grace period for civil penalty (i.e., late fee) waivers when customers pay for unpaid Video Tolls by midnight November 30, 2022;
3. Increasing the number of Call Center CSRs to reduce wait times until call and web chat volumes normalize and acceptable wait times can be maintained; and
4. Exploring a potential payment plan option for future deployment.

Items No. 1 & 2 from the above proposed plan are financially responsible and are expected to allow the MDTA to maintain its financial standards (unencumbered cash and debt service coverage) for the same duration of years previously reported through its financial forecasts. Based on similar participation levels to a 2015 civil penalty waiver program, customers could save an estimated \$125 million in civil penalty waivers. The net financial cost to the MDTA, when considering the volume of current civil penalty waivers being processed, the current below-average Video Toll payment rate, and the avoidance of future costs, is estimated at \$27.3 million over the next two years. A portion of the estimated net cost is anticipated to offset with the over-achievement of revenue from the current year forecast. Furthermore, when determining a revenue impact, the collectability should be factored against the gross revenue (i.e., reduced). The collectability of the civil penalties waived could not be estimated. Lastly, the waiver grace period may result in customers utilizing the website more to identify their toll transactions for payment, which will better enable customers to proactively identify future Video Tolls prior to the mailing of an NOTD and receive the early payment discount of 15% (maximum savings of \$5.00 per transaction). Video Toll customers also may choose to become a Pay-By-Plate or

E-ZPass customer to save on every trip.

Item No. 3 from the above proposed plan represents an action required to meet the customer service standards all State agencies committed to through the Hogan Administration's promise to provide the best possible customer service to our citizens in all interactions.

Item No. 4 may provide improved customer service and financial benefits over today's payment plan options that CCU provides for MDTA. Potential payment plan options would require several actions, such as getting a signed agreement with the MDTA toll vendor, taking a contract modification to both the MDTA Board and the Board of Public Works for approval, and bringing any regulatory changes to the Administrative Executive and Legislative Review Committee. Due to regulatory and statutory requirements, it is important to understand this step requires additional time for further exploration.

This civil penalty waiver grace period is **not** toll forgiveness (or amnesty) nor an elimination of tolls owed. The MDTA Board has the limited statutory authority to provide waivers, whereas an elimination of tolls or "free passage" is prohibited under the MDTA Trust Agreement. Under the proposed plan, customers would remain responsible for paying the outstanding toll amount owed, in full, with only the associated civil penalty amounts being waived during the grace period. Video Toll customers with unpaid civil penalties, as of the start of the grace period through November 30, 2022 would be eligible, regardless of when the civil penalty was incurred. This also includes *E-ZPass* customers who received Video Tolls resulting from inaccurate account information, expired credit cards and/or unfunded accounts.

Customers who dispute liability for toll transactions may still request a trial in District Court. Customers with pending court cases for contested transactions will be dismissed if the toll is paid in full and only the civil penalty debt remains. MDTA will dismiss civil penalties and seek only the toll amount due from customers who appear in court during the waiver period.

The civil penalty waiver grace period would **not** be retroactive on civil penalties already paid. Customers who have previously paid civil penalties will not be issued refunds. Customers that have previously contested citations to District Court and been found liable, and customers with accounts already escalated to MDOT MVA for non-renewal of vehicle registration or CCU for collections are not eligible for the Plan.

Statute requires a citation to be mailed within 60 days of the Video Toll notice due date (based on mailing). During the civil penalty waiver grace period, the MDTA will continue to mail citations/civil penalties if the NOTD is not paid by the due date. Customers who choose to not pay their Video Tolls prior to the due date and do not take advantage of the waiver grace period which ends on November 30, 2022, will remain responsible for their tolls and civil penalties.

A similar waiver program occurred in 2015. The MDTA ceased further enforcement and waived civil penalties for unpaid Video Tolls paid during a one-month waiver program, allowing toll violators to pay off their debt in full without civil penalties.

The MDTA will provide additional educational and outreach efforts using several tactics including news releases, customer messaging, and digital and social media.

Key Dates

- Payments made/postmarked **BEFORE February 24, 2022**: Civil penalties that are already paid will not be reimbursed.
- Payments made/postmarked **February 24, 2022 – November 30, 2022**: For every unpaid Video Toll transaction paid in full, the corresponding civil penalty will be waived. Additionally, no toll debt will be escalated to CCU or MDOT MVA.
- **February 24, 2022 – Mid-March 2022**: Civil penalties will be waived for each paid Video Toll, but civil penalties remain on accounts until the software changes are in place to reflect the waiver.
- **Mid-March 2022**: The system functionality / software programming for the waiver grace period is completed, allowing customers to confirm online that their penalties are being waived following full toll payment.
- **November 30, 2022**, at midnight: Civil penalty waiver grace period ends.
- **December 1, 2022**: All unpaid tolls AND civil penalties are due based on the printed due dates, and toll debt escalations resume. Customers who choose to not pay their Video Tolls prior to the due date and do not take advantage of the waiver grace period which ends on November 30, 2022, will remain responsible for their tolls and civil penalties.

RECOMMENDATION

MDTA Board approval of the Customer Assistance Plan.

TAB 7



MEMORANDUM

TO: MDTA Board
FROM: Mr. Allen W. Garman, Director of Treasury & Debt
SUBJECT: Investment Report
DATE: February 24, 2022

PURPOSE OF MEMORANDUM

The purpose of this memorandum is to give the quarterly update on investment strategy and performance and to seek MDTA Board approval for a continuation of the investment strategies and benchmarks for the current quarter. This item was discussed in detail at the February 8, 2022 Finance Committee meeting and the committee supports the continuation of the current investment strategies for all accounts.

SUMMARY

For the trailing twelve-month period ended December 31, 2021, investments conformed to Investment Policy limitations, portfolio structuring by account adhered to MDTA Board approved strategy, and total return performance for the General account was commensurate with the benchmark index.

During the duration extension transition period for the M&O Reserve, the account has gradually lengthened to the new index and effective October now approximates the new benchmark's duration. Trailing twelve-month total return performance for the M&O Reserve will not have a good comparable benchmark until October 2022, a full year after transition, but monthly returns have aligned with the new index for November and December of 2021.

The MDTA Board approved an investment strategy and benchmark change at its February 27, 2020 meeting to lengthen the average maturity of certain unrestricted reserves to 7.5-years from 3-years, as well as the associated Effective Duration (rate driven price volatility) to 7.0 from 3.0. Implementation of this strategy change was delayed as a result of the pandemic induced market volatility, distortions, and record low interest rates. At the November 2020 meeting, the MDTA Board approved a gradual transition for a small portion (14%) of the unrestricted cash held in the M&O Reserve. The Investment Committee will continue to update the MDTA Board periodically on the recommended timing for restructuring the remaining 86% of unrestricted reserves held in the General account.

INVESTMENT STRATEGY

The agency employs either a Matched Funding or Total Return approach for certain categories of accounts.

- Debt Service, Capital, and Operating accounts are managed on a Matched Funding basis, with investment maturities matched to known or potential outflows.
- Unrestricted and Restricted Reserves are managed for Total Return, with consideration of the risk/return tradeoff associated with longer-term structures.
 - Longer duration portfolios benefit from higher average annual returns over multiyear periods and tend to exhibit greater return volatility relative to shorter-term maturity structures.

The General account is benchmarked to a composite index of 1-5-year bullet agency indices. The blended composite index is fifty percent of the ICE BOFAML 1-3 Year Bullet Agency Index and fifty percent of the 3-5 Year Bullet Agency Index. Investment maturities are generally staggered from three-months to five-years, with overweight in the three- to five-year maturity bands and an effective duration target of approximately 3.0.

The M&O Reserve account began transitioning in December 2020 from the 1-5 year bullet agency benchmark to a new composite of 1-13 year Treasury Strip indices that approximates the effective duration of a laddered portfolio of 6-month to 15-year securities. The new strategy lengthened the average maturity of the account to 7.5-years from 3-years, as well as the associated effective duration to 7.0 from 3.0. During the duration extension transition period, the portfolio remained short relative to the new index and trailing twelve-month total return performance will not have a good comparable benchmark, though single month returns are now commensurate with the index.

RELATIVE PERFORMANCE AND BENCHMARKING

The General account unrestricted reserve was positioned during the trailing twelve-months with an effective duration averaging near the 1-5 year bullet agency benchmark.

- The General account's trailing total return performance of -1.04 percent was commensurate with the index's return of -1.13 percent. The negative return was associated with the mark-to-market price changes in the rising rate environment.
- The M&O Reserve's trailing performance of -0.96 percent was closer to the old benchmark's return of -1.13 percent versus the new benchmark's return of -2.27 percent, with the favorable variance attributable to the short duration positioning in the rising rate environment.

As noted above in the Strategy section, the M&O Reserve remained short relative to the new benchmark index during the extension period. Although trailing twelve-month returns are not comparable to either the new or old benchmarks, single month returns have aligned with the new benchmark starting in November.

RECOMMENDATION

- Approve a continuation of the investment strategies and benchmarks for the current quarter.

TAB 8



Maryland
Transportation
Authority

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
James F. Ports, Jr., Chairman

Board Members:
Dontae Carroll
William H. Cox, Jr.
William C. Ensor, III
W. Lee Gaines, Jr.

Mario J. Gangemi, P.E.
Cynthia D. Penny-Ardinger
Jeffrey S. Rosen
John F. von Paris

William Pines, PE, Acting Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Mr. Allen W. Garman, Director of Treasury & Debt
SUBJECT: Resolution 22-01 - PFC Financing
DATE: February 24, 2022

PURPOSE OF MEMORANDUM

To request MDTA Board approval of Board Resolution 22-01 to authorize the issuance of the BWI Passenger Facility Charge (PFC) revenue bonds or alternative financing options (bank loan) to refinance the Series 2012 bonds for economic savings.

SUMMARY

The PFC airport bonds are non-recourse to the MDTA and are issued for the Maryland Department of Transportation, Maryland Aviation Administration (MDOT MAA) to finance projects at the Baltimore Washington International Marshall Airport (BWI Marshall Airport).

- Resolution 22-01 authorizes \$130 million of bonds to refinance the PFC Series 2012 A/B bonds for economic savings and potentially refinance the Series 2012 C variable rate bonds to fixed rate.
- The Resolution also authorizes the payment of issuance costs and the optional funding of a debt service reserve.

Of the \$186 million in Series 2012 PFC bonds originally issued, a combined \$111 million of the three series are currently callable or will be callable on June 1, 2022. Per IRS rules, *current refunding* bonds may be issued up to 90-days before the call date.

- Anticipated savings of approximately \$5 million for the Series 2012 A/B refinancing component will be realized over a ten-year period.

Resolution 22-01 PFC Financing

Page Two

The Executive Director and Chief Financial Officer (CFO) will have the authority to manage the bond sale and closing, including the award of the 2022 bonds to the successful underwriting firm(s) or negotiation of terms for a private placement. The resolution also provides for authority to select other service providers and to prepare and execute all closing documents, certificates, and bond forms.

Key Points:

1. Call Dates Series A, B, C 6/1/22, Current, Current
2. Callable Par Combined 6/1/22 A, B, C \$111.07 million
3. Int. Cost IRR Eff. 6/1/22 Series A, B 4.45%, 2.52%
4. Expected New Issue Interest Cost A, B \approx 2%
5. Expected Savings % Par Series A, B 7%
6. Expected Nominal Savings Series A, B \$5.2 million
7. Potential Sale Date Early May

Resolution contains the following limiting provisions:

1. Par Amount – Limited to \$130 million.
2. Final Maturity Date – In compliance with IRS regulations, no later than the final June 1, 2032 maturity date of the Series 2012 bonds.
3. Bond Sale Date – No later than December 30, 2022.
4. Bond Sale Report on Results – Provided by the Executive Director and CFO at the first Board meeting after the sale date.

RECOMMENDATION

Approve the Board Resolution 22-01.

ATTACHMENTS

- Series 2012 Amortization Tables
- MDTA Board Resolution 22-01

Resolution 22-01 PFC Financing
Page Three

MDTA PFC Series 2012A Bonds

Period	Pincipal	Coupon	Interest	Debt Service	Annual Debt Service	Outstanding
6/1/2012			235,872.50	235,872.50	235,872.50	50,905,000
12/1/2012			1,179,362.50	1,179,362.50		50,905,000
6/1/2013	1,795,000	4.00%	1,179,362.50	2,974,362.50	4,153,725.00	49,110,000
12/1/2013			1,143,462.50	1,143,462.50		49,110,000
6/1/2014	1,835,000	4.00%	1,143,462.50	2,978,462.50	4,121,925.00	47,275,000
12/1/2014			1,106,762.50	1,106,762.50		47,275,000
6/1/2015	1,870,000	4.00%	1,106,762.50	2,976,762.50	4,083,525.00	45,405,000
12/1/2015			1,069,362.50	1,069,362.50		45,405,000
6/1/2016	1,905,000	5.00%	1,069,362.50	2,974,362.50	4,043,725.00	43,500,000
12/1/2016			1,021,737.50	1,021,737.50		43,500,000
6/1/2017	1,965,000	5.00%	1,021,737.50	2,986,737.50	4,008,475.00	41,535,000
12/1/2017			972,612.50	972,612.50		41,535,000
6/1/2018	2,025,000	5.00%	972,612.50	2,997,612.50	3,970,225.00	39,510,000
12/1/2018			921,987.50	921,987.50		39,510,000
6/1/2019	2,085,000	5.00%	921,987.50	3,006,987.50	3,928,975.00	37,425,000
12/1/2019			869,862.50	869,862.50		37,425,000
6/1/2020	2,165,000	5.00%	869,862.50	3,034,862.50	3,904,725.00	35,260,000
12/1/2020			815,737.50	815,737.50		35,260,000
6/1/2021	2,255,000	5.00%	815,737.50	3,070,737.50	3,886,475.00	33,005,000
12/1/2021			759,362.50	759,362.50		33,005,000
6/1/2022	2,345,000	5.00%	759,362.50	3,104,362.50	3,863,725.00	30,660,000
12/1/2022			700,737.50	700,737.50		30,660,000
6/1/2023	2,440,000	5.00%	700,737.50	3,140,737.50	3,841,475.00	28,220,000
12/1/2023			639,737.50	639,737.50		28,220,000
6/1/2024	2,560,000	5.00%	639,737.50	3,199,737.50	3,839,475.00	25,660,000
12/1/2024			575,737.50	575,737.50		25,660,000
6/1/2025	2,690,000	5.00%	575,737.50	3,265,737.50	3,841,475.00	22,970,000
12/1/2025			508,487.50	508,487.50		22,970,000
6/1/2026	2,820,000	5.00%	508,487.50	3,328,487.50	3,836,975.00	20,150,000
12/1/2026			437,987.50	437,987.50		20,150,000
6/1/2027	2,965,000	5.00%	437,987.50	3,402,987.50	3,840,975.00	17,185,000
12/1/2027			363,862.50	363,862.50		17,185,000
6/1/2028	3,110,000	5.00%	363,862.50	3,473,862.50	3,837,725.00	14,075,000
12/1/2028			286,112.50	286,112.50		14,075,000
6/1/2029	3,265,000	4.00%	286,112.50	3,551,112.50	3,837,225.00	10,810,000
12/1/2029			220,812.50	220,812.50		10,810,000
6/1/2030	3,430,000	4.00%	220,812.50	3,650,812.50	3,871,625.00	7,380,000
12/1/2030			152,212.50	152,212.50		7,380,000
6/1/2031	3,600,000	4.13%	152,212.50	3,752,212.50	3,904,425.00	3,780,000
12/1/2031			77,962.50	77,962.50		3,780,000
6/1/2032	3,780,000	4.13%	77,962.50	3,857,962.50	3,935,925.00	
Total	50,905,000		27,883,672.50	78,788,672.50	78,788,672.50	

MDTA PFC Series 2012B Bonds

Year	Principal	Coupon	Interest	Semiannual Debt Service	Annual Debt Service	Outstanding
6/1/2013			1,171,111.67	1,171,111.67	1,171,111.67	92,070,000
12/1/2013			1,254,762.50	1,254,762.50		92,070,000
6/1/2014	5,460,000.00	2.000%	1,254,762.50	6,714,762.50	7,969,525.00	86,610,000
12/1/2014			1,200,162.50	1,200,162.50		86,610,000
6/1/2015	5,570,000.00	2.000%	1,200,162.50	6,770,162.50	7,970,325.00	81,040,000
12/1/2015			1,144,462.50	1,144,462.50		81,040,000
6/1/2016	5,680,000.00	3.000%	1,144,462.50	6,824,462.50	7,968,925.00	75,360,000
12/1/2016			1,059,262.50	1,059,262.50		75,360,000
6/1/2017	5,850,000.00	3.000%	1,059,262.50	6,909,262.50	7,968,525.00	69,510,000
12/1/2017			971,512.50	971,512.50		69,510,000
6/1/2018	6,025,000.00	4.000%	971,512.50	6,996,512.50	7,968,025.00	63,485,000
12/1/2018			851,012.50	851,012.50		63,485,000
6/1/2019	6,265,000.00	4.000%	851,012.50	7,116,012.50	7,967,025.00	57,220,000
12/1/2019			725,712.50	725,712.50		57,220,000
6/1/2020	6,515,000.00	4.000%	725,712.50	7,240,712.50	7,966,425.00	50,705,000
12/1/2020			595,412.50	595,412.50		50,705,000
6/1/2021	6,780,000.00	2.000%	595,412.50	7,375,412.50	7,970,825.00	43,925,000
12/1/2021			527,612.50	527,612.50		43,925,000
6/1/2022	6,915,000.00	2.125%	527,612.50	7,442,612.50	7,970,225.00	37,010,000
12/1/2022			454,140.63	454,140.63		37,010,000
6/1/2023	7,060,000.00	2.250%	454,140.63	7,514,140.63	7,968,281.26	29,950,000
12/1/2023			374,715.63	374,715.63		29,950,000
6/1/2024	7,220,000.00	2.375%	374,715.63	7,594,715.63	7,969,431.26	22,730,000
12/1/2024			288,978.13	288,978.13		22,730,000
6/1/2025	7,390,000.00	2.500%	288,978.13	7,678,978.13	7,967,956.26	15,340,000
12/1/2025			196,603.13	196,603.13		15,340,000
6/1/2026	7,575,000.00	2.500%	196,603.13	7,771,603.13	7,968,206.26	7,765,000
12/1/2026			101,915.63	101,915.63		7,765,000
6/1/2027	7,765,000.00	2.625%	101,915.63	7,866,915.63	7,968,831.26	0
Total	\$92,070,000		\$20,663,643	\$112,733,643	112,733,643	

BWI PFC 2012 C VRDN
Sinking Fund

<u>Due</u>	<u>Principal</u>	<u>Outstanding</u>
		43,400,000
6/1/2028	7,855,000.00	35,545,000
6/1/2029	8,245,000.00	27,300,000
6/1/2030	8,660,000.00	18,640,000
6/1/2031	9,095,000.00	9,545,000
6/1/2032	9,545,000.00	-
	<u>43,400,000.00</u>	

**MARYLAND TRANSPORTATION AUTHORITY
RESOLUTION 22-01**

A RESOLUTION REGARDING THE ISSUANCE BY THE MARYLAND TRANSPORTATION AUTHORITY (THE “MDTA”) OF ONE OR MORE SERIES OF ITS SPECIAL OBLIGATION BALTIMORE/WASHINGTON INTERNATIONAL THURGOOD MARSHALL PASSENGER FACILITY CHARGE (“PFC”) REVENUE BONDS (THE “SERIES 2022 PFC BONDS”) FOR THE PURPOSE OF (I) REFUNDING CERTAIN OUTSTANDING OBLIGATIONS OF THE MDTA ISSUED FOR THE PURPOSE OF FINANCING AND REFINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN AIRPORT FACILITY PROJECTS, (II) FUNDING DEBT SERVICE RESERVE FUNDS, AND (III) PAYING THE COSTS RELATED TO THE ISSUANCE OF THE SERIES 2022 PFC BONDS; APPROVING THE PREPARATION AND DISTRIBUTION OF THE PRELIMINARY AND FINAL OFFICIAL STATEMENTS, A SUPPLEMENTAL TRUST AGREEMENT, AN ESCROW DEPOSIT AGREEMENT AND ANY OTHER NECESSARY AND APPROPRIATE TRANSACTION DOCUMENTS; AUTHORIZING THE SOLICITATION AND SELECTION OF PROVIDERS OF PROFESSIONAL SERVICES; AUTHORIZING CERTAIN OFFICERS TO DETERMINE MATTERS PERTAINING TO THE SALE AND ISSUANCE OF THE SERIES 2022 PFC BONDS, INCLUDING THE FINANCING STRUCTURE AND TERMS; AND AUTHORIZING, SPECIFYING, DETERMINING AND APPROVING CERTAIN OTHER MATTERS PERTAINING TO THE SERIES 2022 PFC BONDS.

WHEREAS, the Maryland Transportation Authority, an agency of the State of Maryland (the “**MDTA**”) is authorized under Sections 4-101 through 4-406 of the Transportation Article of the Annotated Code of Maryland (2015 Replacement Volume, as amended and supplemented from time to time) (the “**Act**”) to finance “transportation facilities projects” (as defined in the Act), to issue revenue bonds for the purpose of financing the cost of transportation facilities projects (which includes airport facilities), to issue revenue bonds for the purpose of financing and refinancing transportation facilities projects, to issue revenue bonds for the purpose of refunding any of its outstanding revenue bonds, and to perform any actions necessary or convenient to carry out the powers granted in the Act; and

WHEREAS, the Maryland Aviation Administration, an agency of the State of Maryland and a unit within the Maryland Department of Transportation (the “**MDOT MAA**”) is authorized pursuant to Section 5-404 of the Transportation Article of the Annotated Code of Maryland (2015 Replacement Volume, as amended and supplemented from time to time) to establish or operate airports and airport facilities utilizing funds available under the Act; and

WHEREAS, the MDOT MAA requested that the MDTA issue one or more series of its Special Obligation Passenger Facility Charge Revenue Bonds (the “**Series 2022 PFC Bonds**”) for the purpose of refunding certain outstanding revenue bonds issued for airport facilities; and

WHEREAS, the MDTA entered into the Trust Agreement dated as of December 1, 2003 (as previously amended and supplemented, the “**PFC Trust Agreement**”), with Manufacturers and Traders Trust Company, as trustee, to issue revenue bonds secured by a portion of the passenger facility charge revenues generated from the operation of the airport facilities at Baltimore/Washington International Thurgood Marshall Airport (the “**PFC Revenues**”); and

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WHEREAS, pursuant to Sections 2.01 and 2.05 of the PFC Trust Agreement, the MDTA has issued its Passenger Facility Charge Revenue Bonds, Series 2012A, dated April 25, 2012 (the “**Series 2012A PFC Bonds**”), its Passenger Facility Charge Revenue Bonds, Series 2012B, dated December 13, 2012 (the “**Series 2012B PFC Bonds**”) and its Variable Rate Passenger Facility Charge Revenue Bonds, Series 2012C, dated December 13, 2012 (the “**Series 2012C PFC Bonds**”) and, together with the Series 2012A PFC Bonds and the Series 2012B PFC Bonds, the “**Outstanding Prior Bonds**”) for the purpose of financing improvements to certain Airport Facilities Projects (as defined in the PFC Trust Agreement); and

WHEREAS, Section 2.05 of the PFC Trust Agreement provides that the MDTA may from time to time issue Additional Bonds (as defined in the PFC Trust Agreement) in accordance with the terms and conditions set forth in the PFC Trust Agreement for the purpose, among others, of (i) paying all or any part of the cost of any additional Airport Facilities Projects (as defined in the PFC Trust Agreement) or (ii) providing funds for refunding all or a portion of the bonds then outstanding of any or all series, whether or not such bonds are then subject to redemption, including providing for the payment of any redemption premium due or to become due thereon, interest to accrue to the selected redemption or maturity date, any serial maturities to become due prior to the selected redemption or maturity date and any expenses in connection with such refunding; and

WHEREAS, the MDTA desires to adopt this Resolution to authorize the execution and delivery of a supplement to the PFC Trust Agreement (the “**Supplemental PFC Trust Agreement**”) that will include, among other provisions, the terms of the Series 2022 PFC Bonds as Additional Bonds and the pledge of PFC Revenues as security for the Series 2022 PFC Bonds, such pledge to include other legally available revenues generated from the operation of the airport facilities at Baltimore/Washington International Thurgood Marshall Airport (“BWI Marshall Airport”) as deemed appropriate by the Executive Director of the MDTA (the “**Executive Director**”); and

WHEREAS, the MDTA desires to authorize the issuance of the Series 2022 PFC Bonds for the purpose of (i) refunding all or a portion of the Outstanding Prior Bonds or all or a portion of any principal maturities thereof (collectively, the “**Refunded Bonds**”), (ii) funding a debt service reserve fund, and (iii) paying the costs related to issuance of the Series 2022 PFC Bonds, provided that certain conditions set forth in this Resolution are met.

NOW, THEREFORE, BE IT RESOLVED BY THE MARYLAND TRANSPORTATION AUTHORITY, as follows:

Section 1. The MDTA hereby authorizes the issuance of one or more series of PFC Bonds designated as its “Passenger Facility Charge Revenue Refunding Bonds, Series 2022, Baltimore/Washington International Thurgood Marshall Airport,” or such other or further designation as may be deemed appropriate by the Executive Director, in a total aggregate principal amount not to exceed One Hundred Thirty Million Dollars (\$130,000,000), for the purpose of (i) refunding all or a portion of the Outstanding Prior Bonds or all or a portion of any principal maturities thereof, (ii) funding a debt service reserve fund and (iii) paying the costs related to the issuance of the Series 2022 PFC Bonds, subject to the limitations set forth below in Section 3(b).

Section 2. The Series 2022 PFC Bonds will be issuable as fully registered bonds without coupons and may be issued in such denominations as the Executive Director may determine, in consultation with the Chief Financial Officer of the MDTA (the “**Chief Financial Officer**”), the Chief Financial Officer to the Maryland Department of Transportation (the “**Department CFO**”), the Chief Financial Officer of MDOT MAA (the “**MAA CFO**”), and the financial advisors and bond counsel to the MDTA, as appropriate. The Series 2022 PFC Bonds are special obligations of the MDTA payable, as to principal and interest, solely from the revenues and funds pledged thereto under the PFC Trust Agreement, as amended and supplemented, and are not and shall not be deemed (i) to be general obligations of the MDTA, (ii) to constitute obligations of the Maryland Department of Transportation (the “**Department**”) or the MDOT MAA, or (iii) to constitute a debt or a pledge of the faith and credit of the State of Maryland or any political subdivision thereof. The revenues pledged under the Second Amended and Restated Trust Agreement dated as of September 1, 2007 (as amended and supplemented, the “**Toll Facilities Trust**”) derived from the Transportation Facilities Projects or the General Account Projects (as such terms are defined in the Toll Facilities Trust) will not be pledged as security for the Series 2022 PFC Bonds or any other bonds issued under the PFC Trust Agreement, as supplemented and amended. Therefore, the limitation on the outstanding principal amount of toll revenue bonds issued by the MDTA and secured by toll revenues set forth in Section 4-306(b) of the Act does not apply to the Series 2022 PFC Bonds.

Section 3. Bond Sale.

(a) The MDTA hereby authorizes its Executive Director to sell one or more series of the Series 2022 PFC Bonds by one or more competitive sales or by negotiated sales (including but not limited to a direct placement with a financial institution), upon terms determined by the Executive Director, with the advice of the Chief Financial Officer, the Department CFO, the MAA CFO, its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, the MDOT MAA and the Department, to be the most advantageous for the MDOT MAA, provided that such sale or sales must occur no later than December 30, 2022, unless a later sale date is approved by future resolution of the MDTA, and subject to the limitations set forth below in paragraph (b).

(b) The Executive Director is authorized to determine, with the advice of the Chief Financial Officer, bond counsel, financial advisors and, as appropriate, other officers and staff of the MDTA, the terms of the Series 2022 PFC Bonds, including, but not limited to: (i) the rate or rates of interest to be borne by the Series 2022 PFC Bonds or the method of determining the rates for such bonds, provided that the true interest cost, determined by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments to the date of the Series 2022 PFC Bonds and to the price for such bonds, shall not exceed 6%, (ii) the dates of principal and interest payments and final maturity of the Series 2022 PFC Bonds, provided that the final maturity of the Series 2022 PFC Bonds shall not exceed (A) the useful life of the assets financed with the proceeds of the Refunded Bonds and (B) the final maturity of the Refunded Bonds, and (iii) the appropriate changes to the designation for the Series 2022 PFC Bonds .

(c) If the Executive Director determines to negotiate the terms of the sale of all or a portion of the Series 2022 PFC Bonds, the MDTA hereby authorizes the Executive Director,

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with the assistance of the Chief Financial Officer, its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, (1) to solicit and accept proposals for the sale of the Series 2022 PFC Bonds on a private, negotiated basis, and (2) if the sale is negotiated, to negotiate the terms of an agreement for the purchase of the Series 2022 PFC Bonds (a “**Bond Purchase Agreement**”), in accordance with the limitations set forth in this Resolution.

(d) If the Executive Director determines to sell all or a portion of the Series 2022 PFC Bonds by the solicitation of competitive bids, the MDTA hereby authorizes the Executive Director, with the assistance of the Chief Financial Officer, its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, (i) to determine the means for the submission of competitive bids, including but not limited to electronic bids via such service provider as the Executive Director deems appropriate, (ii) to determine the terms and conditions for such sale, including but not limited to, the conditions for acceptance of bids and the criteria for the selection of a winning bidders, subject to the limitations set forth in this Resolution, (iii) to prepare a notice of sale setting forth the terms and conditions of such sales (the “**Notice of Sale**”), and (iv) to advertise such sale, including but not limited to publication of the Notice of Sale or a summary thereof by any electronic medium, financial journal, or such other manner as the Executive Director deems appropriate, at least ten days before the date set for the receipt of bids.

(e) The Executive Director and the Chief Financial Officer shall provide a report of the results of the sale of the Series 2022 PFC Bonds at the first meeting of the MDTA occurring after the sale of the Series 2022 PFC Bonds.

Section 4. The Executive Director is hereby authorized to engage, as appropriate, the services of a trustee, a registrar, a paying agent, an escrow agent, a verification agent, an underwriter, a feasibility consultant, engineers, accountants, printers and such other service providers as the Executive Director deems appropriate from time to time with respect to the Series 2022 PFC Bonds and the Refunded Bonds.

Section 5. The MDTA hereby authorizes the Executive Director, Chief Financial Officer and other staff of the MDTA, with the assistance of its counsel, bond counsel and its financial advisors, to prepare a preliminary official statement, a final official statement, a private placement memorandum or any other form of offering and disclosure documents (each referred to herein as, an “**Official Statement**”) for the sale related to the Series 2022 PFC Bonds and to distribute each Official Statement to the entities that they shall deem appropriate.

Section 6. Subject to the terms set forth in this Resolution, the MDTA hereby authorizes its Executive Director, with the assistance of other officers of the MDTA, counsel to the MDTA, its bond counsel, financial advisors, and staff, to prepare (i) a Fifth Supplemental PFC Trust Agreement, (ii) one or more bond certificates for the Series 2022 PFC Bonds (each, a “**Bond Certificate**”), (iii) an escrow deposit agreement or an escrow letter (the “**Escrow Deposit Agreement**”), if required, and (iv) a continuing disclosure agreement (“**Continuing Disclosure Agreement**”) to assist the underwriters of the Series 2022 PFC Bonds in complying with the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 7. The Chairman of the MDTA (the “**Chairman**”) and the Executive Director are hereby authorized to execute and deliver on behalf of the MDTA each Bond Certificate by their manual or facsimile signatures. The Executive Director is hereby authorized to cause an original or facsimile of the official seal of the MDTA to be imprinted or reproduced on each Bond Certificate.

Section 8. The MDTA hereby authorizes the Chairman and the Executive Director, or either of them, to execute and deliver on behalf of the MDTA, as appropriate, an Official Statement, the Fifth Supplemental PFC Trust Agreement, a Bond Purchase Agreement, an Escrow Deposit Agreement, a Continuing Disclosure Agreement and such other documents and agreements deemed necessary and appropriate by the Chairman or the Executive Director (collectively, together with the Bond Certificates, the “**Bond Documents**”). The execution and delivery by them of the Bond Documents shall be conclusive evidence of their final approval.

Section 9. The MDTA hereby covenants that it will take, or refrain from taking, any and all actions necessary to comply with the provisions of Section 103 and Sections 141 through 150, inclusive, of the Internal Revenue Code of 1986, as amended (the “**Code**”), applicable to the Series 2022 PFC Bonds in order to preserve the status of the interest on the Series 2022 PFC Bonds as excluded from gross income for federal income tax purposes. Without limiting the generality of the covenant set forth in the preceding sentence, (a) the MDTA will not use or permit the use (to the extent it exercises control or direction) of any of the proceeds of the Series 2022 PFC Bonds in such manner as would cause the interest on the Series 2022 PFC Bonds to be included in gross income for federal income tax purposes, (b) the MDTA will regulate the investment of the proceeds of the Series 2022 PFC Bonds (to the extent it exercises control or direction) so as not to cause any of the Series 2022 PFC Bonds to be an “arbitrage bond” within the meaning of Section 148 of the Code and the Income Tax Regulations thereunder, (c) the MDTA will, if and to the extent necessary, make periodic determinations of the rebate amount and timely pay any rebate amount, or installment thereof, to the United States of America, (d) the MDTA will prepare and timely file Internal Revenue Service Form 8038-G, Information Return for Tax-Exempt Governmental Obligations, and/or Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues, and (e) the Executive Director and Chief Financial Officer are hereby authorized and directed to prepare or cause to be prepared and to execute and deliver any certificate, report or other document that may be required in order to assure compliance with the applicable provisions of Section 103 and Sections 141 through 150, inclusive, of the Code, and the Income Tax Regulations promulgated thereunder. The Chairman and the Executive Director are hereby authorized, pursuant to the provisions of Section 147(f) of the Code, to conduct a public hearing to hear any objections to the proposed issuance of the Series 2022 PFC Bonds subject to the requirements of Section 147(f) of the Code, following publication of a notice of public hearing in a newspaper or newspapers of general circulation in Anne Arundel County, Maryland and Baltimore County, Maryland at least 14 days, or fewer days as permitted by Section 147(f), in advance of the date set for such hearing.

Section 10. The Chairman and the Executive Director are hereby authorized to specify, prescribe, determine, provide for or approve, all within the limitations of this Resolution and the Act, all other matters, details, forms, documents and procedures pertaining to the sale, security, issuance, delivery and payment of or for the Series 2022 PFC Bonds, including (without limitation)

RESOLUTION 22-01

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the execution, acknowledgment, sealing and delivery of Bond Documents by the Chairman, Executive Director or any other duly qualified employee, agent or officer of the MDTA as are or may be necessary or appropriate to consummate the transactions contemplated by this Resolution and the option to pledge as security for all or some of the PFC Bonds, in addition to PFC Revenues, other legally available revenues generated from the operation of the airport facilities at BWI Marshall Airport, as deemed appropriate by the Executive Director of the MDTA, in accordance with the Act and this Resolution.

Section 11. The MDTA hereby authorizes its Executive Director and all other proper officers of the MDTA to create, supplement, and amend the Bond Documents and to take such actions or cause to be taken such actions as shall be necessary, proper and convenient for carrying out the purposes of this Resolution, including, but not limited to, expending funds, incurring costs and holding any necessary public hearings.

Section 12. The Executive Director is hereby authorized generally to take such actions as may be appropriate to ensure compliance by the MDTA with the terms and conditions of the applicable Bond Documents and with the provisions of applicable law.

Section 13. The Executive Director will provide periodic updates to the Finance Committee and the MDTA Board of all contracts and Bond Documents approved by the Executive Director in accordance with this Resolution.

Section 14. This Resolution shall be effective immediately upon its adoption.

RESOLUTION 22-01

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Dated as of _____, 2022

WITNESS:

MARYLAND TRANSPORTATION AUTHORITY

Executive Director

Chairman

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:**

Kimberly Millender
Assistant Attorney General

TAB 9



MEMORANDUM

TO: MDTA Board
FROM: Mr. Allen W. Garman, Director of Treasury & Debt
SUBJECT: Resolution 22-02 Toll Revenue Financing
DATE: February 24, 2022

PURPOSE OF MEMORANDUM

To request MDTA Board approval of Board Resolution 22-02 to authorize the issuance of toll revenue bonds or alternative financing options (bank loan) to refund the Series 2012 bonds and provide additional proceeds to fund capital projects in fiscal 2023.

SUMMARY

Resolution 22-02 authorizes the issuance of \$250 million of bonds to refinance the \$39 million Series 2012 Toll Revenue Bonds for economic savings and potentially add \$211 million to fund new capital projects in fiscal 2023.

The Resolution also authorizes the payment of issuance costs and the optional funding of a debt service reserve. Of the \$67.61 million in Series 2012 bonds originally issued, \$43.665 million remain outstanding and seven of the eight remaining maturities totaling \$39 million are callable on July 1, 2022. The Series 2012 bond proceeds originally financed portions of legacy facilities projects.

The final seven Series 2012 annual maturities from July 1, 2023 through July 1, 2029 are subject to an optional redemption (call) on July 1, 2022. Per IRS rules, *current refunding* bonds may be issued up to 90-days before the call date.

- Anticipated savings of approximately \$4 million for the refinancing transaction will be realized over a seven-year period.

The Executive Director and Chief Financial Officer (CFO) will have the authority to manage the bond sale and closing, including the award of the 2022 bonds to the successful underwriting firm(s) or negotiation of terms for a private placement. The Resolution also provides for

authority to select other service providers and to prepare and execute all closing documents, certificates, and bond forms.

Key Points (Refunding Portion):

- | | |
|-----------------------------------|--------------|
| 1. Call Date | 7/1/22 |
| 2. Callable Par | \$39 million |
| 3. Call Date True Int. Cost (IRR) | 3.67% |
| 4. Expected New Issue TIC | 1.05% |
| 5. Expected Savings % Par | 9% |
| 6. Expected Nominal Savings | \$4 million |
| 7. Potential Sale Date | April/May |

Resolution contains the following limiting provisions:

1. Par Amount – Limited to \$250 million.
2. Net Present Value (“NPV”) savings – Refinancing must generate economic savings of at least \$1 million.
3. Final Maturity Date (refunding portion) – In compliance with IRS regulations, no later than the final July 1, 2029 maturity date of the Series 2012 bonds.
4. Bond Sale Date – No later than December 31, 2022.
5. Bond Sale Report on Results – Provided by the Executive Director and CFO at the first Board meeting after the sale date.

RECOMMENDATION

Approve the Board Resolution 22-02.

ATTACHMENTS

- Series 2012 Amortization Table
- MDTA Board Resolution 22-02

Resolution 22-02 Toll Revenue Financing
Page Three

Series 2012 Debt Service							
Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Total	Outstanding
7/1/2012	-		955,086.46	955,086.46	955,086.46		67,610,000
1/1/2013	-		1,397,687.50	1,397,687.50	-		67,610,000
7/1/2013	-		1,397,687.50	1,397,687.50	2,795,375.00		67,610,000
1/1/2014	-		1,397,687.50	1,397,687.50	-		67,610,000
7/1/2014	-		1,397,687.50	1,397,687.50	2,795,375.00		67,610,000
1/1/2015	-		1,397,687.50	1,397,687.50	-		67,610,000
7/1/2015	-		1,397,687.50	1,397,687.50	2,795,375.00		67,610,000
1/1/2016	-		1,397,687.50	1,397,687.50	-		67,610,000
7/1/2016	3,615,000.00	3.00%	1,397,687.50	5,012,687.50	6,410,375.00		63,995,000
1/1/2017	-		1,343,462.50	1,343,462.50	-		63,995,000
7/1/2017	3,725,000.00	4.00%	1,343,462.50	5,068,462.50	6,411,925.00		60,270,000
1/1/2018	-		1,268,962.50	1,268,962.50	-		60,270,000
7/1/2018	3,870,000.00	5.00%	1,268,962.50	5,138,962.50	6,407,925.00		56,400,000
1/1/2019	-		1,172,212.50	1,172,212.50	-		56,400,000
7/1/2019	4,065,000.00	4.00%	1,172,212.50	5,237,212.50	6,409,425.00		52,335,000
1/1/2020	-		1,090,912.50	1,090,912.50	-		52,335,000
7/1/2020	4,230,000.00	5.00%	1,090,912.50	5,320,912.50	6,411,825.00		48,105,000
1/1/2021	-		985,162.50	985,162.50	-		48,105,000
7/1/2021	4,440,000.00	5.00%	985,162.50	5,425,162.50	6,410,325.00		43,665,000
1/1/2022	-		874,162.50	874,162.50	-		43,665,000
7/1/2022	4,665,000.00	5.00%	874,162.50	5,539,162.50	6,413,325.00		39,000,000
1/1/2023	-		757,537.50	757,537.50	-		39,000,000
7/1/2023	4,895,000.00	4.50%	757,537.50	5,652,537.50	6,410,075.00		34,105,000
1/1/2024	-		647,400.00	647,400.00	-		34,105,000
7/1/2024	5,120,000.00	4.00%	647,400.00	5,767,400.00	6,414,800.00		28,985,000
1/1/2025	-		545,000.00	545,000.00	-		28,985,000
7/1/2025	5,325,000.00	5.00%	545,000.00	5,870,000.00	6,415,000.00		23,660,000
1/1/2026	-		411,875.00	411,875.00	-		23,660,000
7/1/2026	5,585,000.00	4.00%	411,875.00	5,996,875.00	6,408,750.00		18,075,000
1/1/2027	-		300,175.00	300,175.00	-		18,075,000
7/1/2027	5,810,000.00	4.00%	300,175.00	6,110,175.00	6,410,350.00		12,265,000
1/1/2028	-		183,975.00	183,975.00	-		12,265,000
7/1/2028	6,040,000.00	3.00%	183,975.00	6,223,975.00	6,407,950.00		6,225,000
1/1/2029	-		93,375.00	93,375.00	-		6,225,000
7/1/2029	6,225,000.00	3.00%	93,375.00	6,318,375.00	6,411,750.00		-
	67,610,000.00		31,485,011.46	99,095,011.46			

**MARYLAND TRANSPORTATION AUTHORITY
RESOLUTION 22-02**

A RESOLUTION REGARDING THE ISSUANCE BY THE MARYLAND TRANSPORTATION AUTHORITY (THE “MDTA”) OF ITS SPECIAL OBLIGATION REVENUE BONDS, SERIES 2022A (THE “2022A BONDS”) FOR THE PURPOSE OF (I) FINANCING AND REFINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN TRANSPORTATION FACILITIES PROJECTS AND (II) REFUNDING CERTAIN OUTSTANDING OBLIGATIONS OF THE MDTA ISSUED FOR THE PURPOSE OF FINANCING AND REFINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN TRANSPORTATION FACILITIES PROJECTS; APPROVING THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY AND A FINAL OFFICIAL STATEMENT, A SUPPLEMENTAL TRUST AGREEMENT, AN ESCROW DEPOSIT AGREEMENT AND OTHER TRANSACTION DOCUMENTS; AUTHORIZING THE SOLICITATION AND SELECTION OF PROVIDERS OF PROFESSIONAL SERVICES; AUTHORIZING CERTAIN OFFICERS TO DETERMINE MATTERS PERTAINING TO THE SALE AND ISSUANCE OF THE 2022A BONDS, INCLUDING THE FINANCING STRUCTURE AND TERMS; AND AUTHORIZING, SPECIFYING, DETERMINING AND APPROVING CERTAIN OTHER MATTERS PERTAINING TO THE 2022A BONDS.

WHEREAS, the MDTA is authorized under Sections 4-101 through 4-405 of the Transportation Article of the Annotated Code of Maryland (2020 Replacement Volume, as supplemented) (the “**Act**”) to finance “transportation facilities projects” (as defined in the Act), to issue revenue bonds for the purpose of financing the cost of transportation facilities projects, to issue revenue bonds for the purpose of refunding any of its outstanding revenue bonds and to perform any actions necessary or convenient to carry out the powers granted in the Act; and

WHEREAS, the MDTA has entered into the Second Amended and Restated Trust Agreement dated as of September 1, 2007 (as previously amended and supplemented, the “**Master Trust Agreement**”), with The Bank of New York Mellon (successor to The Bank of New York), as trustee (the “**Trustee**”); and

WHEREAS, Section 2.04 of the Master Trust Agreement provides that the MDTA may from time to time issue Additional Bonds (as defined in the Master Trust Agreement) in accordance with the terms and conditions set forth in the Master Trust Agreement for the purpose, among others, of (i) paying all or any part of the cost of any additional Transportation Facilities Projects (as defined in the Master Trust Agreement) or any Improvements (as defined in the Master Trust Agreement) or (ii) providing funds for refunding all or a portion of the bonds then outstanding of any or all series, whether or not such bonds are then subject to redemption, including providing for the payment of any redemption premium due or to become due thereon, interest to accrue to the selected redemption date or maturity date, any serial maturities to become due prior to the selected redemption or maturity date and any expenses in connection with such refunding; and

WHEREAS, pursuant to the terms of Section 11.01 of the Master Trust Agreement, the MDTA desires to enter into a supplemental trust agreement supplementing the Master Trust Agreement to provide for the issuance of Additional Bonds (the “**2022A Bonds**,” as defined

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herein) to be secured by the Master Trust Agreement and a supplemental trust agreement equally and ratably with any portion of the Outstanding Prior Bonds that may remain outstanding after issuance of the 2022A Bonds; and

WHEREAS, the MDTA desires to authorize the sale and issuance of the 2022A Bonds for the purpose of (i) refunding all or a portion of the Outstanding Prior Bonds or all or a portion of any principal maturities thereof (collectively, the “**Refunded Bonds**”) and (ii) financing the design, construction and equipping of any additions, improvements and enlargements any transportation facility projects designated under the Master Trust Agreement and any trust agreements supplementing thereto as Transportation Facilities Projects (collectively, the “2022 Project”), provided that certain conditions set forth in this Resolution are met.

NOW, THEREFORE, BE IT RESOLVED BY THE MARYLAND TRANSPORTATION AUTHORITY, as follows:

Section 1. The MDTA hereby authorizes the issuance of its Special Obligation Revenue Bonds, Series 2022A (the “**2022A Bonds**”), in one or more series as the bond issue may be further designated by the Executive Director of the MDTA (the “**Executive Director**”), in an aggregate principal amount not to exceed Two Hundred Fifty Million Dollars (\$250,000,000) for the purpose of (i) refunding and redeeming the Refunded Bonds and financing and refinancing the 2022 Project, provided that the savings realized from the refunding results in aggregate nominal savings to the MDTA of not less than One Million Dollars (\$1,000,000), (ii) optionally depositing funds into a debt service reserve fund or for the purchase of a Reserve Subaccount Insurance Policy (defined in the Master Trust Agreement) , and (iii) paying the costs related to the issuance of the 2022A Bonds.

Section 2. The 2022A Bonds shall be issuable as fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof, and sold in one or more series. The 2022A Bonds are special obligations of the MDTA payable, as to principal and interest, solely from the revenues and funds pledged thereto under the Master Trust Agreement, as amended and supplemented, and are not and shall not be deemed (i) to be general obligations of the MDTA, (ii) to constitute obligations of the Department of Transportation of Maryland, or (iii) to constitute a debt or a pledge of the faith and credit or the taxing power of the State of Maryland or any political subdivision thereof.

Section 3. Bond Sale.

(a) The MDTA hereby authorizes its Executive Director to sell the 2022A Bonds in one or more sales by either competitive bidding or private negotiation (including but not limited to a direct placement with a financial institution) as determined to by the Executive Director, with the advice of the Chief Financial Officer of the MDTA (the “**Chief Financial Officer**”), its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, to be the most advantageous for the MDTA, provided that such sales must occur no later than December 31, 2022, unless a later sale date is approved by a future resolution of the MDTA.

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(b) The Executive Director is authorized to determine, with the advice of the Chief Financial Officer, its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, the rate or rates of interest to be borne by the 2022A Bonds or the method of determining the rates (such rates of all or a portion of the 2022A Bonds may be fixed or variable), if all or a portion of the 2022A Bonds will be sold with taxable or tax-exempt interest, the dates of principal and interest payments and final maturity of the 2022A Bonds, provided that the date of final maturity of the 2022A Bond shall not exceed (i) the useful life of the assets financed with respect to the proceeds used for 2022 Projects and (ii) the final maturity of the Refunded Bonds with respect to proceeds used to refund the Refunded Bonds.

(c) If the Executive Director determines to sell all or a portion of the 2022A Bonds by the solicitation of competitive bids, the MDTA hereby authorizes the Executive Director, with the assistance of the Chief Financial Officer, its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, (1) to determine the means for the submission of competitive bids, including but not limited to electronic bids via such service provider as the Executive Director deems appropriate, (2) to determine the terms and conditions for such sale, including but not limited to, the conditions for acceptance of bids and the criteria for the selection of a winning bidder, subject to the limitations set forth in this Resolution, (3) to prepare a notice of sale setting forth the terms and conditions of such sale (the “**Notice of Sale**”), and (4) to advertise such sale, including but not limited to publication of the Notice of Sale or a summary thereof by any electronic medium, financial journal or such other manner as the Executive Director shall deem appropriate, at least ten days before the date set for the receipt of bids.

(d) If the Executive Director determines to negotiate the terms of the sale of all or a portion of the 2022A Bonds, the MDTA hereby authorizes the Executive Director, with the assistance of the Chief Financial Officer, its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, (1) to solicit and accept proposals for the sale of the 2022A Bonds on a private, negotiated basis, and (2) to negotiate an agreement for the purchase of the 2022A Bonds (a “**Bond Purchase Agreement**”), in accordance with the limitations set forth in this Resolution.

(e) The Executive Director and the Chief Financial Officer shall each provide a report of the results of the any sale of the 2022A Bonds at the first meeting of the MDTA Board occurring after the 2022A Bonds sale.

Section 4. The Executive Director is hereby authorized to engage, as appropriate, the services of a trustee, a registrar, a paying agent, an escrow agent, a verification agent, an underwriter, a feasibility consultant, engineers, accountants, printers and such other service providers as the Executive Director deems appropriate from time to time with respect to the 2022A Bonds and the Refunded Bonds.

Section 5. The MDTA hereby authorizes the Executive Director, Chief Financial Officer and other staff of the MDTA, with the assistance of its bond counsel and its financial advisors, to prepare a preliminary official statement, a final official statement, a private placement memorandum or any other form of offering document (each referred to herein as, an “**Official**

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Statement”) for the sale of the 2022A Bonds and to distribute each Official Statement to the entities that they shall deem appropriate.

Section 6. Subject to the terms set forth in this Resolution, the MDTA hereby authorizes its Executive Director, with the assistance of other officers of the MDTA, counsel to the MDTA, its bond counsel, financial advisors, and staff, to prepare (i) one or more supplements to the Master Trust Agreement (each, a “**Supplemental Trust Agreement**”), (ii) one or more bond certificates for the 2022A Bonds (each, a “**Bond Certificate**”), (iii) an escrow deposit agreement or an escrow letter (the “**Escrow Deposit Agreement**”), if required, and (iv) one or more continuing disclosure agreements (each, a “**Continuing Disclosure Agreement**”) to assist the underwriters of the 2022A Bonds in complying with the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 7. The Chairman of the MDTA (the “**Chairman**”) and the Executive Director are hereby authorized to execute and deliver on behalf of the MDTA each Bond Certificate by their manual or facsimile signatures. The Executive Director is hereby authorized to cause an original or facsimile of the official seal of the MDTA to be imprinted on each Bond Certificate.

Section 8. The MDTA hereby authorizes the Chairman and the Executive Director, or either of them, to execute and deliver on behalf of the MDTA, as appropriate, an Official Statement, a Supplemental Trust Agreement, a Bond Purchase Agreement, an Escrow Deposit Agreement, a Continuing Disclosure Agreement and such other documents and agreements deemed appropriate by the Chairman or the Executive Director (collectively, together with the Bond Certificates, the “**Bond Documents**”). The execution and delivery by them of the Bond Documents shall be conclusive evidence of their final approval.

Section 9. The MDTA hereby covenants that it will take, or refrain from taking, any and all actions necessary to comply with the provisions of Section 103 and Sections 141 through 150 of the Internal Revenue Code of 1986, as amended (the “**Code**”), applicable to the 2022A Bonds in order to preserve the status of the interest on the 2022A Bonds as excluded from gross income for federal income tax purposes. Without limiting the generality of the covenant set forth in the preceding sentence, (a) the MDTA will not use or permit the use of any of the proceeds of the 2022A Bonds or any of the funds of the MDTA in such manner as would cause the interest on the 2022A Bonds to be included in gross income for federal income tax purposes, (b) the MDTA will regulate the investment of the proceeds of the 2022A Bonds so as not to cause any of the 2022A Bonds to be an “arbitrage bond” within the meaning of Section 148 of the Code and the Income Tax Regulations thereunder, (c) the MDTA will, if and to the extent necessary make periodic determinations of the rebate amount and timely pay any rebate amount, or installment thereof, to the United States of America, (d) the MDTA will prepare and timely file Internal Revenue Service Form 8038-G, Information Return for Tax-Exempt Governmental Obligations, and (e) the Executive Director and Chief Financial Officer are hereby authorized and directed to prepare or cause to be prepared and to execute and deliver any certificate or other document which may be required in order to assure compliance with the applicable provisions of Section 103 and Sections 141 through 150 of the Code, and the Income Tax Regulations thereunder.

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Section 10. The Chairman and the Executive Director are hereby authorized to specify, prescribe, determine, provide for or approve, all within the limitations of this Resolution and the Act, all other matters, details, forms, documents and procedures pertaining to the sale(s), security, issuance, delivery and payment of or for the 2022A Bonds, including (without limitation) the execution, acknowledgment, sealing and delivery of Bond Documents by the Chairman, Executive Director or any other duly qualified employee, agent or officer of the MDTA as are or may be necessary or appropriate to consummate the transactions contemplated by this Resolution in accordance with the Act and this Resolution.

Section 11. The MDTA hereby authorizes its Executive Director and all other proper officers of the MDTA to create, supplement, amend, execute, and deliver documents, notices and agreements related to the Refunded Bonds and to take such actions or cause to be taken such actions as shall be necessary, proper and convenient for carrying out the purposes of this Resolution, including expending funds and incurring costs.

Section 12. This Resolution shall be effective immediately upon its adoption.

Dated as of: February __, 2022

WITNESS:

MARYLAND TRANSPORTATION AUTHORITY

William N. Pines, P.E.
Acting Executive Director

James F. Ports, Jr.
Chairman

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

Kimberly A. Millender
Assistant Attorney General

TAB 10

VERBAL

TAB 11

VERBAL

TAB 12



Board Members:

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

William Pines, PE, Acting Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Mr. Joseph Quattrone, PMP, CSM, ETC Program Manager
SUBJECT: Third Generation Electronic Toll Collection (3G ETC) System Current Operations Update
DATE: February 24, 2022

PURPOSE

To brief the Maryland Transportation Authority (MDTA) Board on the 3G ETC ongoing operations.

SUMMARY

TransCore and Kapsch's systems went live on April 29, 2021. Post-transition and software development activities and risk management continue. Implementation of the plan to address the backlog of unprocessed transactions is ongoing.

ATTACHMENTS

- 3G ETC System Update Presentation

Electronic Tolling

Current Operations Update

MDTA Board Meeting

February 24, 2022

Schedule Update

- As previously noted, the Contractor provided an updated SAT schedule
 - Schedule based on a fully agile sprint release approach with new tickets addressed every 2 weeks
 - Contractor is on schedule with 13 releases in production to date
- Negotiating with Contractor to establish clear SAT deadlines ensuring Post-SAT is limited to punch list items
 - Modifications were reviewed by vendors and comments provided back to MDTA
 - Will update MDTA Board, State DOIT and BPW modification updates
 - The schedule portion of the modifications is anticipated to be a non-compensable time extension
 - Revising liquidated damages provisions for the CSC contract to provide accountability to the schedule
 - Will also include updates for COVID backlog and AET revisions

Key Focus Areas

QA/QC & Lane Maintenance Improvements

- Coordinating the ongoing AET conversions for FMT and HWN
 - Nice is next with a planned go live in the early Spring
 - FMT lane closures have been announced for ongoing construction activity, late summer conversion
- Accountability for timeliness of resolution for identified issues
- Enforcement of contractual requirements
- Emphasizing a pro-active approach to the maintenance tasks & fine tuning the process

Software Reports & Documentation

- Continue finalizing outstanding reports and documentation

System Acceptance & Key Performance Indicators (KPI)

- Finalize System Acceptance Testing and Plans and our tracking & oversight
 - Reviewing and approving reports for system monitoring

Contract Administration & Operational Functions

- Coordinating responsibilities & communication across IT, Operations and Finance
- Standing up tools & processes for independent validation and auditing processes for the lane side and back office

Post Go-Live Risk Tracking

Call Center

- High call volumes persist but average call wait times continue to show some improvement in February (MTD)

	December	January	February (2/1 to 2/13)
Total CSC Agents	100	157	163
% Call Out vs. Total Staff	26%	34%	10%
Avg Call Wait Time (Min.)	101	65	45
Call Volume Queued for CSRs	167,997	149,649	76,284

- Website improvement releases continue to help ease volumes
- COVID call-outs have stabilized in February
- Allowing work from home option for CSC reps
- Backlog is still a main driver for the call volume

Post Go-Live Risk Tracking

Transaction & Backlog Processing

- Transactions released manually based on a pre-defined schedule
 - Tight coordination with MDTA and vendors to maintain processing
 - Actively metering NOTDs at 35,000 envelopes per day with an average of just over 3 transactions per envelope
- Escalations as of 2/15/2022
 - Approximately 46.8 million video transactions posted to customer accounts
 - Several notices sent to alert customers to proactively pay electronically to receive early payment discounts
 - Proactive mailer to customers with more than 25 transactions is complete
 - 21.6 million NOTD transactions have been mailed, since resuming
 - Image certifications and citations fully resumed

Backlog Status

- Update reported this month with the financial forecast

QA/QC

- Actively onboarding KPI reporting and tracking to ensure meeting Contract
- Striving for continuous improvement to address any anomalies found, even if meeting the KPI

TAB 13

VERBAL