



Maryland Transportation Authority

BOARD MEETING

THURSDAY, JULY 29, 2021

MARYLAND TRANSPORTATION AUTHORITY
2310 BROENING HWY
BALTIMORE, MD 21224



**MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
2310 BROENING HIGHWAY
BALTIMORE, MD 21224**

JULY 29, 2021 9:00 AM

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

NOTES:

- This is an In-Person Board Meeting being conducted at the Maryland Transportation Authority Headquarters located at 2310 Broening Highway, Baltimore MD 21224.
- This In-Person Open Meeting will be livestreamed. You are 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 5:00 p.m. on Tuesday, July 27, 2021. You **MUST** pre-register 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 Meeting Minutes of June 24, 2021</u> | Chairman | 5 min. |
| 2. <u>Resolutions</u> – <u>Years of Service Recognition</u> – Recognition for MDTA Retired Employees | Jim Ports | 10 min. |
| 3. <u>Approval</u> – <u>Contract Awards</u> <ul style="list-style-type: none">• J01P1600013 – NetApp Storage Equipment | Donna DiCerbo | 5 min. |
| 4. <u>Update</u> – <u>Third Generation Electronic Toll Collection (3G ETC) System</u> – Transition, Current Operations, and Revenue Update | Jim Ports
Will Pines | 20 min. |
| 5. <u>Update</u> – <u>Executive Director’s Report</u> – Verbal | Jim Ports | 10 min. |

Vote to go into Closed Session

- | | | |
|---|---------------------|---------|
| 6. To Discuss Public Security | Col. Kevin Anderson | 15 min. |
| 7. To Discuss Pending Litigation – Update on Status of Pending Litigation Matters | Kim Millender, Esq. | 15 min. |

Vote to go into Open Session

Vote to Adjourn Meeting

TAB 1

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

THURSDAY, JUNE 24, 2021

9:00 A.M.

OPEN MEETING VIA VIDEO CONFERENCE AND LIVESTREAMING

OPEN SESSION

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:

Nafiz Alqasesm	Ebony Moore
Jeff Brown	Mary O'Keeffe
Carl Chamberlin	Will Pines
Percy Dangerfield	Deb Sharpless
Donna DiCerbo	Tim Sheets
David Goldsborough	Christina Thompson
Normetha Goodrum	Paul Trentalance
Lynnea Green	Melissa Williams
Natalie Henson	Eric Willison
Jeanne Marriott	Brian Wolfe
Kimberly Millender, Esq.	

OTHER ATTENDEES:

Courtney Highsmith, MDOT TSO

OPEN SESSION

At 9:00 a.m. Acting Chairman Sean Powell called the meeting of the Maryland Transportation Authority (MDTA) Board to order. The meeting was held via video conference and livestreamed on the MDTA Board Meeting web page.

APPROVAL – OPEN SESSION MEETING MINUTES OF MAY 20, 2021

Upon motion by Member Mario J. Gangemi and seconded by Member W. Lee Gaines, Jr., the open session meeting minutes of the MDTA Board meeting held on May 20, 2021 were unanimously approved.

APPROVAL – OPEN SESSION AND CLOSED SESSION MEETING MINUTES OF JUNE 8, 2021

Upon motion by Member Mario J. Gangemi and seconded by Member William H. Cox, Jr., the open session and closed session meeting minutes of the MDTA Board meeting held on June 8, 2021 were unanimously approved.

***** Acting Chairman Sean Powell requested, and the Members unanimously approved, to move Agenda Item # 3 – Resolutions – Years of Service Recognition to the end of the agenda just before Agenda Item # 15 – Update – Executive Director’s Report. *****

APPROVAL – FISCAL YEAR (FY) 2021 OPERATING BUDGET AMENDMENT # 4

Ms. Christina Thompson requested approval from the MDTA Board to amend the Fiscal Year (FY) 2021 Final Operating Budget by an \$8.0 million increase. According to the Trust Agreement, the budget can be amended at any time during the current fiscal year.

The most significant area where projected spending is expected to exceed the budget is the E-ZPass service centers by roughly \$8.0 million. The overspending is primarily the result of not rolling over FY 2020 under spending when video tolling mailings were paused, increased video toll transactions as a result of All Electronic Tolling, and transition delays. In order to sustain toll revenue, actions were not taken to reduce the processing of backlog transactions and reduce operating costs.

Upon motion by Member John F. von Paris and seconded by Member Dontae Carroll, the Members unanimously approved the FY 2021 Operating Budget Amendment # 4.

***** Agenda Item #’s 5, 6, and 7 were presented in order. However, once Agenda Item # 7 – Approval – Financial Forecast was approved the Members went back to approve Agenda Item # 5 – Approval – Fiscal Year 2022 Final Operating Budget and Agenda Item # 6 – Approval – Draft Fiscal Year 2022-2027 Consolidated Transportation Program in that order. *****

APPROVAL – FISCAL YEAR (FY) 2022 FINAL OPERATING BUDGET

Mr. Jeffrey Brown requested approval from the MDTA Board for the Fiscal Year (FY) 2022 Final Operating Budget. The Trust Agreement requires the approval of a final budget on or before July 1.

The FY 2022 Final Operating Budget totals \$360.8 million. This represents an increase of \$26.5 million, or 7.9%, above the FY 2022 Preliminary Operating Budget.

Changes from the FY 2022 Preliminary Budget include a \$1.1 million increase in total Salaries and Benefits and a \$25.4 million increase in total non-personnel budget. Included in the non-personnel budget are the *E-ZPass* transition and ongoing costs, GPS location for radios, vehicle purchases to replace damaged/destroyed/lost vehicles; Contractual Services primarily due to toll collection costs (*E-ZPass*, janitorial services, and building repairs); a decrease in supplies and materials; and a decrease in Maryland State Police non-personnel costs primarily due to reduced overhead.

Upon motion by Member William H. Cox, Jr. and seconded by Member Cynthia D. Penny-Ardinger, the Members unanimously approved the FY 2022 Final Operating Budget.

APPROVAL – DRAFT FISCAL YEAR (FY) 2022-2027 CONSOLIDATED TRANSPORTATION PROGRAM (CTP)

Ms. Jeanne Marriott requested approval from the MDTA Board for the Draft Fiscal Year (FY) 2022-2027 Consolidated Transportation Program (CTP).

The Draft CTP totals \$2.8 billion, which reflects a net increase in the six-year FY 2022-2027 budget of \$90.4 million. The net increase is the result of (1) a \$45.7 million increase for the Nice/Middleton Bridge; (2) a \$5.2 million decrease for the I-95 ETL Northern Extension; (3) a \$90.1 million increase for all projects except Nice/Middleton Bridge, I-95 ETL Northern Extension, and reserves; and (4) a \$40.2 million decrease in the Allocated and Unallocated Reserves.

Upon motion by Member John F. von Paris and seconded by Member W. Lee Gaines, Jr., the Members unanimously approved the Draft FY 2022-2027 Consolidated Transportation Program.

APPROVAL – FISCAL YEAR (FY) 2022-2027 FINANCIAL FORECAST

Ms. Deb Sharpless requested approval from the MDTA Board for the Fiscal Year (FY) 2022-2027 Financial Forecast. Ms. Sharpless gave an update on the financial affordability of the FY 2022 Final Operating Budget and the Draft FY 2022-2027 Consolidated Transportation Program. Throughout the six-year forecast period, the MDTA remains above its financial goals and minimum legal standards.

Upon motion by Member Jeffrey S. Rosen and seconded by Member W. Lee Gaines, Jr., the Members unanimously approved the FY 2022-2027 Financial Forecast.

UPDATE – BI-ANNUAL REVIEW OF REVENUE SUFFICIENCY

Ms. Deb Sharpless provided the MDTA Board with an update on the bi-annual review of revenue sufficiency for the Fiscal Year (FY) 2022-2027 financial forecast period. Ms. Sharpless noted that the MDTA's Board Policy requires a bi-annual review of revenue sufficiency to determine if current rates and fee levels are appropriate based on levels of expected spending. The FY 2022-2027 financial forecast shows that current toll rates, fees, and discounts provide sufficient revenue over the next six years to meet forecasted spending and exceed all legal and policy requirements.

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

Ms. Deb Sharpless and Mr. Will Pines updated the MDTA Board on the Third Generation Electronic Toll Collection (3G ETC) post-transition operations and traffic & revenue.

They explained that the TransCore and Kapsch systems went live on April 29, 2021. Post-transition and software development activities continue. Toll revenue continues to underperform the official financial forecast; however, the MDTA expects to end the fiscal year complying with its financial standards. Implementation of the plan to address the backlog of unprocessed transactions is ongoing.

UPDATE – TOLL RATE – PHASE 1 SOUTH: AMERICAN LEGION BRIDGE I-270 TO I-370

Mr. Carl Chamberlin provided an update to the MDTA Board on scheduled dates and logistics for in-person and call-in testimony public hearings for Phase 1 South: American Legion Bridge I-270 to I-370. In addition, Mr. Chamberlin also reviewed the ways that the MDTA is accepting public comment on the tolling proposal and he also reviewed the schedule for the toll setting process.

UPDATE – MAJOR PROJECTS UPDATE

Mr. Brian Wolfe updated the MDTA Board on the status of Major Projects in the Capital Program. Mr. Wolfe explained that as of June 14, 2021, there are ten major projects in the Capital Program: Six of the projects are under construction, two are in procurement, and two is under design. He further explained that this summary only includes projects with funding for construction in the Consolidated Transportation Program and includes six projects valued in excess of \$100 million. There are two projects from the \$1.1 billion I-95 ETL Northbound Expansion program.

UPDATE – DIVISION OF INFORMATION TECHNOLOGY (DOIT) MAJOR PROJECTS UPDATE

Mr. David Goldsborough updated the MDTA Board on the Division of Information Technology (DoIT) major projects. He explained that as of June 24, 2021, the Division of Information Technology maintains an active portfolio of 19 projects. The portfolio has remained constant since the last update to the MDTA Board. DoIT continues to support the MDTA workforce that has shifted to a telework status as well as personnel that are working onsite at the MDTA facilities. Given the return to work requirement, DoIT is rotating employees into the office for the remaining weeks of June to comply with the capacity requirements. As of July 5, 2021, DoIT will be back to normal operations that existed pre-pandemic. Post go-live support of the third-generation tolling system (3G) continues. We have shifted one resource back to a 50% capacity to lend support to the DoIT project portfolio.

Some of the significant initiatives that DoIT continues to work on include the following:

- Cybersecurity measures;
- Conversion to the new Salesforce lightening platform;
- Post go-live support of 3G;
- E-forms platform; and,
- Conversion of the purchasing card system to the new platform.

UPDATE – CIVIL RIGHTS FAIR PRACTICES (CRFP) SOCIOECONOMIC PROGRAMS STATUS

Mr. Percy Dangerfield updated the MDTA Board on MDTA's progress toward achieving the legislatively mandated socioeconomic program goals.

He explained that the Division of Civil Rights and Fair Practices (CRFP) is responsible for the development, oversight, and administration of the MDTA's State and Federal socioeconomic programs. These programs include the following: Disadvantaged Business Enterprise (DBE) Program; Minority Business Enterprise (MBE) Program; Small Business Reserve (SBR) Program; and Veteran-Owned Small Business Enterprise (VSBE) Program. He then gave a brief overview of each program and an update on the goals of each program for quarters 1, 2, and 3 of Fiscal Year 2021.

UPDATE – AUDIT COMMITTEE

Member William H. Cox, Jr. presented an update on the Audit Committee meeting that took place on June 10, 2021. The Audit Committee Members were given an update on the Fiscal Year 2021 Audit Plan which is currently on track to complete the plan with seven audits complete and two in process. Two internal audits, "Fleet Management" and "Validation of Waivers for Video Tolls and Civil Penalties", were presented and the Committee was satisfied with the results of these audits.

OPEN SESSION
JUNE 24, 2021
PAGE 6 OF 6

RESOLUTIONS – YEARS OF SERVICE RECOGNITION

Ms. Mary O’Keeffe read the Years of Service Recognition for retired employees Senior Officer Vance E. Belcher, Ms. Nancy E. Biles, Mr. Danny L. Sawyers, and Ms. Annette Williams. 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.

UPDATE – EXECUTIVE DIRECTOR

Ms. Mary O’Keeffe updated the MDTA Board on MDTA employees returning to the office on July 6 and the opening of the new Park and Ride lot at the intersection of MD 924 and Woodsdale Road.

In continuing to recognize MDTA’s 50th Anniversary this year, Ms. O’Keeffe gave some fun facts regarding the John F. Kennedy Memorial Highway which is a 50-mile section of I-95 from the northern Baltimore City Line to Delaware. The facilities that we maintain on this stretch of highway include the Fort McHenry Tunnel, the Millard E. Tydings Memorial Bridge, Express Toll Lanes, and two Travel Plazas.

Ms. O’Keeffe also reminded everyone to drive safely during the upcoming Fourth of July Holiday.

VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member W. Lee Gaines, Jr. and seconded by Member Dontae Carroll, the Members unanimously voted to adjourn the meeting at 10:55 a.m.

The next MDTA Board Meeting will be held on Thursday, July 29, 2021 at 9:00 a.m. at MDTA located at 2310 Broening Highway, Baltimore Maryland.

APPROVED AND CONCURRED IN:

Sean Powell, Acting Chairman

TAB 2

MARYLAND TRANSPORTATION AUTHORITY

RESOLUTION

Recognizing the Services of

Colonel Woodrow “Jerry” Jones

MDTA Chief of Police

WHEREAS, *Colonel Woodrow “Jerry” Jones was named by Governor Larry Hogan as the Maryland Transportation Authority Chief of Police on November 25, 2015, and led the police department and its more than 600 employees until February 6, 2021, when he was appointed Supervisor of the Maryland State Police, and*

WHEREAS, *Col. Jones led the MDTA Police with approachability, expertise, candor, trust and dedication, and he was instrumental in the growth and development of the police force as a whole and most important, of its employees, and*

WHEREAS, *Known for “walking the talk,” Col. Jones supported policies and ideals that put people first, created a Health and Wellness Unit, invested in the future through agency-wide leadership training, and improved communication not only among his officers, but between the MDTA civilian and sworn teams, and*

WHEREAS, *His colleagues and coworkers are grateful for his efforts as Chief of Police, commend him for his leadership, and thank him for his thoughtfulness, humor, friendship and lasting impacts across the MDTA, now*

THEREFORE BE IT RESOLVED, *On the occasion of Colonel Woodrow “Jerry” Jones’ recognition for his distinguished and exemplary service as the MDTA Chief of Police, the Chairman and Members of the Maryland Transportation Authority hereby express to Col. Jones their most sincere appreciation for his excellence and commitment, and*

BE IT FURTHER RESOLVED, *That this Resolution be entered into the minutes of the MDTA Board meeting of July 29, 2021, and a copy, appropriately framed, be presented to Col. Jones as an expression of the MDTA Board’s appreciation and esteem.*

Gregory Slater, *Chairman*

Dontae Carroll, *Member*

William H. Cox, Jr., *Member*

William C. Ensor, III, *Member*

W. Lee Gaines, Jr., *Member*

Mario J. Gangemi, P.E., *Member*

Cynthia D. Penny-Ardinger, *Member*

Jeffrey S. Rosen, *Member*

John F. von Paris, *Member*

James F. Ports, Jr., *Executive Director*

MARYLAND TRANSPORTATION AUTHORITY

RESOLUTION

Recognizing the Services of

Senior Officer Phillip McCutcheon

MDTA Police

WHEREAS, *Senior Officer Phillip McCutcheon began his career with the Maryland Transportation Authority Police as an MDTA Police Officer I on May 5, 1993, and*

WHEREAS, *Due to his hard work and determination, he was promoted to MDTA Police Officer II on May 5, 1994, and to MDTA Police Senior Officer on March 07, 2012, now*

WHEREAS, *He is an invaluable member of the team, and his coworkers expressed the fact that his dedication, personality and calm demeanor will be missed, now*

THEREFORE BE IT RESOLVED, *On the occasion of Senior Officer McCutcheon's retirement from his distinguished career of exemplary service, the Chairman and Members of the Maryland Transportation Authority Board hereby express to Senior Officer McCutcheon their most sincere appreciation for his excellence and commitment, and*

BE IT FURTHER RESOLVED, *That this Resolution be entered into the minutes of the MDTA Board meeting of July 29, 2021, and a copy, appropriately framed, be presented to Senior Officer McCutcheon as an expression of the MDTA Board's appreciation and esteem.*

Gregory Slater, *Chairman*

Dontae Carroll, *Member*

William H. Cox, Jr., *Member*

William C. Ensor, III, *Member*

W. Lee Gaines, Jr., *Member*

Mario J. Gangemi, P.E., *Member*

Cynthia D. Penny-Ardinger, *Member*

Jeffrey S. Rosen, *Member*

John F. von Paris, *Member*

James F. Ports, Jr., *Executive Director*

MARYLAND TRANSPORTATION AUTHORITY

RESOLUTION

Recognizing the Services of

Quentin E. Rice

MDTA Stock Clerk

WHEREAS, *Quentin “Peanut” E. Rice began his career with the Maryland Transportation Authority as an MDTA Vocational Worker on July 21, 1993, and*

WHEREAS, *Due to his hard work, Mr. Rice was promoted to MDTA Stock Clerk on November 2, 1995, and he also held the title of MDTA Supply Officer during his career that spanned from 1995 to 2021, and*

WHEREAS, *In October 1995, he was commended by then-MDTA Director of Administration William E. Tarr, Jr., for his assistance and input in the planning and implementation of the 1st MDTA Annual Wellness Fair, and his vital participation led to the success of this employee program, and*

WHEREAS, *Mr. Rice is an invaluable member of the team, and his coworkers expressed that his dedication, upbeat personality, smile and calm demeanor will be missed, now*

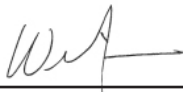
THEREFORE BE IT RESOLVED, *On the occasion of Quentin E. Rice’s retirement from his distinguished career of exemplary service, the Chairman and Members of the Maryland Transportation Authority Board hereby express to Mr. Rice their most sincere appreciation for his excellence and commitment, and*

BE IT FURTHER RESOLVED, *That this Resolution be entered into the minutes of the MDTA Board meeting of July 29, 2021, and a copy, appropriately framed, be presented to Mr. Rice as an expression of the MDTA Board’s appreciation and esteem.*

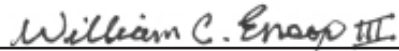

Gregory Slater, *Chairman*




Dontae Carroll, *Member*



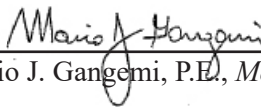
William H. Cox, Jr., *Member*



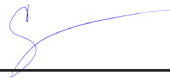
William C. Ensor, III, *Member*



W. Lee Gaines, Jr., *Member*



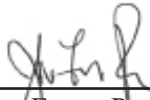
Mario J. Gangemi, P.E., *Member*



Cynthia D. Penny-Ardinger, *Member*



Jeffrey S. Rosen, *Member*



John F. von Paris, *Member*



James F. Ports, Jr., *Executive Director*

MARYLAND TRANSPORTATION AUTHORITY

RESOLUTION

Recognizing the Services of

Joanne Wilson

MDTA Toll Collection Shift Supervisor

WHEREAS, *Joanne Wilson began her career with the Maryland Transportation Authority as an MDTA Toll Collector I on April 5, 1996, and*

WHEREAS, *Ms. Wilson continued to progress in the Toll Collector field and became an MDTA Toll Collector II on April 23, 1997, and to MDTA Toll Collector III on April 30, 1999, and*

WHEREAS, *With dedication and perseverance, Ms. Wilson was promoted to MDTA Toll Collections Shift Supervisor on December 5, 2005, a title held until retirement, and*

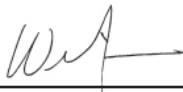
WHEREAS, *She is an invaluable member of the team, and her coworkers expressed the fact that her dedication, personality and calm demeanor will be missed, now*

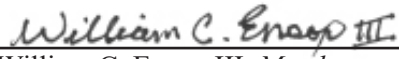
THEREFORE BE IT RESOLVED, *On the occasion of Joanne Wilson's retirement from her distinguished career of exemplary service, the Chairman and Members of the Maryland Transportation Authority Board hereby express to Ms. Wilson their most sincere appreciation for her excellence and commitment, and*


BE IT FURTHER RESOLVED, *That this Resolution be entered into the minutes of the MDTA Board meeting of July 29, 2021, and a copy, appropriately framed, be presented to Ms. Wilson as an expression of the MDTA Board's appreciation and esteem.*

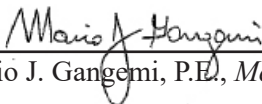

Gregory Slater, *Chairman*



Dontae Carroll, *Member*


William H. Cox, Jr., *Member*

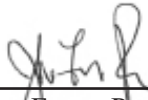

William C. Ensor, III, *Member*



W. Lee Gaines, Jr., *Member*


Mario J. Gangemi, P.E., *Member*


Cynthia D. Penny-Ardinger, *Member*


Jeffrey S. Rosen, *Member*


John F. von Paris, *Member*


James F. Ports, Jr., *Executive Director*

TAB 3



**Maryland
Transportation
Authority**

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Gregory Slater, Chairman

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

James F. Ports, Jr., Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Ms. Donna DiCerbo, CPPO, CPPB, Director of Procurement
SUBJECT: J01P1600023 – NetApp Storage Hardware
DATE: July 29, 2021

PURPOSE

To seek approval from the MDTA Board to execute Contract No. J01P1600023 - NetApp Storage Hardware.

SUMMARY

The primary purpose of this contract is for the purchase of NetApp Storage Hardware for the MDTA Office of Information Technology. This contract also includes a Five-Year Extended Warranty and a Five-Year SupportEdge Premium 4 Hour Onsite Support Services. NetApp hardware is currently used in the MDTA Data Center to store all MDTA electronic data. The current NetApp storage is no longer under warranty and is reaching its end of life. The new NetApp storage will provide greater stability and faster data rates. This contract will be a one-time purchase in the amount of \$1,620,000.00. This contract was procured as a Purchase Order Request for Proposal (PORFP) under Functional Area I & V of the Department of Information Technology (DoIT) Hardware 2012 Master Contract.

This contract was approved on July 7, 2021 by the Board of Public Works.

RECOMMENDATION

To provide approval to execute Contract No. J01P1600023 – NetApp Storage Hardware.

ATTACHMENT

- Project Summary



Maryland
Transportation
Authority

AUTHORITY BOARD PROJECT SUMMARY

J01P1600023 NetApp Storage Hardware

PIN NUMBER N/A
CONTRACT NUMBER J01P1600023
CONTRACT TITLE NetApp Storage Hardware

PROJECT SUMMARY The primary purpose of this contract is for the purchase of NetApp Storage Hardware for the MDTA Office of Information Technology. This contract also includes five (5) Year Extended Warranty and five (5) Year SupportEdge Premium 4hr Onsite support services. NetApp hardware is currently used in the MDTA Data Center to store all MDTA electronic data. The current NetApp storage is no longer under warranty and is reaching End of Life. The new NetApp storage will provide greater stability and faster data rates. This contract will be a one (1) time purchase of NetApp Storage Hardware and 5 Year SupportEdge Premium on-site support with Warranty extension in the amount of \$1,620,000.00. This contract was procured as a Purchase Order Request for Proposal (PORFP) under Functional Area I & V of the Department of Information Technology (DoIT) Hardware 2012 Master Contract.

SCHEDULE

ADVERTISEMENT DATE 3/10/2021
ANTICIPATED NOTICE TO PROCEED DATE Aug-21
DURATION (CALENDAR DAYS) one-time purchase

ENGINEER'S ESTIMATE (EE) (\$)
\$1,675,000.00

MBE PARTICIPATION **Advertised Goal** **Proposed Goal**

OVERALL MBE	0.00%	0%
No Sub Goals	0.00%	0%
VSBE	0.00%	0%

BID RESULTS **BID AMOUNT (\$)** **% VARIANCE TO EE**

BID PROTEST YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	CAS Severn	\$1,620,000.00	-3.3%
	HCGI Inc.	\$1,984,357.00	18.47%

TAB 4



**Maryland
Transportation
Authority**

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Gregory Slater, 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

James F. Ports, Jr., Executive Director

MEMORANDUM

TO: MDTA Board
PRESENTED BY: Mr. James F. Ports, Jr., Executive Director
Mr. Will Pines, PE, PMP, CCM, Chief Operating Officer
SUBJECT: Third Generation Electronic Toll Collection (3G ETC) System Traffic &
Revenue and Post-Transition Operations Update
DATE: July 29, 2021

PURPOSE

To brief the Maryland Transportation Authority (MDTA) Board on the 3G ETC post-transition operations and traffic & revenue.

SUMMARY

TransCore and Kapsch's systems went live on April 29, 2021. Post-transition and software development activities continue.

MDTA maintained all its financial standards even though revenue underperformed the financial forecast by nearly \$91M. On a modified-accrual basis, MDTA exceeded its forecast by \$5.1M, indicating had all Fiscal Year (FY) 2021 *E-ZPass*® transactions been posted in FY 2021 the MDTA would have achieved its forecast. Implementation of the plan to address the backlog of unprocessed transactions is ongoing.

ATTACHMENT

- 3G ETC System Update Presentation

Electronic Tolling

Traffic & Revenue & Post Transition Operations

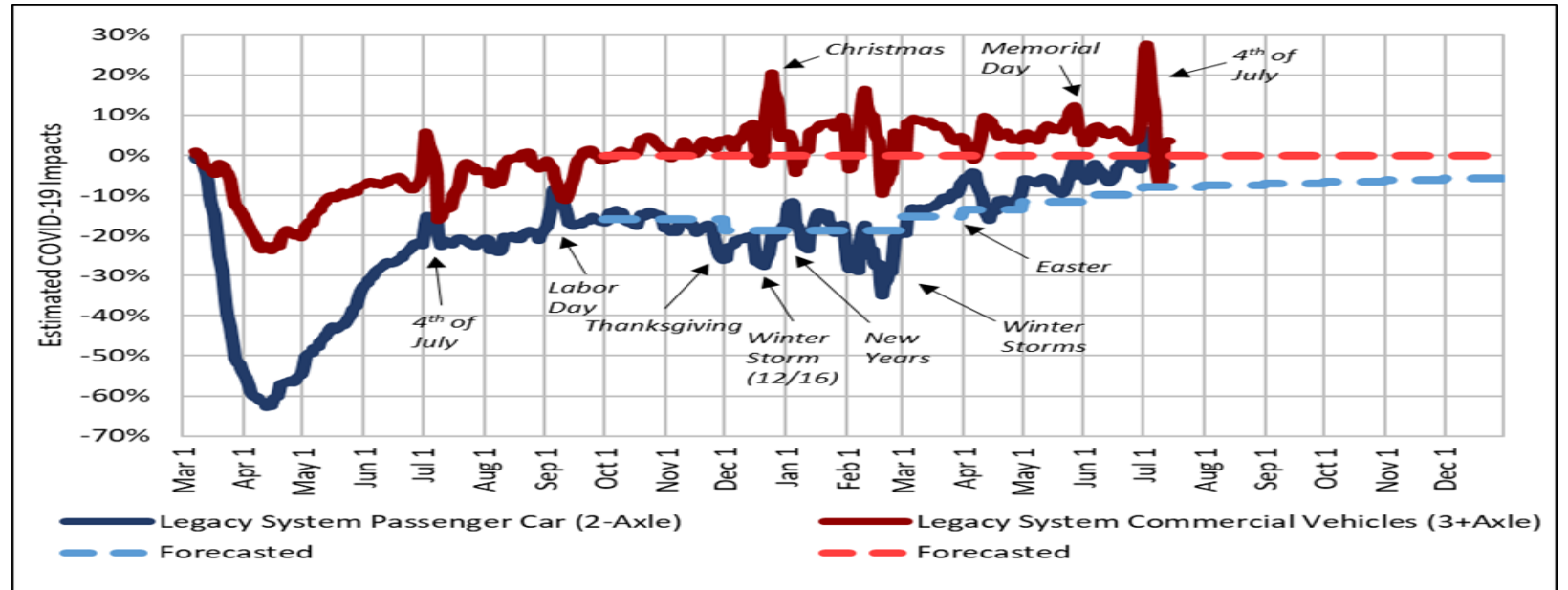
MDTA Board Meeting

July 29, 2021

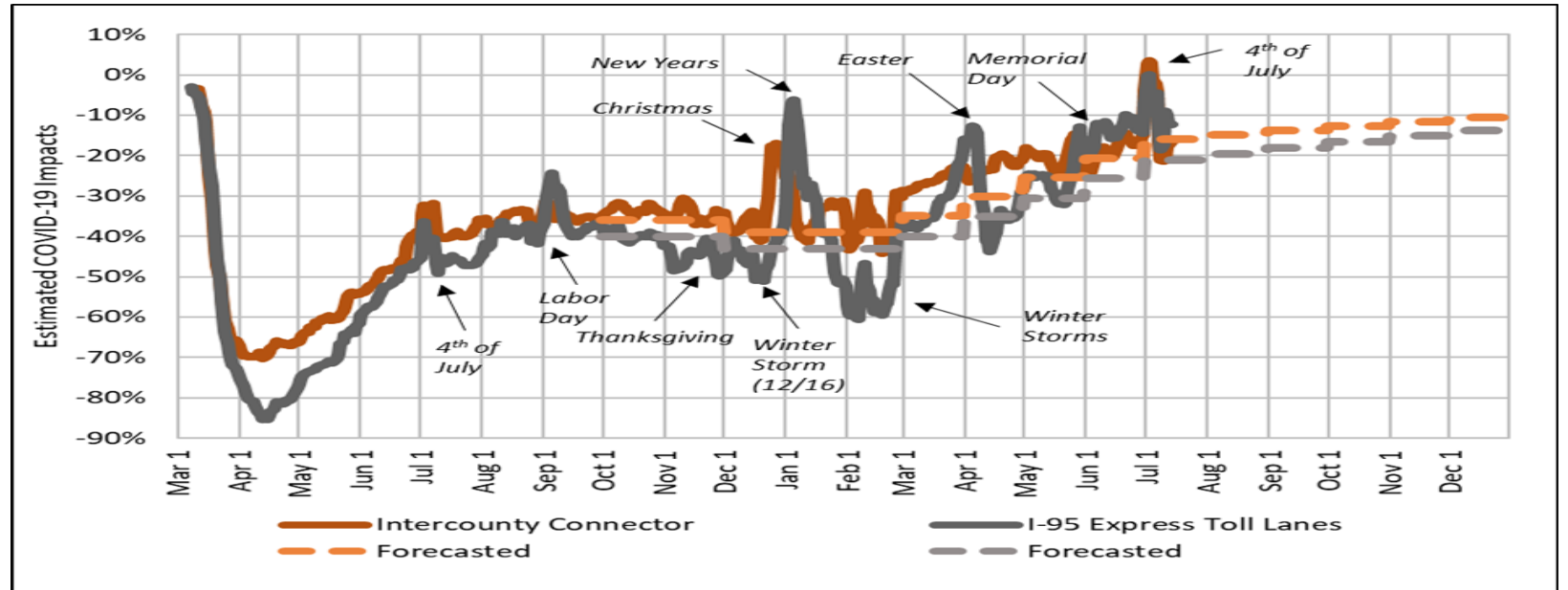
Traffic & Revenue

COVID-19 Forecasted Traffic Impacts vs. Actual

Legacy Facilities



ICC & ETL Facilities

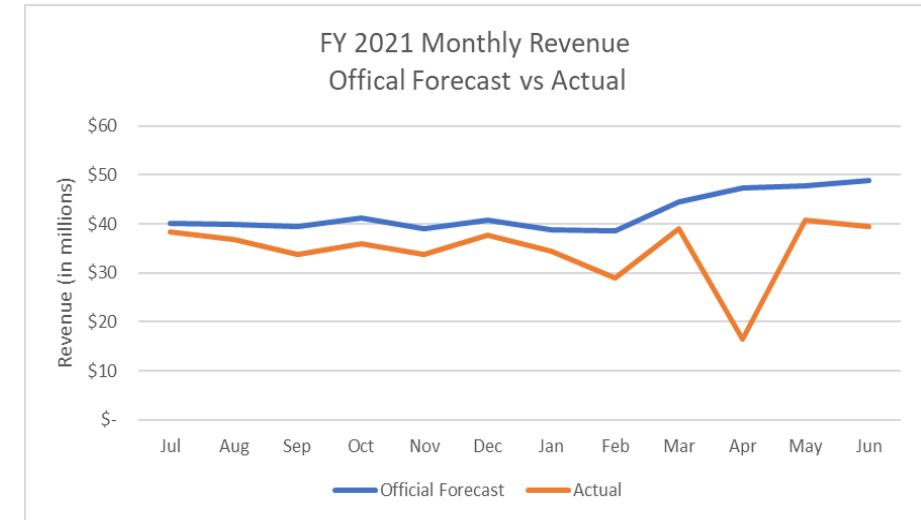


Key Takeaway: Traffic is meeting or exceeding the COVID-19 forecast

Revenue Actual vs Forecast

- FY2021 unofficial forecast expected actual revenue to be below the official forecast by ~\$72M
- Actual revenue \$90.9M under forecast
 - Slowed posting of transactions to benefit customers
- 2.3x debt service coverage; holding all other inputs constant

Forecasts vs. Actual (Cash Basis)



Forecasts vs. Actual (Modified Accrual Basis)

- FY2021 revenue on a modified accrual basis (does not reflect accrual for video tolls) exceeded the total forecast by \$5.1M
- Good news considering we under-performed the video toll portion of our forecast by nearly \$5M due to delays in mailing notices.

Official Forecast	\$	506,570,000	
Revenue Posted			
As of 6/30/21 (cash basis)		415,677,570	
Between 7/1-15/21		49,656,338	
Total Posted		465,333,908	← In the bank
Revenue Accrual			
Legacy & ETL E-ZPass (plate-based)	22,827,000	9/26/20 - 3/1/21 (41% of total) & 7/22/20 - 3/1/21 (59% of total)	
ICC E-ZPass (transponder-based)	16,646,000	9/26/20 - 3/1/21 (75% of total) & 7/22/21 - 3/1/21 (25% of total)	
ICC E-ZPass (plate-based)	1,523,000	7/22/20 - 3/1/21	
Away Transactions	5,356,497	4/8/21 - 4/16/21	
Total Accrual	46,352,497		← E-ZPass Backlog
FY 2021 Total		511,686,405	
Over/(Under) Forecast	\$	5,116,405	

Note: Accruals do not include video toll revenue

Revenue Actual vs Official Forecast via Payment Type as of 6/30/21

E-ZPass						
		Quarter 1		Quarter 2		Year
Forecast	Legacy	\$	106,434,000	\$	105,493,000	\$ 420,382,000
	ICC		10,055,000		9,947,000	\$ 41,395,000
	ETL		2,365,000		2,374,000	\$ 9,582,000
	Total		118,854,000		117,814,000	471,359,000
Actual	Legacy		101,838,966		95,203,732	\$ 359,490,195
	ICC		2,637,194		-	17,988,041
	ETL		2,091,536		2,057,129	\$ 7,675,666
	Total		106,567,696		97,260,861	385,153,902
Difference		\$	(12,286,304)	\$	(20,553,139)	\$ (86,205,098)

Video						
		Quarter 1		Quarter 2		Year
Forecast	Legacy	\$	526,000	\$	3,006,000	\$ 33,203,000
	ICC		45,000		290,000	\$ 2,008,000
	Total		571,000		3,296,000	35,211,000
Actual	Legacy		2,037,649		8,992,715	\$ 27,903,082
	ICC		494,072		1,163,718	\$ 2,620,585
	Total		2,531,721		10,156,433	30,523,668
Difference		\$	1,960,721	\$	6,860,433	\$ (4,687,332)

E-ZPass & Video						
Total		Quarter 1		Quarter 2		Year
	Forecast	\$	119,425,000	\$	121,110,000	\$ 506,570,000
	Actual		109,099,417		107,417,294	415,677,570
Difference		\$	(10,325,583)	\$	(13,692,706)	\$ (90,892,430)

- FY 2021 Revenue on a Cash Basis
- Basis for Determining Compliance with Financial Policies
- Debt service coverage 2.3x; holding all other financial forecast inputs constant.

Backlog Processing Status

Current Status – 7/21/21

- Anticipate processing all backlog within FY22 (Summer 2022)
- Transaction processing
 - Approximately current transactions plus one week of backlog, per week
- Video Toll Transactions
 - ITOLs separated and issued with AVI
 - Metering plan developed to limit customer impacts
 - Monitoring the plan and call center impacts

Post-Transition Operations

Key Milestones

Milestone	Planned Date Range
CSC & Backoffice Go-Live (Complete)	4/29 7:00 AM
Priority Releases	N/A
Go-Live Plus 30 Days: Software Release	4/30 to 5/30 September revised anticipated completion
Go-Live Plus 60 Days: Software Release	6/1 to 6/30 October revised anticipated completion
System Acceptance Test	7/01 to 7/30 October/November revised anticipated completion
Post SAT Software Release	8/1 to 11/1 Updating schedule

- Go-live + 180 days address system defects & complete deferred functionality
- New issues prioritized into Priority, 30 day, 60 day and Post-SAT releases, along with the issues identified prior to Go-live
- 552 new issues identified since go-live to date
 - New issues since last Board update identified with escalations resuming
 - 184 issues closed or deployed to production (33%)
 - Some toll rate issues identified, correcting and issuing credits to customers, when applicable
- Reviewing Contractor's SAT schedule and anticipate Post SAT schedule end of this month
 - Preparing Modifications and State DOIT and BPW updates based on schedule, COVID backlog and AET revisions
- Mitigating release schedule by moving to weekly releases
 - More agile approach to have smaller, but more frequent releases

Key Focus Areas

Software Reports & Documentation

- Continue finalizing outstanding reports and documentation

Post-Transition & Backlog Tasks

- Tightly monitor schedule & coordination between MDTA and vendors
- Queue transactions for processing and resolve issues
- Continue to triage and resolve software bugs

QA/QC & Lane Maintenance Improvements

- Coordinating and addressing ongoing AET conversions for JFK, FMT and HWN
- Accountability for timeliness of resolution for identified issues
- Enforcement of contractual requirements
- Consistent pro-active approach to the maintenance tasks
- Improving image quality

System Acceptance & Key Performance Indicators (KPI)

- Finalize System Acceptance Testing and Plans
- Plan and test KPI

Contract Administration & Operational Functions

- Coordinating responsibilities & communication across IT, Operations and Finance
- Standing up contract administration tools & processes
- Forming cross-functional workgroups

Post Go-Live Risk Tracking

Call Center

- Call volumes and wait times are high with average waits up to an hour
 - Increased volumes with escalations resuming and backlog processing
 - Staffing losses have been an issue, but hiring is ongoing

Transaction & Backlog Processing

- Transactions released manually based on a pre-defined schedule
 - Tight coordination with MDTA and vendors to maintain processing
 - Image review is no longer anticipated to be a bottleneck, as numerous transactions posted
 - Anticipate metering NOTDs
- Escalations
 - Approximately 9 million video transactions posted to customer accounts
 - Several notices sent to alert customers to proactively pay electronically to receive early payment discounts
 - NOTD control runs ongoing with full mailing commencing end of the month
 - Metering plan developed to manage impacts to customers
 - Assist with reducing call center volumes
 - Image certifications and citations fully resumed
 - Cleared all citations generated from pre-Go-Live NOTDs
 - Awaiting new NOTDs to age for more citation mailings
 - MVA and CCU escalations anticipated to resume end of this month

QA/QC

- NOTD & Citation image quality (dark)
 - Testing additional lighting
 - Enlarged image on NOTD mailings

TAB 5

VERBAL

TAB 6

CLOSED SESSION

TAB 7

CLOSED SESSION