

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

TUESDAY, NOVEMBER 25, 2025
9:00 A.M.

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

OPEN SESSION

Samantha J. Biddle, Chair

MEMBERS ATTENDING: Dontae Carroll – via Phone
Maricela Cordova
William H. Cox, Jr.
Mario J. Gangemi
Cynthia D. Penny-Ardinger
Jeffrey S. Rosen - Phone
Samuel D. Snead – via Phone
John F. von Paris

STAFF ATTENDING: Lt. Col. Ronce Alford
Jeffrey Brown
Kevin Cullity
Jeffrey P. Davis
Allen Garman
Bruce Gartner
James Harkness
Natalie Henson
Walter Laun
Megan Mohan, Esq.
Mary O'Keeffe
John Sales
Col. Joseph Scott
Deb Sharpless
Cheryl Sparks
Jason Stolicny
Jennifer Stump
Bradley Tanner
Brian Wolfe

OTHERS ATTENDING: Erick Ferris, WMAR
Hayes Gardner, Baltimore Banner
Jaclyn Hartman, Assistant Secretary, MDOT
Austin Korycki, Del. Bob Long Staffer
Bob Long, Delegate, District 6 – Baltimore County
Steuart Pittman, Anne Arundel County Executive
William Seymour, SB
Tiana Wynn, SB

At 9:02 a.m. Chair Samantha J. Biddle called the meeting of the Maryland Transportation Authority (MDTA) Board to order. The meeting was held in-person at MDTA Headquarters, 2310 Broening Highway, Baltimore MD 21224 and was livestreamed on the MDTA Board Meeting web page.

APPROVAL – AMENDMENT OF AGENDA TO MOVE AGENDA ITEM # 4 – CONTRACT AWARDS AFTER AGENDA ITEM # 11 – CONTRACT MODIFICATION

Prior to beginning the Agenda, Chairman Biddle asked the MDTA Board for a motion to amendment the agenda by moving Agenda Item # 4 – Contract Awards after Agenda Item # 11 – Contract Modification.

Upon motion by Member William H. Cox, Jr. and seconded by Member John F. von Paris, the amendment to the agenda was unanimously approved.

APPROVAL – OPEN SESSION MEETING MINUTES OF OCTOBER 30, 2025

Upon motion by Member Mario J. Gangemi, and seconded by Member Cynthia D. Penny-Ardinger, the open session meeting minutes of the MDTA Board meeting held on October 30, 2025 were unanimously approved.

APPROVAL – CLOSED SESSION MEETING MINUTES OF OCTOBER 30, 2025

Upon motion by Member William H. Cox, Jr., and seconded by Member Maricela Cordova, the closed session meeting minutes of the MDTA Board meeting held on October 30, 2025 were unanimously approved.

UPDATE – FISCAL YEAR 2025 INDEPENDENT AUDITORS’ FINANCIAL STATEMENTS AUDIT AND SERVICE ORGANIZATION CONTROL (SOC) 1 AND SOC 2 REPORTS

Mr. William Seymour, representing the Maryland Transportation Authority’s Independent Auditor - SB & Company, presented the results of the Fiscal Year (FY) 2025 financial statements and Service Organization Control (SOC) audits conducted for the Maryland E-ZPass® System.

Mr. Seymour gave an overview of the key areas of emphasis, internal controls, required auditor communications, and future considerations regarding the MDTA’s financial statements. An unmodified opinion was issued.

As it pertains to the SOC audits, exceptions (*i.e.*, findings) were noted related to the timeliness of disaster recovery testing (TransCore) and organization and human resources and confidentiality (Kapsch). Irrespective of the findings, unmodified opinions were issued for the SOC 1 Type 2 and SOC 2 Type 2 audits.

APPROVAL – FISCAL YEAR 2027 PRELIMINARY OPERATING BUDGET

Mr. Jeffrey Brown requested MDTA Board approval of the Preliminary Fiscal Year (FY) 2027 Operating Budget.

Mr. Brown explained that the proposed FY 2027 Preliminary Operating Budget of \$463.1 million represents a \$0.9 million, or 0.2%, increase versus the FY 2026 Amended Operating Budget. Several of the key changes include the transfer of IT personnel costs to contractual services and increases in *E-ZPass*® service center (tolling vendor) costs, building/road repair and maintenance costs, and insurance costs. These increases were partially offset by reduced vehicle purchases, reduced credit card fees, and various other smaller reductions.

Upon motion by Member Jeffrey S. Rosen and seconded by Member Maricela Cordova, the Preliminary Fiscal Year (FY) 2027 Operating Budget was unanimously approved.

UPDATE – FRANCIS SCOTT KEY BRIDGE

Mr. James Harkness and Mr. Brian Wolfe updated the MDTA Board on the program scope, cost, and schedule for the reconstruction efforts of the Franscis Scott Key Bridge.

They explained that the Maryland Transportation Authority (MDTA) continues to work in partnership with the Federal Highway Administration to quickly and safely advance the rebuilding of the Francis Scott Key Bridge and the project's development and design progression has resulted in an updated cost estimate range of \$4.3-\$5.2 billion with an anticipated open-to-traffic date in late 2030.

They further explained that preliminary estimates for the cost and timeline of the rebuild were made less than two weeks after the initial incident in March 2024, prior to any design or engineering studies. Since then, national economic conditions have changed significantly and material costs have increased dramatically. Pre-construction activities, updated datapoints and advanced design – not available in the immediate days following the bridge collapse – have been used to inform the MDTA on an updated estimated cost and schedule for the project. After negotiations with the progressive design builder Kiewit are complete, MDTA anticipates the final cost of the project will be within the estimated price range.

The increased length of the main span, now 1,665 feet, has resulted in an increase of the overall span of the bridge and the height of the main piers. The increased size accommodates larger marine traffic and is needed to comply with current guidelines from the American Association of State Highway and Transportation Officials for new bridges. The size and cost of the pier protection, the extent of which was not accounted for in the preliminary estimate, adds an additional cost to the project. The towers needed to accommodate both the length and 230-foot height of the bridge deck, add a significantly higher cost than initial assumptions.

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According to the Federal Highway Administration, highway construction costs have increased approximately 72% in the last five years, which has led to an uncertain construction and bonding market nationwide. Inflation remains a risk to the cost of materials and contractors continue to price that risk into their bids. The cost of raw materials and labor remains constantly in flux. When pricing construction jobs, uncertainty equates to risk, which impacts cost.

The State has, and will continue to make, substantial financial commitments and contributions to support the Key Bridge reconstruction, including advancing upfront construction costs and contributing hundreds of millions of dollars in insurance proceeds toward the rebuilding effort.

The project is making significant progress in the design and pre-construction phases, and groundbreaking for the new bridge is expected to occur in the coming months. The MDTA is working to expedite the delivery of a new bridge and acknowledges the impact the loss of the Key Bridge has on the Baltimore region, from longer commute times to financial strain on businesses in our State. The MDTA and the Maryland Department of Transportation remain committed to mitigating the impacts of the loss of the bridge throughout the rebuild process. This includes providing travelers with the best real-time information possible, adjusting transport operations and providing new travel options, all with the goal of reducing congestion and impacts to our local communities.

At the conclusion of this presentation, Anne Arundel County Executive Steuart Pittman and Delegate Bob Long (District 6, Baltimore County) gave public comment.

Anne Arundel County Executive Steuart Pittman commended the MDTA for their speed, safety, professionalism, and extraordinary transparency on this project. He also stated that he is aware that there are factors outside of the MDTA's control impacting the updated cost estimate of the new bridge. He ended his comment by thanking the MDTA and expressing his solidarity.

Delegate Bob Long thanked the MDTA team for everything that has been accomplished and how fast the MDTA has been able to get things done. His concern is the new timeline for the rebuild. He stated that time is of the essence for the people that he represents as the bridge was the lifeline of his district and that tunnel traffic isn't getting any better. He requests that MDTA and all its partners work together in a timely manner to get the new bridge built.

APPROVAL – FINAL FISCAL YEAR 2026 – 2031 CONSOLIDATED TRANSPORTATION PROGRAM (CTP)

Ms. Jennifer Stump requested MDTA Board approval for the proposed Final Fiscal Year (FY) 2026-2031 Consolidated Transportation Program (CTP). She explained that the six-year FY 2026-2031 budget in the proposed CTP is \$8.4 billion.

The proposed CTP reflects a net increase in the six-year FY 2026-2031 budget of \$3.4 billion. The net FY 2026-2031 increase is the result of the following:

- Added two system preservation projects, one environmental project, and one information technology project for a net increase of \$7.4 million.
- The construction phase of five projects was funded for a total of \$284.1 million transferred from the reserves as design reached 60% level and cost estimates were established on fully developed scopes.
- Ten projects were completed or cancelled which netted no budget changes in the FY 2026-2031 period.
- Adjusted cash flows and funded changes in engineering and/or construction budgets for ninety-seven projects for a net budget increase of \$3.4 billion.
- The allocated reserves had a net decrease of \$339.7 million, and the unallocated reserves remained the same.

Upon motion by Member Mario J. Gangemi and seconded by Member Maricela Cordova, the Final Fiscal Year 2026 – 2031 Consolidated Transportation Program was unanimously approved.

UPDATE – TRAFFIC AND REVENUE FORECAST UPDATE

Mr. Walter Laun briefed the MDTA Board on the annual update to the Traffic and Revenue (T&R) forecasts for all facilities.

Mr. Laun explained that each year, an update to the ten-year traffic and revenue forecast is prepared by independent Consultants. The MDTA selected CDM Smith through a competitive process to provide the T&R forecast. The forecast is built on historical data from the MDTA's facilities and national, regional, and State socioeconomic data, such as population, employment, unemployment, real income per capita, real gross domestic product, inflation, and fuel prices. The T&R forecast also accounts for, among other things, video toll collection and enforcement, traffic impacts associated with the FSK rebuild, the I-95 ETL expansion, and near-term T&R growth trends.

Mr. Laun then provided the following key takeaways:

- The current T&R forecast (FY 2025 – 2031) projects total system revenue (including administrative) will increase by \$33.4 million, or 0.6%, when compared to the October 2024 T&R Forecast Update.
 - The increase in revenue is mainly attributable to increased collections from the Central Collection Unit (CCU) for MDTA's video tolls and civil penalty fees, partially offset by reduced revenues associated with the revised opening date of the Key Bridge. Other contributors include re-benchmarking the forecast to reflect the latest trends that include additional transactions on the Intercounty Connector (ICC) and an increase in the average toll rate on the I-95 Express Toll Lanes (ETL).
- The November 2025 forecast assumes the Francis Scott Key Bridge reopens at the end of calendar year 2030, revised from 2028.

- The Intercounty Connector (ICC) in-lane revenue is projected to increase compared to the previous forecast.
- The I-95 Express Toll Lanes (ETL) in-lane revenue is projected to increase compared to the previous forecast.
- Projected administrative toll revenue increased by \$104.1 million, or 27.8%, compared to the previous forecast. This increased assumption is in response to the timely submission of MVA and CCU referrals coupled with the resumption of the Maryland State Tax Refund Intercept Program (TRIP).

APPROVAL – FISCAL YEAR (FY) 2026 – 2031 FINANCIAL FORECAST

Ms. Deborah Sharpless requested MDTA Board approval of the Fiscal Year (FY) 2026-2031 Financial Forecast.

Ms. Sharpless explained that this forecast includes the Fall 2025 Traffic and Revenue (T&R) Forecast Update, the Final FY 2026 - 2031 CTP, and the Preliminary FY 2027 Operating Budget. The forecast also incorporates intermediate-term borrowings to align with anticipated federal reimbursement cashflows for the Key Bridge Rebuild.

She further explained the key component comparisons between the current 6-year forecast and June 2025 forecast are:

- *Total revenue:* Total revenue remains relatively flat throughout the FY 2026 – 2031 forecast period, declining by a cumulative \$2.2 million. The decline in total revenue is primarily attributed to a \$71.1 million decrease in in-lane toll revenue caused by the shift in the reopening date of the Key Bridge Rebuild, offset by a \$69.6 million increase in toll administrative revenue mostly due to improved performance of the Central Collections Unit.
- *Operating budget expenses:* Operating budget expenses decrease by \$33.8 million throughout the 6-year forecast period. The decrease is primarily attributed to a preliminary FY 2027 operating budget growth rate that is less than the assumed growth rate in the prior forecast.
- *Capital budget expenses:* Capital budget expenses increase by \$3.4 billion compared to the Draft FY 2026-2031 CTP. The budget range for the Key Bridge Rebuild was updated with the design progress and has not been publicly available since the original preliminary estimate prepared within two weeks of the bridge collapse. For financial forecasting purposes, it is prudent to model the high end of the cost range. Aside from the net increase in the Key Bridge Rebuild project, the other components of the CTP are essentially unchanged over the six-year program period.
- *Debt issuances:* Revenue bond issuances increase by \$700.1 million throughout the forecast period, primarily due to intermediate-term financings for the FSK Bridge Rebuild prior to federal reimbursements that are modeled with lag.
- *Debt Service:* Debt service increases by \$81.5 million during the forecast period due to the intermediate-term, interest-only financings for the FSK Bridge Rebuild project.
- *Insurance Funds:* Of the \$350 million of insurance proceeds, \$25 million was used for federally eligible debris and salvage costs and the remaining \$325 million is currently being spent on federally eligible construction costs.

- *Federal Funds:* Consistent with the State's request, the federal government has appropriated \$217 million in funds for the Key Bridge Rebuild. Federal reimbursements are conservatively modeled with one-year lags in the FY 2027- 2033 period. The forecast incorporates full federal reimbursement. Ineligible project expenses may be incorporated into future forecasts as these expenses are known.
- *Toll increase:* Based on the current forecast estimates, beginning in FY 2028, a systemwide toll increase will be necessary to maintain 2.0 times debt service coverage throughout the remainder of the FY 2026-2031 forecast period.

Upon motion by Member Maricela Cordova and seconded by Member Cynthia D. Penny-Ardinger, the Fiscal Year 2026-2031 Financial Forecast was unanimously approved.

UPDATE – BI-ANNUAL REVIEW OF REVENUE SUFFICIENCY

Mr. Allen Garman presented to the MDTA Board the Bi-Annual Review of Revenue Sufficiency update. The MDTA Board Operating Policy requires a biannual review of revenue sufficiency to determine if current rate and fee levels are appropriate relative to projected operating costs and capital spending. The most recent financial forecast shows that current toll rates, fees, and discounts provide adequate revenues through fiscal 2027 to meet forecasted spending and all legal and policy requirements.

APPROVAL – CONTRACT MODIFICATION

- **KB-4903-0000 – Key Bridge Rebuild Progressive Design Build – Modification 2**

Mr. James Harkness requested approval from the MDTA Board of Modification 2 for Contract No. KB-4903-0000, the Key Bridge Progressive Design-Build (PDB) contract, for additional Early Work Package Funding (EWP) to continue critical path work on the Key Bridge Rebuild.

Mr. Harkness explained that on May 29, 2025, the Board approved Contract Modification 1 to KB-4903-0000, which allowed for the issuance of EWPs for the Key Bridge Rebuild project. Additionally, the Board authorized a not-to-exceed amount of \$250,000,000.00 for EWPs, with the specific EWP approval authority delegated to the Chief Engineer.

He further explained that the materials and work authorized under the initial \$250 million are significant in cost and scope. To continue progressing critical path work over the coming months, additional funding is required. The Office of Engineering and Construction, in coordination with the PDB, has reviewed scopes of work and estimated costs for work necessary to progress the construction critical path, including continued pile installation, trestle installation, footing material procurement, and additional pile material procurement.

This work requires the authorization of an additional \$95 million in early works funding, increasing the not-to-exceed authorization to \$345 million. The cumulative total of EWPs shall not exceed \$345 million without Board approval.

Upon motion by Member Mario J. Gangemi and seconded by Member William H. Cox, Jr., the Members unanimously gave approval of Modification 2 for Contract No. KB-4903-0000, the Key Bridge Progressive Design-Build (PDB) contract, and a not-to-exceed amount of \$345 million to negotiate Early Work Packages (EWP).

APPROVAL – CONTRACT AWARDS

• **FT-3028-0000 – Miscellaneous Structural Repairs Inside Fort McHenry Tunnel**

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Contract No. FT-3028-0000 - Miscellaneous Structural Repairs Inside Fort McHenry Tunnel with Restoration East, LLC in the amount of \$5,268,778.00.

Mr. Davis explained that the work to be performed under this contract is located at the Fort McHenry Tunnel on I-95 in Baltimore City. The work locations are the Southbound (SB) and Northbound (NB) roadways designated as Bores 1 and 2 (SB) and Bores 3 and 4 (NB). The scope of work includes miscellaneous structural concrete and steel repairs throughout the tunnel, ceiling and wall tiles replacement, and retaining wall repairs at the entrance and exit of the tunnel portals.

Upon motion by Member William H. Cox, Jr. and seconded by Member Jeffrey S. Rosen, the Members unanimously approved Contract No. FT-3028-0000 - Miscellaneous Structural Repairs Inside Fort McHenry Tunnel.

• **MR-3043-0000 – On-Call Structural Repairs and Miscellaneous Modifications**

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Contract No. MR-3043-0000 - On-Call Structural Repairs and Miscellaneous Modifications. This is a multi-award for three (3) contracts with not-to-exceed contract amounts. The three (3) bidders with their contract limits are listed below.

Brawner Builders, Inc.	Not-to-Exceed Amount of \$15,500,000.00
M.D. Miller t/a The Marksmen	Not-to-Exceed Amount of \$14,500,000.00
Concrete General, Inc.	Not-to-Exceed Amount of \$11,000,000.00

Mr. Davis explained that the contracts are to provide labor, equipment, and materials necessary to perform miscellaneous structural, concrete, and other related repairs, upgrades, replacements, and new construction as directed by the MDTA project manager. This work may be required on any portion (bridge, tunnel, highway, building, and all appurtenances) of any of the MDTA's facilities.

Upon motion by Member Mario J. Gangemi and seconded by Member Maricela Cordova, the Members unanimously approved execute Contract No. MR-3043-0000 - On-Call Structural Repairs and Miscellaneous Modifications.

- MA-3024-0000 – System-Wide CCTV Replacement

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Contract No. MA-3024-0000 – System-Wide CCTV Replacement with Aldridge Electric, Inc. in the amount of \$9,978,509.27.

Mr. Davis explained that the work to be performed under this contract is located along multiple MDTA facilities including the Baltimore Harbor Tunnel, Fort McHenry Tunnel, Francis Scott Key Bridge, John F. Kennedy Memorial Highway, Thomas J. Hatem Memorial Bridge, Intercounty Connector, and William Preston Lane Jr. Memorial Bridge facilities. The project will upgrade existing CCTV roadway cameras and camera lowering system, upgrade existing tunnel cameras with new PTZ cameras, upgrade existing CCTV security cameras, and upgrade fiber optic communication equipment including a new fiber optic backbone installation.

This contract received a single bid. The procurement officer made several efforts to increase awareness of the project through direct solicitation and extension of the bid due date to offer prospective bidders sufficient time to respond. When the single bid was received, the procurement officer evaluated Aldridge Electric, Inc. and determined their bid is fair and reasonable and that the firm is qualified to complete this specialized work.

Upon motion by Member Jeffrey S. Rosen and seconded by Member Cynthia D. Penny-Ardinger, the Members unanimously approved Contract No. MA-3024-0000 – System-Wide CCTV Replacement.

- J01B5600027 – IBM Maximo Consulting Services

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Sole Source Contract No. J01B5600027 - IBM Maximo Consulting Services with IBM Corporation in the amount of \$5,065,328.80 for a term of five (5) years.

Mr. Davis explained that this Sole Source Contract is to provide consulting services for the IBM Maximo system currently utilized by the MDTA as its asset management system. The services include architects, delivery consultants, and project managers which will be utilized to build and upgrade the current Maximo system to the Maximo Application Suite (MAS) version 9. A Sole Source procurement is required because IBM Corporation is the developer and proprietary owner of the Maximo software and only technicians from IBM can provide the upgrades required for MAS version 9.

As this project exceeds MDTA's delegated authority, this will be presented at the next available BPW meeting.

Upon motion by Member Jeffrey S. Rosen and seconded by Member Cynthia D. Penny-Ardinger, the Members unanimously approved Sole Source Contract No. J01B5600027 - IBM Maximo Consulting Services.

APPROVAL – QUARTERLY REVIEW OF INVESTMENT STRATEGY AND BENCHMARKS

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

Mr. Cullity explained that for the period ended September 30, 2025, investments conformed to Investment Policy limitations. Portfolio structuring by account adhered to Board approved strategy and should remain consistent, despite short-term return volatility associated with the interest rate environment. Management does not attempt to time market rate changes and duration targeted reserves maintain consistent structures. Chosen strategies and benchmark indices represent a reasonable and prudent compromise between long-term, multiyear return/income focus and tolerance for return volatility. The longer duration strategies employed in certain reserves generate higher return volatility with expected higher average annual returns over multiyear periods. No changes in performance strategy or benchmarks are recommended.

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

UPDATE – FISCAL YEAR 2025 REVENUE ASSURANCE METRICS

Mr. Walter Laun provided the Maryland Transportation Authority (MDTA) Board with an annual update of the disposition of toll transactions.

Mr. Laun explained the following key takeaways: 1) Approximately 94% of total lane transactions in Fiscal Year (FY) 2024 and FY 2025 are expected to be collected; and 2) The percentage of revenue collected from total lane transactions remained consistent year-over-year.

UPDATE - EXECUTIVE DIRECTOR'S REPORT

Mr. Bruce Gartner began his report by thanking everyone on the team who has put in many hours, stretching into the evenings and weekends, to prepare the Board materials for this meeting.

Mr. Gartner then updated the Board on the FSK site visits that were held for media and elected officials; the conclusion of the MDOT CTP tour meetings; the November 22 Bridge Dedication Ceremony to Army Private First Class Justin R. Davis; and the 40th Anniversary of the Fort McHenry Tunnel. He also reminded the Board of the upcoming December 10 Police Graduation and December 11 Police Promotional Ceremony.

Mr. Gartner also took a moment to recognize that this was Chief Financial Officer Deborah Sharpless' last Board Meeting before retirement.

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VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member William H. Cox, Jr. and seconded by Member Jeffrey S. Rosen, the Members unanimously voted to adjourn the meeting at 11:10 a.m.

The next MDTA Board Meeting will be held on Thursday, December 18, 2025 at 9:00 a.m. at MDTA, 2310 Broening Highway, Baltimore MD and will be livestreamed on the MDTA Board web page.

APPROVED AND CONCURRED IN:



Samantha J. Biddle, Chair