



Maryland Transportation Authority

BOARD MEETING

THURSDAY, DECEMBER 16, 2021

MARYLAND TRANSPORTATION AUTHORITY
2310 BROENING HWY
BALTIMORE, MD 21224



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

DECEMBER 16, 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, December 14, 2021. 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.
- The order of the agenda items are subject to change.

AGENDA

OPEN SESSION – 9:00 AM

Call Meeting to Order

- | | | |
|---|-----------------------------------|---------|
| 1. <u>Approval</u> – <u>Open Session and Closed Session Meeting Minutes of November 18, 2021</u> | Chairman | 5 min. |
| 2. <u>Approval</u> – <u>Contract Awards</u> <ul style="list-style-type: none">• KH-3024-0000 – I-95 at Belvidere Road Interchange• MR-3024-0000 – On-Call Signs, Sign Lights, and Sign Structures | Donna DiCerbo | 10 min. |
| 3. <u>Update</u> – <u>Independent Auditors’ Report on the Fiscal Year 2021 Financial Statements</u> | Deb Sharpless
Sean Walker, CLA | 15 min. |
| 4. <u>Update</u> – <u>TIFIA Loan</u> – Update on the Status of the TIFIA Loan | Allen Garman | 10 min. |
| 5. <u>Approval</u> – <u>Board Resolution No. 21-06 – Amends Board Resolution No. 21-05 to Extend TIFIA Financing Deadline for the Nice/Middleton Bridge Project</u> | Allen Garman | 5 min. |
| 6. <u>Update</u> – <u>Update on Traffic and Revenue</u> – Update on the Actual Performance of Traffic and Revenue Compared to the Forecast | Deb Sharpless
Walt Laun | 10 min. |
| 7. <u>Approval</u> – <u>Declaration of Excess Land</u> – Point Breeze Rail Spur (MC#21-7044) | John Wedemeyer | 5 min. |
| 8. <u>Approval</u> – <u>Declaration of Excess Land</u> – Point Breeze Guard Shack and Pedestrian Tunnel (MC#21-7043) | John Wedemeyer | 5 min. |

**MDTA BOARD MEETING
DECEMBER 16, 2021 9:00 AM**

**AGENDA
PAGE 2**

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| 9. <u>Approval</u> – <u>Collective Bargaining Agreement with Fraternal Order of Police (FOP) Lodge #34</u> – To Approve the Memorandum of Understanding between the MDTA and FOP Lodge #34 – <i>This item is contingent upon a signed Agreement between MDTA and FOP #34 prior to the Board Meeting.</i> | Percy Dangerfield
Tonya Dorsey
Christina Thompson | 5 min. |
| | | |
| 10. <u>Update</u> – <u>Legislative Report Submitted to the Legislature</u> <ul style="list-style-type: none">• Maryland Transportation Authority Allaying Fiscal Stress Concerns Report | Chantelle Green | 10 min. |
| | | |
| 11. <u>Update</u> – <u>Third Generation Electronic Toll Collection (3G ETC) System</u> – Current Operations Update | Will Pines | 20 min. |
| | | |
| 12. <u>Update</u> – <u>Major Projects</u> – Update on Major Projects Valued Over \$40 Million or of Significant Public Impact | James Harkness | 15 min. |
| | | |
| 13. <u>Update</u> – <u>IT Major Projects</u> – Update on IT Major Projects | David Goldsborough | 10 min. |
| | | |
| 14. <u>Update</u> – <u>Civil Rights Fair Practice’s Socioeconomic Program</u> – Update on Fiscal Year 2022 1 st Quarter Disadvantaged Business Enterprise (DBE) Program Performance on Nice/Middleton Bridge Project | Towanda Livingston | 10 min. |
| | | |
| 15. <u>Update</u> – <u>Executive Director’s Report</u> – Verbal | Jim Ports | 10 min. |

Vote to go into Closed Session

- | | | |
|--|---|---------|
| 16. To Discuss a Personnel Matter | Percy Dangerfield
Tonya Dorsey
Christina Thompson | 10 min. |
| | | |
| 17. To Receive Legal Advice and Discuss Pending Litigation Related to a Contract Claim | Kim Millender, Esq. | 15 min. |

Vote to go into Open Session

Ratify Actions Taken in Closed Session

Vote to Adjourn Meeting

TAB 1

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

THURSDAY, NOVEMBER 18, 2021
9:00 A.M.

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

OPEN SESSION

Greg Slater, Chairman
Sean Powell, Acting Chairman

MEMBERS ATTENDING: Dontae Carroll – via Telephone
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: Jeffrey Brown
Carl Chamberlin
Percy Dangerfield
Donna DiCerbo
Tonya Dorsey
Allen Garman
Chantelle Green
James Harkness
Jason Harris
Natalie Henson
Richard Jaramillo
Jeanne Marriott
Kimberly Millender, Esq.
Ebony Moore
Mary O’Keeffe
Will Pines
James F. Ports, Jr. – via Telephone
Deb Sharpless
Christina Thompson

OTHER ATTENDEES: Samantha Biddle, MDOT-TSO

At 9:03 a.m. Acting Chairman Sean Powell called the meeting of the Maryland Transportation Authority (MDTA) Board to order. The meeting was held in-person at MDTA located at 2310 Broening Highway, Baltimore MD 21224 and was livestreamed on the MDTA Board Meeting web page. Acting Chairman Powell announced that Chairman Greg Slater would be joining later in the meeting and that Member Carroll and James F. Ports, Jr. would be participating in the meeting via conference call.

APPROVAL – OPEN SESSION AND CLOSED SESSION MEETING MINUTES OF OCTOBER 28, 2021

Upon motion by Member William H. Cox, Jr. and seconded by Member John F. von Paris, the open session meeting minutes of the MDTA Board meeting held on October 28, 2021 were unanimously approved.

Upon motion by Member Mario J. Gangemi and seconded by Member William C. Ensor, III, the closed session meeting minutes of the MDTA Board meeting held on October 28, 2021 were unanimously approved.

APPROVAL – CONTRACT AWARDS

- **MR-3029-0000 – On-Call Miscellaneous Paving Repair**

Ms. Donna DiCerbo requested contingent approval from the MDTA Board to execute Contract No. MR-3029-0000 – On-Call Miscellaneous Paving Repair with P. Flanigan & Son, Inc. in the bid amount of \$8,755,167.00.

This contract provides for the removal by grinding and the replacement of bituminous concrete paving at bridge approaches, toll plazas, shoulders, acceleration and deceleration lanes, ramps, parking lots, joint repairs, slab failures, and mainline roadways which are experiencing surface distortion or distresses. The work on this contract will be performed as on-call task assignments directed by the MDTA Engineer. The work under this contract may be performed at any of Maryland Transportation Authority (MDTA) facilities, including the Baltimore Harbor Tunnel, Fort McHenry Tunnel, Francis Scott Key Bridge, Governor Harry W. Nice/Senator Thomas “Mac” Middleton Memorial Bridge, Intercounty Connector, John F. Kennedy Memorial Highway, Point Breeze Office Complex, Thomas J. Hatem Memorial Bridge, US40/MD222, and the William Preston Lane Jr. Memorial Bridge; and related approach roadways located in Anne Arundel County, Baltimore City, Baltimore County, Cecil County, Charles County, Harford County, Howard County, Montgomery, Prince Georges County, and Queen Anne’s County.

Upon motion by Member Mario J. Gangemi and seconded by Member W. Lee Gaines, Jr., the Members unanimously gave contingent approval to execute Contract No. MR-3029-0000 – On-Call Miscellaneous Paving Repair.

- **J01B600011 – DYNAC® Maintenance Contract**

Ms. Donna DiCerbo requested contingent approval from the MDTA Board to execute Sole Source Contract No. J01B1600011 – DYNAC® Maintenance Contract with Kapsch Trafficcom USA, Inc. in the bid amount of \$8,884,230.00.

The MDTA issued this Sole Source Contract to procure a full-service software maintenance and service plan (including repairs) for the DYNAC® SCADA system. The primary purpose of the DYNAC® Supervisory Control and Data Acquisition (SCADA) system is to manage tunnel ventilation fans, pumps, lighting systems, hydrocarbon and carbon monoxide sensors, cameras, traffic control gates, signs, and signals at the Baltimore Harbor Tunnel, Fort McHenry Tunnel, and the InterCounty Connector Deckover.

Upon motion by Member William H. Cox, Jr. and seconded by Member Mario J. Gangemi, the Members unanimously gave contingent approval to execute Sole Source Contract No. J01B1600011 – DYNAC® Maintenance Contract.

- **MDTA 2020-02 – ITS & Electrical Design Services**

***** Member John F. von Paris reclused himself from Contract No. MDTA 2020-02. He stepped out of the room prior to the presentation and discussion of this item. *****

Ms. Donna DiCerbo requested contingent approval from the MDTA Board to execute Contract No. MDTA 2020-02 – ITS & Electrical Design Services - Contract #'s AE 3077-0000, AE 3078-0000, AE 3079-0000, and AE 3080-000 in the bid amount of \$4,250,000.00 for each contract as stated below.

AE 3077-0000	Rummel, Klepper & Kahl, LLP/Whitman, Requardt and Associates, LLP
AE 3078-0000	Jacobs Engineering Group, Inc.
AE 3079-0000	Mead & Hunt, Inc./WSP USA, Inc.
AE 3080-0000	Dewberry Engineering, Inc./Whitney, Bailey, Cox & Magnani, LLC

This project involves the award of four (4) contracts to consultant engineering firms to provide professional design services for ITS & Electrical projects as directed by the MDTA. The scope includes but is not limited to providing concept designs, feasibility studies, alternatives and planning, preliminary design services, technical recommendations, preparing system availability analysis, and developing operational cost and life cycle analysis for various system options where required. Such services are necessary to ensure that MDTA's ITS & Electrical assets are planned and designed in accordance with all applicable codes and standards. Scope will also include assisting in the diagnosis of problems within ITS & Electrical systems; providing analysis of proposed changes in operations or systems design for impacts potentially unanticipated to other components of operations to identify any needs for improvement or changes.

Upon motion by Member Jeffrey S. Rosen and seconded by Member W. Lee Gaines, Jr., the Members unanimously gave contingent approval to execute Contract No. MDTA 2020-02 – ITS & Electrical Design Services - Contract #'s AE 3077-0000, AE 3078-0000, AE 3079-0000, and AE 3080-000.

***** After the vote was complete, Ms. Natalie Henson left to the room to bring Member John F. von Paris back into the meeting for the remainder of the agenda items. *****

UPDATE – PROCURMENT REPORT ON OPEN CONTRACTS

Ms. Donna DiCerbo presented the MDTA Board with a verbal report on how many contracts are currently open with the MDTA excluding state credit card purchases. There are currently 218 total contracts totaling \$3,045,272,841.46.

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

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

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

***** Chairman Greg Slater joined the meeting during the 3G ETC Update. Once the update was completed, Acting Chairman Sean Powell asked for a vote to move Agenda Item # 6 – Approval – Phase 1 South: American Legion Bridge I-270 to I-370 Toll Setting Process and Agenda Item # 7 – CLOSED SESSION – To Discuss Matters Related to the Pending Collective Bargaining Negotiations up in the agenda. Upon motion by Member William H. Cox, Jr. and seconded by Member W. Lee Gaines, Jr., the Board unanimously approved moving these items up in the agenda. The floor was then turned over to Chairman Slater to continue with these two items. *****

APPROVAL – PHASE 1 SOUTH: AMERICAN LEGION BRIDGE I-270 TO I-370 TOLL SETTING PROCESS

Mr. Carl Chamberlin provided a summary of comments received during the second public comment period for the Phase 1 South: American Legion Bridge I-270 to I-370 Toll Setting Process. On September 30, 2021, the MDTA Board unanimously approved to proceed with opening the second public comment period on the Phase 1 South: American Legion Bridge I-270 to I-370 Tolling Proposal as part of the toll rate range setting process. The public comment period began on September 30, 2021 and continued until 5PM, October 28, 2021.

Mr. Chamberlin explained that a total of 95 respondents provided comment, with their comments categorized into 164 total individual comments. Ninety-one percent of the comments (150) were received via the online comment form. Comments received via email accounted for the remaining 9% (14). Categorizing the comments by element of the recommended toll rate ranges, there were 33 comments (20%) regarding the minimum and maximum toll rate ranges, 10 comments (6%) regarding the soft rate cap, 17 comments (10%) regarding the process for annual escalation, 26 comments (16%) regarding the toll discounts, and 78 comments (48%) regarding different issues associated with the MDTA that were categorized as “other.”

Once the updated was complete, Chairman Greg Slater opened the floor for any additional public comment. There was none.

Mr. Chamberlin then asked for the MDTA’s Board approval on the Staff’s Recommended Proposal by reading the following:

“The recommended action (recommended toll rate ranges) for Phase 1 South: American Legion Bridge I-270 to I-370 will consist of minimum toll rates, soft toll rate caps, and maximum toll rates for the HOT lanes. The toll rate ranges will be set to ensure the HOT lanes operate to established operational metrics and provide managed lane users with a faster and more reliable trip. The rates will also include annual escalation factors to ensure the toll rate ranges are adequate to cover the full term of the P3 Phase Developer Agreement (anticipated to be 50 years). The recommendation also includes a free passage discount that will be granted along the Phase 1 South: American Legion Bridge I-270 to I-370 HOT lanes for HOV 3+, buses and motorcycles. Toll rates will be set dynamically, meaning they could change up to every five minutes based on traffic volumes in the HOT lanes to provide customers who choose to pay a toll a faster and more reliable trip. The actual toll rates will change based on real-time traffic at each tolling point. The following encompasses the full recommended action.

A. Minimum Toll Rates

The minimum toll rate is the lowest toll rate per mile that will be charged within any tolling segment for the HOT lanes or the lowest total toll a vehicle will pay regardless of how far they travel. The minimum toll rate is intended to cover toll capture, processing, and collection costs.

B. Soft Rate Caps

The soft rate cap is the toll rate amount that can only be exceeded when at least one of the following thresholds are met within a given tolling segment during the preceding five-minute period: the average traffic volume exceeds 1,600 passenger car equivalent vehicles per hour per lane (PCEphpl) or the average speed in a tolling segment is below 50 mph. The soft rate cap will always be lower than the maximum toll rate and can be exceeded only temporarily to provide customers who choose to pay a toll, a faster and more reliable trip. The soft rate cap will only be exceeded until the throughput and speed performance targets are achieved, and then the toll rate will gradually return to the soft cap or below.

C. Maximum Toll Rates

The maximum toll rate is the highest per-mile toll rate that may be charged within any tolling segment for the HOT lanes. The actual per-mile rate paid by customers is responsive to real-time traffic. The maximum rates cannot be exceeded under any circumstance. The maximum rate will only be realized under conditions where the soft rate cap is exceeded, which would be during times of deteriorating performance. In extremely rare circumstances, when traffic demand is very high and customers are experiencing decreased speeds in a given tolling segment, the toll rate may reach the maximum toll rate. The toll rate is determined on a segment-by-segment basis. The maximum toll rate is required for the most congested tolling segments and likely would not come into effect for many segments.

D. Escalation

The MDTA staff recommends the minimum and maximum per-mile toll rates, soft rate caps, minimum toll, and unregistered video surcharge escalate annually. The adjustments are necessary to ensure the toll rates will keep up with (1) the growing traffic demand for the HOT lanes, (2) annual inflation, and (3) the goal of providing a faster and more reliable trip for customers who choose to pay the toll. The minimum per-mile toll rate and minimum toll would be escalated based on inflation only.

E. Discounts

In addition, the recommended action includes discounts for qualifying vehicles—including HOV 3+ (including car-vanpools), buses and motorcycles.

F. Recommended Action (Recommended Toll Rate Ranges)

We are seeking the Board's approval to accept the final recommendation."

Upon motion by Member William H. Cox, Jr. and seconded by Member W. Lee Gaines, Jr., the Members unanimously approved the Phase 1 South: American Legion Bridge I-270 to I-370 Toll Setting Process.

VOTE TO GO INTO CLOSED SESSION

At 10:17 a.m., upon motion by Member Jeffrey S. Rosen and seconded by Member William C. Ensor, III, 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)(9) to consider matters related to collective bargaining negotiations between the State and FOP #34.

In attendance for Closed Session was Chairman Greg Slater, Acting Chairman Sean Powell, Members Carroll (via telephone), Cox, Ensor, Gaines, Gangemi, Penny-Ardinger, Rosen, and von Paris; and Samantha Biddle (MDOT TSO), Percy Dangerfield, Tonya Dorsey, Chantelle Green, Natalie Henson, Kim Millender, Mary O'Keeffe, Jim Ports (via telephone), Deb Sharpless, and Christina Thompson.

VOTE TO ADJOURN CLOSED SESSION

At 11:15 a.m., a motion was made by Member Mario J. Gangemi and seconded by Member Jeffrey S. Rosen, which was unanimously approved, to adjourn the Closed Session and return to Open Session. There were no actions taken in Closed Session.

***** At 11:20 a.m. Acting Chairman Sean Powell called the Open Session Meeting to order and explained that Chairman Greg Slater had to leave and that he would be chairing the remainder of the meeting. *****

APPROVAL – QUARTERLY REVIEW OF INVESTMENT STRATEGY AND PERFORMANCE

Mr. Allen Garman requested MDTA Board approval to continue with the current investment strategy.

Mr. Garman explained that for the trailing twelve-month period ended September 30, 2021, investments conformed to Investment Policy limitations. No changes in performance strategy or benchmark are recommended.

Upon motion by Member Cynthia D. Penny-Ardinger and seconded by Member John F. von Paris, Jr., continuation of the current investment strategy was unanimously approved.

UPDATE – TRAFFIC AND REVENUE FORECAST

Ms. Chantelle Green briefed the MDTA Board on the annual update to the Traffic and Revenue (T&R) forecasts for all facilities.

Ms. Chantelle Green provided an update to the Finance Committee on the traffic and revenue (T&R) forecast for the legacy facilities, Intercounty Connector (ICC), and the I-95 Express Toll Lanes (ETL). On a systemwide basis, through Fiscal Year (FY) 2027, forecasted revenues are expected to increase by \$133.9 million, or 2.8 percent, compared to the previous forecast. The majority of the increase is due to a \$113.6 million increase in legacy facility revenue compared to the November 2020 forecast. The increase in legacy facility revenue is mostly due to the forecasted growth in commercial vehicle transactions.

Through FY 2027, in-lane revenue on the ICC and ETL facilities is forecasted to decline by \$4.4 million compared to the November 2020 forecast. The current forecast is generally in line with the prior year forecast.

Through FY 2027, administrative toll revenue is expected to increase by \$24.7 million compared to the November 2020 forecast. Other revenue is forecasted to increase as a result of cashless tolling.

COVID-19 directly impacted the MDTA's annual revenue. While the current T&R forecast reflects improved stabilization from COVID-19, some uncertainty remains. When comparing the MDTA's current forecast to the most recent pre-COVID-19 forecast, revenues are expected to decline by \$392.1 million for 5 percent compared to the most recent pre-COVID forecast. The MDTA will continue to manage through the loss of these revenues in the years ahead.

APPROVAL – FISCAL YEAR 2023 PRELIMINARY OPERATING BUDGET

Mr. Jeffrey Brown requested MDTA Board approval of the Preliminary Fiscal Year (FY) 2023 Operating Budget.

Mr. Brown explained that the proposed FY 2023 Operating Budget for the MDTA reflects a return to new normal operations. The proposed operating budget of \$359.1 million, represents a \$1.7 million, or 0.5%, decrease versus the FY 2022 Final Budget.

Mandated changes to the budget resulted in a \$5.6 million increase. The increase is primarily due to: (1) step and grade changes for the MDTA police; (2) employee and retiree health insurance costs; (3) pension costs for civilian employees, MDTA law enforcement officers, and the Maryland State Police; (4) a \$500 bonus for sworn and civilian employees; (5) a 1% cost-of-living adjustment for civilian employees; (6) social security costs; and (7) accrued leave payouts resulting from expected retirements.

The FY 2023 operating budget includes a \$7.7 million increase in discretionary spending. Additional spending is mostly due to information technology services, engineering costs, and replacement equipment. These costs are reduced by \$15.0 million in budget reductions that include lower rent, fiscal services, and E-ZPass Service Center costs.

Upon motion by Member Jeffrey S. Rosen and seconded by Member Cynthia D. Penny-Ardinger, the Fiscal Year 2023 Preliminary Operating Budget was unanimously approved.

APPROVAL – FINAL FISCAL YEAR 2022 – 2027 CONSOLIDATED TRANSPORTATION PROGRAM

Ms. Jeanne Marriott requested MDTA Board approval for the Final Fiscal Year (FY) 2022-2027 Consolidated Transportation Program (CTP). She explained that the six-year FY 2022-2027 budget in the proposed CTP is \$2.8 billion.

The proposed CTP reflects a net increase in the six-year FY 2022-2027 budget of \$39.3 million. The net FY 2022-2027 increase is the result of the following:

- Increase in the six-year CTP budget by \$9.4 million for the Nice/Middleton Bridge.
- Increase in the six-year CTP budget by \$6.8 million for the I-95 Express Toll Lanes (ETL) Northern Extension.

- Increase in the six-year CTP budget by \$369.0 million for all projects except Nice/Middleton Bridge, I-95 ETL Northern Extension, and reserves.
- Decrease in the Allocated and Unallocated Reserves by \$345.9 million.

The FY 2021 expenditures were \$432.4 million vs. \$471.7 million in the Draft FY 2022-2027 CTP. The FY 2021 underspending was \$39.3 million and has been rolled over into the Final FY 2022-2027 CTP.

Upon motion by Member William H. Cox, Jr. and seconded by Member Mario J. Gangemi, the Final Fiscal Year 2022 – 2027 Consolidated Transportation Program was unanimously approved.

APPROVAL – FISCAL YEAR 2022 – 2027 FINANCIAL FORECAST

Ms. Christina Thompson requested MDTA Board approval of the Fiscal Year (FY) 2022-2027 Financial Forecast.

Ms. Thompson explained that throughout the forecast period (Fiscal Years 2022 – 2027), the MDTA will remain above its financial goals and legal standards and that no systemwide toll increases are needed in the forecast period.

She explained that the primary differences between the current and August 2021 forecast are increased revenues; decreased operating expenses; increased capital expenses; decreased debt service; and decreased debt issuances.

Additionally, Ms. Thompson noted that while the financial forecast assumes that the MDTA will obtain a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan, the likelihood of the obtaining a loan is now questionable. If necessary, the forecast will be updated when more information is known about the outcome of the TIFIA loan.

Upon motion by Member Dontae Carroll and seconded by Member W. Lee Gaines, Jr., the Fiscal Year 2022-2027 Financial Forecast was unanimously approved.

UPDATE – BI-ANNUAL REVIEW OF REVENUE SUFFICIENCY

Ms. Chantelle Green presented to the MDTA Board the Bi-Annual Review of Revenue Sufficiency update. The most recent financial forecast shows that current toll rates, fees, and discounts provide enough revenue over the next six years to meet forecasted spending and meet all legal and policy requirements.

UPDATE – 1ST QUARTER OPERATING BUDGET COMPARISON

Mr. Jeffrey Brown updated the MDTA Board on actual versus projected year-to-date spending for the first quarter of Fiscal Year (FY) 2022 Operating Budget. As of September 30, 2021, 12% of the budget was spent compared to a target of 23%. All Objects were below the targeted spending level, with only Object 09 (Supplies & Materials) close to the targeted spend at 18%. The primary driver for the reduced spend are vacancies and the seasonality of expenses. Expenses are expected to become more aligned with budget as the fiscal year progresses.

UPDATE – 1ST QUARTER CAPITAL BUDGET COMPARISON

Ms. Jeanne Marriott updated the MDTA Board on the 1st Quarter Fiscal Year (FY) 2022 Capital Budget Comparisons. As of September 30, 2021, 10.4% of the FY 2022 budget was spent as compared to the targeted spending level of 25%. The total budget for FY 2022 is \$602.9 million. The actual spending through the first quarter was \$62.8 million. The first quarter percentage is low because there are outstanding accruals for work completed in FY 2021.

UPDATE – HUMAN RESOURCES COMMITTEE

Member Dontae Carroll presented an update on the Human Resources Committee meeting that took place on November 9, 2021. The Human Resources Committee Members were given updates on: Fraudulent Unemployment Claims; Return to Work Committee; Workforce Performance Metrics Report; Recruitment and Examinations Unit; and Classification and Compensation for Occupational Safety and Health Compliance Officer, ITS Technician, and management Advocate Classifications.

UPDATE – EXECUTIVE DIRECTOR

Mr. Jim Ports updated the MDTA Board on the following items: The MDOT CTP Meetings and he gave special thanks to Melissa Williams for all she does in representing MDTA in his absence; thanked Brian Wolfe, Tony Tabasco, Natalie Henson, and Ebony Moore for their work in organizing Nice Bridge Site Visits for the Board Members; and announced that the MDTA at 50 webpage has gone live.

VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member Mario J. Gangemi and seconded by Member W. Lee Gaines, Jr., the Members unanimously voted to adjourn the meeting at 12:10 p.m.

The next MDTA Board Meeting will be held on Thursday, December 16, 2021 at 9:00 a.m. at MDTA located at 2310 Broening Highway, Baltimore Maryland.

APPROVED AND CONCURRED IN:

Gregory Slater, Chairman

TAB 2



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: KH-3024-0000 – I-95 at Belvidere Road Interchange Project
DATE: December 16, 2021

PURPOSE:

To seek contingent approval to execute Contract No. KH-3024-0000 – I-95 at Belvidere Road Interchange Project.

SUMMARY:

The I-95 at Belvidere Road Interchange Project consists of both design and construction of a new partial-cloverleaf interchange, including a new Belvidere Road bridge structure, retaining structures, widening of Belvidere Road to accommodate turning lanes, directional ramps, and associated improvements. The project was procured using a two-step, best value Design-Build (D-B) delivery method which will award a single combined contract to perform both the final design and construction services.

RECOMMENDATION:

To provide contingent approval to execute Contract No. KH-3024-0000 – I-95 at Belvidere Road Interchange Project.

ATTACHMENT:

- Project Summary



Maryland
Transportation
Authority

AUTHORITY BOARD PROJECT SUMMARY

KH-3024-0000 : I-95 at Belvidere Road Interchange Project

PIN NUMBER

2477

CONTRACT NUMBER

KH-3024-0000

CONTRACT TITLE

I-95 at Belvidere Road Interchange Project

PROJECT SUMMARY

The I-95 at Belvidere Road Interchange Project consists of both design and construction of a new partial-cloverleaf interchange, including a new Belvidere Road bridge structure, retaining structures, widening of Belvidere Road to accommodate turning lanes, directional ramps, and associated improvements. The project was procured using a two-step, best value Design-Build (D-B) delivery method which will award a single combined contract to perform both the final design and construction services.

SCHEDULE

ADVERTISEMENT DATE (RFQ)

5/18/2020

RFP ISSUED TO SHORTLIST

10/30/2020

ANTICIPATED NOTICE TO PROCEED DATE

Feb-22

DURATION (CALENDER DAYS)

1290

ENGINEER'S ESTIMATE

\$59,673,160.00

MBE PARTICIPATION

OVERALL DBE

Advertised Goal
GOAL (%)

Proposed Goal
GOAL (%)

Professional Services DBE Goal

20.00%

20.02%

Construction DBE Goal

23.00%

23.00%

VSBE

0.00%

0.00%

SUBGOALS

0.00%

0.00%

BID PROTEST

YES ☐

NO ☒

PROPOSER	TOTAL EVALUATED PRICE	% VARIANCE TO EE	PRICE RANK	TECHNICAL SCORE	TECHNICAL RANK	OVERALL RANK
Concrete General/WR&A	\$65,437,722.28	9.7%	1	Good+	1	1
Corman/KCI	\$67,950,000.00	13.9%	2	Good-	4	2
Allan Myers/JMT	\$70,507,777.00	18.2%	3	Good-	3	3
Wagman/RK&K	\$79,728,000.00	33.6%	4	Good+	2	4

FUNDING SOURCE

54.5% TOLL REVENUE

30.5% FEDERAL BUILD GRANT

13.5% PRIVATE CONTRIBUTION

1.5% CECIL COUNTY



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: MR-3024-0000 – On-Call Signs, Sign Lights, and Sign Structures
DATE: December 16, 2021

PURPOSE

To seek contingent approval to execute Contract No. MR-3024-0000 – On-Call Signs, Sign Lights, and Sign Structures.

SUMMARY:

This contract provides for the installation, modification, and/or removal of highway signs, and ancillary infrastructure and equipment such as sign support structures, traffic barriers, sign lighting, and related electrical components. The work on this contract will be performed under on-call task assignments directed by the Maryland Transportation Authority (MDTA) Engineer.

The work under this contract may be performed at any of MDTA facilities, including the Baltimore Harbor Tunnel, Fort McHenry Tunnel, Francis Scott Key Bridge, Governor Harry W. Nice/Senator Thomas “Mac” Middleton Memorial Bridge, Inter County Connector, John F. Kennedy Memorial Highway, Thomas J. Hatem Memorial Bridge, US40/MD222, and the William Preston Lane Jr. Memorial Bridge; and related approach roadways located in Anne Arundel County, Baltimore City, Baltimore County, Cecil County, Charles County, Harford County, Howard County, Montgomery, Prince Georges and Queen Anne’s County.

RECOMMENDATION:

To seek contingent approval to execute Contract No. MR-3024-0000 – On-Call Signs, Sign Lights, and Sign Structures.

ATTACHMENT:

- Project Summary



Maryland
Transportation
Authority

AUTHORITY BOARD PROJECT SUMMARY

MR-3024-0000 On-call Signs, Sign Lights, and Sign Structures

PIN NUMBER

0231

CONTRACT NUMBER

MR-3024-0000

CONTRACT TITLE

On-call Signs, Sign Lights, and Sign Structures

PROJECT SUMMARY

This contract provides for the installation, modification, and/or removal of highway signs, and ancillary infrastructure and equipment such as sign support structures, traffic barriers, sign lighting and related electrical components. The work on this contract will be performed under on-call task assignments directed by the Maryland Transportation Authority (MDTA) Engineer.

The work under this contract may be performed at any of MDTA facilities, including the Baltimore Harbor Tunnel, Fort McHenry Tunnel, Francis Scott Key Bridge, Governor Harry W. Nice/Senator Thomas "Mac" Middleton Memorial Bridge, Inter County Connector, John F. Kennedy Memorial Highway, Thomas J. Hatem Memorial Bridge, US40/MD222, and the William Preston Lane Jr. Memorial Bridge; and related approach roadways located in Anne Arundel County, Baltimore City, Baltimore County, Cecil County, Charles County, Harford County, Howard County, Montgomery, Prince Georges and Queen Anne's County.

SCHEDULE

ADVERTISEMENT DATE

6/8/2021

ANTICIPATED NOTICE TO PROCEED DATE

Dec-21

DURATION (CALENDER DAYS)

1,095

MBE PARTICIPATION

OVERALL MBE

(\$)

**Advertised
GOAL (%)**

**Proposed
GOAL (%)**

AFRICAN AMERICAN

16.00%

16.39%

ASIAN AMERICAN

0.00%

0.00%

HISPANIC AMERICAN

0.00%

0.00%

WOMEN

0.00%

16.39%

NATIVE AMERICAN

0.00%

0.00%

VSBE

1.00%

1.29%

ENGINEER'S ESTIMATE (EE)

\$4,996,910.00

BID RESULTS

BID AMOUNT (\$)

% VARIANCE TO EE

BID PROTEST

YES ☐

NO ☒

Collinson Inc.

\$5,797,747.00

16%

FUNDING SOURCE

100.00% TOLL REVENUE

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. Deb Sharpless, Chief Financial Officer
SUBJECT: Independent Auditors' Report on the Fiscal Year (FY) 2021 Financial Statements
DATE: December 16, 2021

PURPOSE OF MEMORANDUM

To present the results of the financial statement audit conducted by the Maryland Transportation Authority's independent auditor, CliftonLarsonAllen, LLP.

SUMMARY

To provide an overview of the results of the FY 2021 Financial Statements Audit. The attached presentation includes an overview of the key areas of emphasis, required auditor communications, and future considerations.

ATTACHMENT

- PowerPoint Presentation – MDTA 2021 Financial Audit Results



Maryland Transportation Authority

2021 Financial Audit Results

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor

Agenda

- Audit overview
- Discussion of internal control deficiencies
- Required auditor communications
- Future considerations

Key Players

MDTA

- Deborah Sharpless, Chief Financial Officer
- Chantelle Green, Director of Finance
- Kenneth Montgomery, Deputy Director of Finance
- Vicky Dobbins, Director of General Accounting

CLA LLP

- Sean Walker, Principal
- Jatana Coleman, Director
- Josh McClain , Senior

Audit Overview

- Unmodified or “clean” opinion issued on the financial statements.
- Areas of emphasis –
 - Investments
 - Capital assets
 - Long-term debt
 - Revenue (special attention given to estimate for tolling activity)
 - Intergovernmental agency relationship
 - Financial reporting
- Status: Financial statements in firm’s quality control review, no change expected.



Internal Controls

- Evaluated internal control design for significant account balance and classes of transactions
 - No material weaknesses or significant deficiency identified.

Context: Internal controls deficiencies that have a likelihood or caused material misstatements in the financial statements prior to finalizing our audit procedures.

Governance Communications

- Significant accounting policies
 - Consistent with prior year
- Accounting estimates
 - Allowance on receivables
 - Unbilled tolling revenue
 - Pollution remediation liabilities
 - Capital asset depreciation
 - Pension liabilities
- Difficulties encountered in performing the audit
 - COVID Year 2 impacts – confirmations
 - Significant revenue estimate for tolling and change to tolling service providers
- Uncorrected misstatements - none
- Corrected misstatements - none



Governance Communications (cont.)

- Disagreements with management - none
- Representation from management
- Consultation with other accountants - none
- Significant issues discussed with management prior to retention - none



Future Considerations

- Possible changes in financial reporting
 - Updates in government accounting standards
 - Topics:
 - Leases
 - Subscription-based information technology





Questions Welcomed

WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

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an SEC-registered investment advisor

Sean M. Walker, CPA, CFE, CGFM, CGMS
Principal

Sean.Walker@CLAconnect.com

414-881-3868

Jatana Coleman, CPA, CGFM, CICA
Director

Jatana.Coleman@CLAconnect.com



CLAconnect.com



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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TAB 4



**Maryland
Transportation
Authority**

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

Board Members:

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William H. Cox, Jr.
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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
FROM: Mr. Allen W. Garman, Director of Treasury & Debt
SUBJECT: TIFIA Financing Status Update
DATE: December 16, 2021

PURPOSE OF MEMORANDUM

Provide an update on the TIFIA loan application status that began in August 2019.

SUMMARY

The MDTA has been seeking a \$200 million TIFIA loan to finance approximately one-third of the Nice/Middleton Bridge project. The MDTA submitted a Letter of Interest to the Build America Bureau in August 2019, received invitation into the Credit Review phase in December 2019, invitation to Submit Application in July 2021, and Credit Review Team's recommended approval in August 2021. Although the TIFIA loan approval process was expected to take more than one year, including the credit review and loan terms negotiation, the work to date is well beyond two years.

In August 2021, the USDOT Credit Council voted to defer approval of MDTA's loan in favor of more details on bicycle accommodations. Despite the MDTA's conformance with all federal guidelines, including the NEPA¹ approval and recent responses to questions on bicycle accommodations, the loan is currently stalled with USDOT's Credit Council and is at great risk of not receiving final approvals. The loan approval has not returned to the Credit Council's agenda for three months through November. Remaining elements required to finalize the loan include the Credit Council's approval, OMB² apportionment funding, USDOT Secretary approval, and the loan closing. Rate lock at prevailing treasury rates will occur at loan closing, with the loan proceeds scheduled to be drawn on January 1, 2023.

¹ National Environmental Policy Act

² U.S. Office of Management and Budget

TIFIA Financing Status Update
Page Two

On September 24, 2021, the MDTA received a request from FHWA Acting Administrator Stephanie Pollack to investigate a request for additional information on bicycle safety components included in the Nice/Middleton Bridge project. The MDTA understands this request originated when the Credit Council failed to approve the TIFIA loan application at its August 2021 meeting (“vote deferred pending further discussions with project sponsor regarding pedestrian safety questions”). The Credit Council’s agenda note from the August 23 meeting does not seem to accurately reflect subsequent inquiries/demands from the Bureau and FHWA that initially focused on a new loan covenant for unrelated work on I-95 and deviated to work on Route 301, a road not owned by the MDTA.

The MDTA responded to Administrator Pollack’s request through the MDOT Secretary’s Office on September 30. To date, no subsequent response on the status of the TIFIA loan approval or any additional requests for information have been received. No rationale has been provided for the loan approval’s exclusion from the September, October, and November Credit Council agendas.

Given the lack of response or action by Build America Bureau or the USDOT Credit Council following the September 30 communication, the MDTA drafted a follow-up letter to the Chair³ and Vice Chair⁴ of the USDOT Credit Council seeking action and an update on the status.

³ Polly Trottenberg, Department of Transportation (DOT), Deputy Secretary of Transportation

⁴ Victoria B. Wassmer, DOT, Assistant Secretary for Budget and Programs and Chief Financial Officer

TAB 5



Maryland Transportation Authority

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

Board Members:

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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
FROM: Mr. Allen W. Garman, Director of Treasury & Debt
SUBJECT: MDTA Board Resolution 21-06, TIFIA Financing
DATE: December 16, 2021

PURPOSE OF MEMORANDUM

Request approval of the MDTA Board Resolution 21-06 that authorizes a TIFIA¹ loan to finance a portion of the Nice/Middleton Bridge replacement project. Resolution 21-06 amends Resolution 21-05 to extend the deadline to December 31, 2022 from December 31, 2021. The Finance Committee recommended that this resolution move forward for approval at its December 7 meeting.

SUMMARY

The TIFIA financing resolution authorizes a loan of \$210 million to finance approximately one-third of the Nice/Middleton Bridge project. The MDTA submitted a Letter of Interest to the Build America Bureau in August 2019, received invitation into the Credit Review phase in December 2019, invitation to Submit Application in July 2021, and Credit Review Team's recommended approval in August 2021. The USDOT Credit Council deferred² approval at its meeting in August 2021 (see TIFIA Loan Update agenda item).

The resolution extends the deadline to allow the MDTA to continue to pursue the loan until an official action is taken by the USDOT or the MDTA determines pursuing the loan is no longer beneficial. Periodically, management will provide status updates and discuss any decision to terminate the loan process.

If the loan is finalized with USDOT, the Executive Director and Chief Financial Officer (CFO) will have the authority to manage the loan closing, including the negotiation of terms, with the Build America Bureau. The resolution also provides for authority to select other service providers and to prepare and execute all closing documents, certificates, and bond forms.

¹ Transportation Infrastructure Finance and Innovation Act

² USDOT Credit Council Agenda, August 23, 2021 "vote deferred pending further discussions with project sponsor regarding pedestrian safety questions"

Resolution for TIFIA financing contains the following limiting provisions:

1. Par Amount – Limited to \$210 million.
2. Loan Closing – No later than December 31, 2022.

RECOMMENDATION

Approve Board Resolution 21-06.

ATTACHMENT

- MDTA Board Resolution 21-06, TIFIA Financing

**MARYLAND TRANSPORTATION AUTHORITY
RESOLUTION 21-06**

A RESOLUTION REGARDING THE FINANCING, ACQUISITION, CONSTRUCTION, AND EQUIPPING OF THE GOVERNOR HARRY W. NICE MEMORIAL/SENATOR THOMAS “MAC” MIDDLETON BRIDGE PROJECT (THE “NICE BRIDGE PROJECT”); APPROVING THE PRELIMINARY BOND STRUCTURE AND FINANCING TERMS; APPROVING THE DRAFTING OF A SUPPLEMENTAL TRUST AGREEMENT; APPROVING THE EXECUTION AND DELIVERY OF A TERM SHEET, A LOAN AGREEMENT, AND A COMPLIANCE AGREEMENT; AND APPROVING CERTAIN OTHER MATTERS PERTAINING TO THE PLANNING AND STRUCTURING FOR AN ISSUANCE BY THE MARYLAND TRANSPORTATION AUTHORITY (THE “MDTA”) OF ITS TRANSPORTATION FACILITIES PROJECTS REVENUE BONDS, SERIES 2022 (COLLECTIVELY, THE “TIFIA BONDS”).

WHEREAS, the Maryland Transportation Authority, an agency of the State of Maryland (the “MDTA”) previously adopted several resolutions authorizing the issuance of the TIFIA Bonds (including Resolution 19-03, Resolution 20-02, Resolution 20-04, Resolution 20-08, Resolution 21-05) and the authorizations thereunder have expired or are set to expire; and

WHEREAS, the MDTA desires to extend such expiring Resolution 21-05; and

WHEREAS, the MDTA is authorized under Sections 4-101 through 4-405 of the Transportation Article of the Annotated Code of Maryland (2015 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 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

RESOLUTION 21-06

Page Two

Agreement to provide for the issuance of Additional Bonds (the “**TIFIA Bonds**,” as defined 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 TIFIA Bonds; and

WHEREAS, the MDTA desires to authorize the sale and issuance of the TIFIA Bonds for the purpose of financing the design, construction and equipping of any additions, improvements and enlargements to the Nice Bridge Project, provided that certain conditions set forth in this Resolution are met; and

WHEREAS, the Act authorizes MDTA to sell its bonds either public or private sale in the manner and price it determines; and

WHEREAS, the MDTA desires to negotiate the terms of a supplemental trust agreement supplementing the Master Trust Agreement to provide for the issuance and private placement of Additional Bonds; and

WHEREAS, MDTA authorizes the continuation of the process of submitting an Application for Credit Assistance under the Federal Highway Administration’s Transportation Infrastructure Finance and Innovative Act Program (the “**TIFIA Program**”) for the Nice Bridge Project; and

WHEREAS, the TIFIA Program is forecasted to make credit assistance available to the MDTA for the Nice Bridge Project under a secured loan agreement (the “**Secured Loan Agreement**”) secured by the issuance by the MDTA of the TIFIA Bonds; and

WHEREAS, MDTA and United States Department of Transportation acting through the Federal Highway Administration (“**FHWA**”) will negotiate and enter into a secured loan term sheet (the “**Term Sheet**”); and

WHEREAS, MDTA will negotiate the Secured Loan Agreement to be entered into between MDTA and FHWA and negotiate in consultation with Maryland Department of Transportation State Highway Administration (“**MDOT-SHA**”), a compliance agreement among the MDTA, MDOT-SHA and FHWA (the “**Compliance Agreement**”); and

WHEREAS, MDTA will pledge the revenues generated by the Transportation Facilities Projects to secure payment of the TIFIA Bonds on a parity basis with all other outstanding bonds of the MDTA secured by the Master Trust Agreement, as detailed in the Master Trust Agreement, and as supplemented by a Tenth Supplemental Trust Agreement between the MDTA and The Bank of New York Mellon, as trustee, or as otherwise designated under the provisions of the Master Trust Agreement (the “**TIFIA Trust Agreement**”).

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 2022 (the “**TIFIA Bonds**”), in one or more series as the bond issue may

RESOLUTION 21-06

Page Three

be further designated by the Executive Director of the MDTA (the “**Executive Director**”), in an aggregate principal amount not to exceed Two Hundred Ten Million Dollars (\$210,000,000) for the purpose of financing and refinancing the Nice Bridge Project, (iii) optionally depositing funds into a debt service reserve fund, and (iv) paying the costs related to the issuance of the TIFIA Bonds.

Section 2. The MDTA approves negotiating the Term Sheet, the Secured Loan Agreement and the Compliance Agreement by MDTA’s staff with the assistance of the MDTA’s bond counsel and financial advisor, and authorize the execution and delivery by the Chairman of the MDTA (the “**Chairman**”) and Executive Director of the Term Sheet, Secured Loan Agreement and Compliance Agreement and such other documents and agreements deemed appropriate by the Chairman or the Executive Director (collectively, the “**Bond Documents**”) with deletions, additions and modifications they deem appropriate to comply with the purpose of this Resolution. The execution and delivery by them of the Bond Documents shall be conclusive evidence of their final approval.

Section 3. The MDTA hereby approves the negotiation of a draft TIFIA Trust Agreement, and hereby authorizes its Executive Director, with the assistance of its other officers, counsel, bond counsel, financial advisor, and staff to take such actions or cause to be taken such actions as shall be necessary, proper and convenient for the purposes of negotiating and finalizing a final TIFIA Trust Agreement and to appoint The Bank of New York Mellon as trustee.

Section 4. The TIFIA 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 5. The MDTA hereby authorizes its Executive Director to sell the TIFIA Bonds in one or more sales 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 future resolution of the MDTA. 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 TIFIA Bonds or the method of determining the rates (such rates of all or a portion of the TIFIA Bonds may be fixed or variable), if all or a portion of the TIFIA Bonds will be sold with taxable or tax-exempt interest, the dates of principal and interest payments and final maturity of the TIFIA Bonds, provided that the date of final maturity of the TIFIA Bonds shall not exceed (i) the useful life of the assets financed with respect to the proceeds used for Nice Bridge Projects and (ii) the final maturity of the Refunded Bonds with respect to proceeds used to refund the Refunded Bonds. The Executive Director and the Chief Financial

RESOLUTION 21-06

Page Four

Officer shall each provide a report of the results of the any sale of the TIFIA Bonds at the first meeting of the MDTA Board occurring after the such sale of the TIFIA Bonds.

Section 6. 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, 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 TIFIA Bonds.

Section 7. 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 TIFIA 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 8. 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 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 9. This Resolution shall be effective immediately upon its adoption.

Dated as of: _____, 2021

WITNESS:

MARYLAND TRANSPORTATION AUTHORITY

James F. Ports, Jr.
Executive Director

Gregory Slater
Chairman

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

Kimberly A. Millender
Assistant Attorney General

TAB 6



MEMORANDUM

TO: MDTA Board
PREPARED BY: Ms. Deb Sharpless, Chief Financial Officer
Mr. Walt Laun, Acting Revenue Supervisor
SUBJECT: Traffic & Revenue Update
DATE: December 16, 2021

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 October 31, 2021.

SUMMARY

For the period of July 1, 2021 through October 31, 2021, MDTA's actual toll revenue received was \$257.1 million, \$14.0 million below its official forecast. When adjusting for timing differences, MDTA is \$4.4 million above its forecast. Based on the forecast, *E-ZPass* revenue accounts for 91% of MDTA's total revenue.

Forecasted and Actual Revenue Comparison
July 1, 2021 – October 31, 2021

	<i>E-ZPass</i> [®]	Video Tolls & Pay-By-Plate	Total
Forecast Revenue	\$ 247,198,000	\$ 23,910,000	\$ 271,108,000
Actual Revenue	233,006,432	24,088,585	257,095,017
Unadjusted Difference	(14,191,568)	178,585	(14,012,983)
Actual Revenue	233,006,432	24,088,585	257,095,017
Timing Differences	16,808,193	1,625,163	18,433,356
Adjusted Revenue	249,814,626	25,713,748	275,528,373
Forecast Revenue	247,198,000	23,910,000	271,108,000
Adjusted Revenue	249,814,626	25,713,748	275,528,373
Adjusted Difference	\$ 2,616,626	\$ 1,803,748	\$ 4,420,373

Timing differences are transactions that we continue to have a reasonable expectation of collection within the FY 2022. These transactions had been forecasted to be processed and collected by October 31, 2021. These transactions are estimated to total \$18.4M.

In the analysis below, we analyzed the cause of any differences between the forecast and actual performance. From this analysis, we know that when the forecast was prepared certain FY 2021 transactions were excluded from the forecast. For the four-month reporting period, these transactions totaled roughly \$7.9 million. Had the forecast accounted for these dates, MDTA would have underachieved its forecast by \$3.5 million. Additional similar non-forecasted transactions are possible in the future, except to a lesser extent. Additionally, the E-ZPass average daily revenue was \$44.7 thousand lower than forecasted. Over the four-month reporting period, this equates to roughly \$5.5 million. Lower average daily revenue is generally the result of lower overall traffic volumes, a lower concentration of commercial traffic than expected or higher 2-axle discounted tolls than forecasted. Conversely, the video toll payment rate and average transaction amount is higher than forecasted resulting in \$4.6 million additional revenue above the forecast, although the Pay-By-Plate revenue is \$2.5 million below forecast, which partially offsets the additional video toll revenue.

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 requirement as opposed to MDTA's financial statements in which revenue is recognized on an accrual basis in accordance with generally accepted accounting principles. When analyzing actual toll revenue performance, actual revenue was compared to the official forecast and then adjusted for transactions that were expected to be processed and collected, in FY 2022, as of October 31, 2021. Staff continues to expect these transactions will be collected. These adjustments are a critical element when determining MDTA's performance against its forecast. Variances in performance requires an understanding to determine if a timing difference exists or an underlying assumption flaw in the forecast that will impact future forecasts. The difference between the adjusted revenue and forecast was then analyzed to determine the underlying cause for the difference. This additional analysis also facilitates our understanding of timing verses on-going differences.

As a next step further analysis will be performed to project year-end revenue achievement compared to the forecast. The MDTA will continue to monitor backlog processing to balance revenue performance and customer impacts. Should our current revenue performance in comparison to the forecast, for the first four months of FY 2022 continue, the MDTA will still significantly exceed its financial standards.

Comparison of Official Forecast to Actual Toll Revenue Performance
July 1, 2021 to October 31, 2021

Toll Revenue Forecast:		\$271,108,000
Actual Revenue:		
<i>E-ZPass</i>	233,006,432	
Pay-By-Plate	354,556	
Video Toll	23,734,029	
Total Actual Revenue		257,095,017
Unadjusted Actual Revenue less Forecasted Revenue		(14,012,983)
Timing Difference Estimates:		
<u><i>E-ZPass</i> FY2022 (Current) Transaction Timing Differences</u>		
Dates Not Processed Prior to October 31, 2021		
▪ ICC, Home & IAG, E-tolls & I-tolls (3 Days)	406,938	
▪ All Facilities, IAG, E-tolls (VDOT 1 day, CFX 14 partial days)	142,233	
Total Dates Not Processed Prior to October 31, 2021	549,171	
IAG File Transfer Lag (1 day, 4 partial days)	2,276,805	
Image Files Region of Interest Corrections	111,917	
Total <i>E-ZPass</i> FY2022 Transaction Timing Differences		2,937,893
<u><i>E-ZPass</i> FY 2021 (Backlog) Transaction Timing Differences:</u>		
Dates Not Processed Prior to October 31, 2021		
▪ ICC IAG, E-tolls (15 days)	236,217	
▪ ICC Home, E-tolls (17 days)	825,100	
▪ All Facilities Home, I-tolls (1 day)	69,049	
▪ All Facilities, IAG, I-tolls (22 days, 92 partial days)	1,447,418	
▪ All Facilities, IAG, E-tolls (9 days, 8 partial days)	3,271,988	
Total Dates Not Processed Prior to October 31, 2021	5,849,771	
Posted Fewer Days than Forecasted, as of October 31, 2021, net		
▪ ICC, Home, E-tolls (6 days behind)	444,451	
▪ ICC, E-tolls, IAG (22 days ahead)	(348,155)	
▪ All Facilities, Home, I-tolls (59 days behind)	3,128,887	
▪ All Facilities, IAG, I-tolls (69 days behind)	3,875,879	
Total Posted Fewer Days than Forecasted, net	7,101,062	
Image Files Region of Interest Corrections	919,467	
Total <i>E-ZPass</i> FY 2021 Transactions Timing Differences		13,870,300
<u>Video Toll Timing Differences:</u>		
Mailed 3.1M less Transactions than Forecasted (July-Sept 2021)	1,625,163	
Total Video Tolls Timing Differences		1,625,163
Total Timing Difference Estimates		18,433,356
Adjusted Actual Revenue less Forecasted Revenue		\$4,420,373

Analysis of Actual Toll Revenue Performance & Financial Forecast Differences

Adjusted Difference (Forecast less Adjusted Actual Revenue)	\$ 4,420,373
Forecast Assumption Difference Estimates:	
Transactions Not Included in the Forecast	
▪ FY 2021 transactions - posted	1,354,618
▪ FY 2021 transaction– not processed as of 10/31/21	5,388,039
▪ FY 2021 Image Region of Interest Corrections	919,467
▪ FY 2021 or prior Video Toll Central Collection Unit & Court Collections	212,192
Total Transaction Not Included in the Forecast	7,874,316
FY2022 Daily <i>E-ZPass</i> Actual Average Revenue Lower than Forecasted	(5,535,813)
FY 2021 Daily <i>E-ZPass</i> Actual Average Revenue Higher than Forecasted	490,315
Video Toll Collection Rate Higher than Forecasted	726,385
Video Toll Actual Average Toll Rate Higher than Forecasted	3,868,206
Pay-By-Plate Payments Lower than Forecasted	(2,541,328)
Total Forecast Assumption Differences	4,882,081
Unreconciled/Analyzed Difference	\$ (461,708)

Attachments

- Attachment A: FY 2022 Forecast vs. Actual Revenue – By Facility
- Attachment B: FY 2022 Forecast vs. Actual Revenue – By Payment Method

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

Legacy Facilities						
		July	August	September	October	Jul-Oct
E-ZPass	Forecast	\$ 72,938,000	\$ 47,967,000	\$ 45,000,000	\$ 46,263,000	\$ 212,168,000
	Actual	72,663,031	45,750,497	36,455,410	45,876,015	\$ 200,744,954
	Difference	(274,969)	(2,216,503)	(8,544,590)	(386,985)	(11,423,046)
Video	Forecast	430,000	2,648,000	8,175,000	11,055,000	✓ \$ 22,308,000
	Actual	1,987,698	3,547,657	7,866,013	9,301,742	\$ 22,703,110
	Difference	1,557,698	899,657	(308,987)	(1,753,258)	395,110
E-ZPass & Video	Forecast	73,368,000	50,615,000	53,175,000	57,318,000	✓ \$ 234,476,000
	Actual	74,650,729	49,298,155	44,321,424	55,177,757	\$ 223,448,064
	Difference	\$ 1,282,729	\$ (1,316,845)	\$ (8,853,576)	\$ (2,140,243)	\$ (11,027,936)

Intercounty Connector						
		July	August	September	October	Jul-Oct
E-ZPass	Forecast	\$ 8,446,000	\$ 7,023,000	\$ 6,858,000	\$ 7,214,000	\$ 29,541,000
	Actual	8,437,820	6,116,460	6,440,834	6,309,779	\$ 27,304,893
	Difference	(8,180)	(906,540)	(417,166)	(904,221)	(2,236,107)
Video	Forecast	76,000	283,000	548,000	695,000	✓ \$ 1,602,000
	Actual	75,697	131,207	279,970	898,601	\$ 1,385,475
	Difference	(303)	(151,793)	(268,030)	203,601	(216,525)
E-ZPass & Video	Forecast	8,522,000	7,306,000	7,406,000	7,909,000	✓ \$ 31,143,000
	Actual	8,513,517	6,247,667	6,720,804	7,208,380	\$ 28,690,368
	Difference	\$ (8,483)	\$ (1,058,333)	\$ (685,196)	\$ (700,620)	\$ (2,452,632)

I-95 Express Toll Lanes						
		July	August	September	October	Jul-Oct
E-ZPass	Forecast	✓ \$ 1,804,000	\$ 1,265,000	\$ 1,103,000	\$ 1,317,000	✓ \$ 5,489,000
	Actual	1,797,323	1,125,344	911,081	1,122,837	\$ 4,956,585
	Difference	\$ (6,677)	\$ (139,656)	\$ (191,919)	\$ (194,163)	\$ (532,415)

Vid - added to \$ 3,558.38 \$ 6,419.77 \$ 14,400.37 \$ 55,418.29 \$ 79,796.81

All Facilities						
		July	August	September	October	Jul-Oct
	Forecast	\$ 83,694,000	\$ 59,186,000	\$ 61,684,000	\$ 66,544,000	\$ 271,108,000
	Actual	84,961,568	56,671,166	51,953,309	63,508,974	257,095,017
	Difference	\$ 1,267,568	\$ (2,514,834)	\$ (9,730,691)	\$ (3,035,026)	\$ (14,012,983)

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

E-ZPass						
		July	August	September	October	Jul-Oct
Forecast	Legacy	\$ 72,938,000	\$ 47,967,000	\$ 45,000,000	\$ 46,263,000	\$ 212,168,000
	ICC	8,446,000	7,023,000	6,858,000	7,214,000	\$ 29,541,000
	ETL	1,804,000	1,265,000	1,103,000	1,317,000	\$ 5,489,000
	Total	83,188,000	56,255,000	52,961,000	54,794,000	247,198,000
Actual	Legacy	72,663,031	45,750,497	36,455,410	45,876,015	\$ 200,744,954
	ICC	8,437,820	6,116,460	6,440,834	6,309,779	\$ 27,304,893
	ETL	1,797,323	1,125,344	911,081	1,122,837	\$ 4,956,585
	Total	82,898,174	52,992,301	43,807,326	53,308,631	233,006,432
	Difference	\$ (289,826)	\$ (3,262,699)	\$ (9,153,674)	\$ (1,485,369)	\$ (14,191,568)

Video						
		July	August	September	October	Jul-Oct
Forecast	Legacy	\$ 430,000	\$ 2,648,000	\$ 8,175,000	\$ 11,055,000	\$ 22,308,000
	ICC	76,000	283,000	548,000	695,000	\$ 1,602,000
	Total	506,000	2,931,000	8,723,000	11,750,000	23,910,000
Actual	Legacy	1,987,698	3,547,657	7,866,013	9,301,742	\$ 22,703,110
	ICC	75,697	131,207	279,970	898,601	\$ 1,385,475
	Total	2,063,394	3,678,865	8,145,983	10,200,343	24,088,585
	Difference	\$ 1,557,394	\$ 747,865	\$ (577,017)	\$ (1,549,657)	\$ 178,585

E-ZPass & Video						
		July	August	September	October	Jul-Oct
	Forecast	\$ 83,694,000	\$ 59,186,000	\$ 61,684,000	\$ 66,544,000	\$ 271,108,000
	Actual	84,961,568	56,671,166	51,953,309	63,508,974	257,095,017
	Difference	\$ 1,267,568	\$ (2,514,834)	\$ (9,730,691)	\$ (3,035,026)	\$ (14,012,983)

TAB 7



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. Melissa Williams, Director of Planning and Program Development
(MDTA's Modal Clearance Representative)
SUBJECT: Point Breeze Rail Spur (2330 Broening Highway- Baltimore City) –
MC #21-7044
DATE: December 16, 2021

PURPOSE OF MEMORANDUM

Seek recommended approval from the Maryland Transportation Authority Board for the conveyance of property located within the Point Breeze Industrial Park with an address of 2330 Broening Highway Lot 10a, Block 916, Baltimore, MD 21224. These items were presented to the Capital Committee at the December 3, 2021 meeting and recommended for approval by the full MDTA Board.

SUMMARY

The MDTA currently owns and maintains the Point Breeze Rail Spur. The property to be conveyed consist of 3.97 acres \pm or 172,933 square feet.

MDOT MPA expressed interest in the property and MDTA intends on conveying the property to MPA for a nominal fee of \$1.00. MDTA's internal clearance process was completed on October 8, 2021 and was approved by the Capital Committee on December 2, 2021. It has been determined that MDTA no longer has a need for the subject property.

ANALYSIS

See attached draft Declaration of Excess Land Memoranda (DELM), salient fact sheet, and various maps for the property.

ATTACHMENTS

- DELM Memo
- Salient Fact Sheet
- Aerial, Location, and Tax Maps
- Conveyance Plat 6064



Maryland Transportation Authority

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Pete K. Rahn, Chairman

Board Members:

Peter J. Basso	W. Lee Gaines, Jr.
Dontae Carroll	Mario J. Gangemi, P.E.
William H. Cox, Jr.	Jeffrey S. Rosen
William C. Ensor, III	John F. von Paris

James F. Ports, Jr., Executive Director

MEMORANDUM

TO: Mr. James F. Ports, Jr., Executive Director
FROM: Ms. Melissa Williams, Director of Planning and Program Development
(MDTA's Modal Clearance Representative)
SUBJECT: Point Breeze Rail Spur- Lot 10A, (2330 Broening Highway- Baltimore City) –
MC #21-7044
DATE: December 16, 2021

PURPOSE OF MEMORANDUM **(Declaration of Extra Land Memorandum)**

Per MDOT Policy DOT 654.1, the Maryland Transportation Authority (MDTA) shall determine the real property which is extra to its needs by a memorandum from the Executive Director (or designee). This memorandum referred to as the Declaration of Extra Land Memorandum (DELM), designates the end of the MDTA Internal Clearance. MDOT will review the DELM and determine if the property is "excess to the needs of the MDTA". The DELM is required for all proposed MDTA dispositions, and the property must be deemed "excess to the needs of the MDTA" before MDTA owned real estate can proceed through the Modal Clearance Process.

By virtue of this DELM and the supporting documentation, I am hereby requesting your approval to deem the subject property as being "excess to the needs of the MDTA".

SUMMARY

The subject property containing 3.972± acres is located within the Point Breeze Industrial Park. The property last transferred on December 12, 2001 from the 2500 Broening Highway Limited Partnership to the Maryland Transportation Authority. The Deed was recorded and in the Land Records of Baltimore City at Liber 6104, Folio 435 1 14, 2004 and was for the consideration of \$3,150,000.00.

MDTA Real Estate Services obtained two independent appraisals, which have been reviewed for validity. The review appraiser selected the appraisal that contains more accurate comparables to reflect the industrial market. The value of the selected appraisal was for the fair market value of \$913,100.00; however, MDTA intends to convey the property for a nominal fee of \$1.00. In accordance with Maryland Transportation Article §8-309 section(b)(2)(ii), "If the land is not needed for a county or municipal transportation purpose, the person from whom the land was acquired or the successor in interest of that person has the right to reacquire the land, on payment of an amount equal to the appraised value of the land.

ANALYSIS

This conveyance was recommended by MDTA's Capital Committee on December 2, 2021. It has gone through the MDTA Internal clearance process.

It is recommended that the disposition of the right-of-way in fee simple be conveyed to the MDOT MPA for a nominal fee of \$1.00.

RECOMMENDATION

APPROVED:

James F. Ports, Jr., Executive Director

Date

DISAPPROVED:

James F. Ports, Jr., Executive Director

Date

ATTACHMENTS

- Salient Fact Sheet
- Aerial and Location Maps
- Conveyance Plat 60642

NEXT STEP

Following your approval delegated to you by the MDTA Board the property will then proceed through the modal clearance process.

Salient Fact Sheet

Conveyance of Real Property

Maryland Transportation Authority Division of Planning and Program Development

Date of Preparation: September 24, 2021

Refer to MC#: 21-7044

Property Name: Point Breeze Rail Spur- Lot 10A

Property Item/Reference #: N/A

Internal Clearance: October 8, 2021

Plat No: 60642

Dated: November 1, 2019

Location: Within the Point Breeze Industrial Park with an address of 2330 Broening Highway,
Baltimore City, Maryland 21224, Lot 10A

SDAT Property Tax Information:

County:	Baltimore City	Tax Map #:	Tax Exempt	Parcel:	Lot 10A
Grid:	N/A	Block:	916	Account #	N/A

Type of Transaction: Conveyance

Acreage: Containing a total of 172,933 square feet or 3.97 acres of land +/-

Improved: Yes

Description of Improvements: An access drive serving the Point Breeze Complex and a small paved area used for storage. Also improved with a 50,935 sq. ft. light manufacturing building constructed in 1929 and onsite parking.

Consideration: For a nominal fee of \$1.00.

Federal Approval: N/A

Additional Notes/Info: The MDTA intends to convey 3.97 acres +/- of land in fee simple to MDOT MPA. MDOT MPA currently owns the property behind the parcel we are intending to convey.

The following information is provided subject to Appraisal and is in no way warranted:

Assumed Zoning: OIC (Office-Industrial Campus)

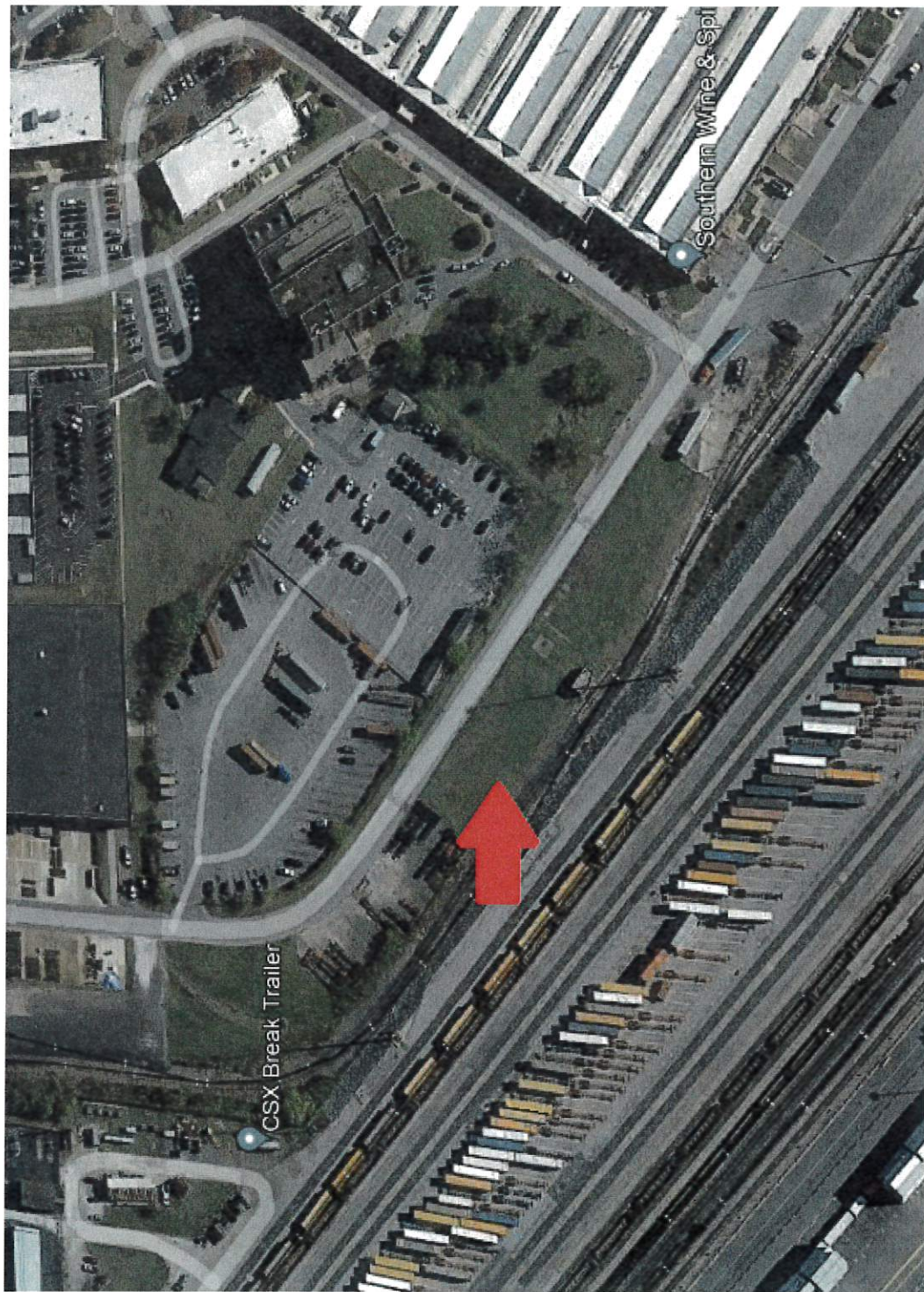
Utilities Available: All utilities are available to the site.

Estimated Market Value: \$913,100.00

Prepared by:

Bethany Howard, Real Property Specialist II
Division of Planning and Program Development- Real Estate Services
Maryland Transportation Authority
2310 Broening Highway
Baltimore, MD 21224

Phone: 410-537-7898
Fax: 410-537-7899
email: bhoward@mdta.state.md.us



LOCATION MAP

TAB 8



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. Melissa Williams, Director of Planning and Program Devel
(MDTA's Modal Clearance Representative)
SUBJECT: Point Breeze Guard Shack and Pedestrian Tunnel (2310 Broening Highway-
Baltimore City) – MC #21-7043
DATE: December 16, 2021

PURPOSE OF MEMORANDUM

Seek recommended approval from the Maryland Transportation Authority Board for the conveyance of property located within the Point Breeze Industrial Park with an address of 2310 Broening Highway Lot 7, Block 6916, Baltimore, MD 21224.

SUMMARY

The MDTA currently owns and maintains the Point Breeze Guard Shack and Pedestrian Tunnel. The property to be conveyed consist of 0.398 acres ± or 17,327 square feet.

MDOT MPA expressed interest in the property and MDTA intends on conveying the property to MPA for a nominal fee of \$1.00. MDTA's internal clearance process was completed on October 8, 2021 and the conveyance was approved by the Capital Committee on December 2, 2021. It has been determined that MDTA no longer has a need for the subject property.

ANALYSIS

See attached draft Declaration of Excess Land Memoranda (DELM), salient fact sheet, and various maps for the property.

ATTACHMENTS

- DELM Memo
- Salient Fact Sheet
- Aerial, Location, and Tax Maps
- Conveyance Plat 60642



Maryland Transportation Authority

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Pete K. Rahn, Chairman

Board Members:

Peter J. Basso	W. Lee Gaines, Jr.
Dontae Carroll	Mario J. Gangemi, P.E.
William H. Cox, Jr.	Jeffrey S. Rosen
William C. Ensor, III	John F. von Paris

James F. Ports, Jr., Executive Director

MEMORANDUM

TO: Mr. James F. Ports, Jr., Executive Director
FROM: Ms. Melissa Williams, Director of Planning and Program Dev
(MDTA's Modal Clearance Representative)
SUBJECT: Point Breeze Guard Shack and Pedestrian Tunnel (2310 Broening Highway-
Baltimore City) – MC #21-7043
DATE: December 16, 2021

PURPOSE OF MEMORANDUM

(Declaration of Extra Land Memorandum)

Per MDOT Policy DOT 654.1, the Maryland Transportation Authority (MDTA) shall determine the real property which is extra to its needs by a memorandum from the Executive Director (or designee). This memorandum referred to as the Declaration of Extra Land Memorandum (DELM), designates the end of the MDTA Internal Clearance. MDOT will review the DELM and determine if the property is "excess to the needs of the MDTA". The DELM is required for all proposed MDTA dispositions, and the property must be deemed "excess to the needs of the MDTA" before MDTA owned real estate can proceed through the Modal Clearance Process.

By virtue of this DELM and the supporting documentation, I am hereby requesting your approval to deem the subject property as being "excess to the needs of the MDTA".

SUMMARY

The subject property containing .398 ± acres is located within the Point Breeze Industrial Park. MDTA Real Estate Services obtained two independent appraisals, which have been reviewed for validity. The review appraiser selected the appraisal that contains more accurate comparables to reflect the industrial market. The value of the selected appraisal was for the fair market value of \$103,500.00; however, MDTA intends to convey the property for a nominal fee of \$1.00. In accordance with Maryland Transportation Article §8-309 section (b)(2)(ii), "If the land is not needed for a county or municipal transportation purpose, the person from whom the land was acquired or the successor in interest of that person has the right to reacquire the land, on payment of an amount equal to the appraised value of the land."

ANALYSIS

This conveyance was recommended by MDTA's Capital Committee on December 2, 2021. It has gone through the MDTA Internal clearance process.

It is recommended that the disposition of the right-of-way in fee simple be conveyed to the MDOT MPA for a nominal fee of \$1.00.

RECOMMENDATION

APPROVED:

James F. Ports, Jr., Executive Director

Date

DISAPPROVED:

James F. Ports, Jr., Executive Director

Date

ATTACHMENTS

- Salient Fact Sheet
- Aerial and Location Maps
- Conveyance Plat 60642

NEXT STEP

Following your approval delegated to you by the MDTA Board the property will then proceed through the modal clearance process.

Salient Fact Sheet

Conveyance of Real Property

Maryland Transportation Authority Division of Planning and Program Development

Date of Preparation: September 24, 2021

Refer to MC#: 21-7043

Property Name: Point Breeze Guard Shack and Pedestrian Tunnel- Lot 7

Property Item/Reference #: N/A

Internal Clearance: October 8, 2021

Plat No: 61489

Dated: November 1, 2019

Location: Within the Point Breeze Industrial Park with an address of 2310 Broening Highway
Lot 7, Block 6916, Baltimore, Maryland 21224

SDAT Property Tax Information:

County:	Baltimore City	Tax Map #:	Tax Exempt	Parcel:	Lot 7
Grid:	N/A	Block:	6916	Account #	N/A

Type of Transaction: Conveyance

Acreage: Containing a total of 17,327 square feet or .398 acres of land +/-

Improved: Yes

Description of Improvements: A small guard house.

Consideration: For a nominal fee of \$1.00.

Federal Approval: N/A

Additional Notes/Info: The MDTA intends to convey .398 acres +/- of land in fee simple to the MDOT MPA. MDOT MPA currently owns the guard shack across the street on Broening Highway.

The following information is provided subject to Appraisal and is in no way warranted:

Assumed Zoning: OIC (Office-Industrial Campus)

Utilities Available: All utilities are available to the site.

Estimated Market Value: \$103,500.00

Prepared by:

Bethany Howard, Real Property Specialist II
Division of Planning and Program Development- Real Estate Services
Maryland Transportation Authority
2310 Broening Highway
Baltimore, MD 21224

Phone: 410-537-7898
Fax: 410-537-7899
email: bhoward@mdta.state.md.us



N/F
MARYLAND TRANSPORTATION AUTHORITY
F.M.C. 6104/435

FINAL SUBDIVISION PLAN
PROPERTY OF
AT&T TECHNOLOGIES, INC.
BROENING HIGHWAY FACILITY
PLAT S.E.B. NO. 3026

N/F
STATE OF MARYLAND
MARINE AND PORT ADMINISTRATION
M.B. 18965/435

FINAL SUBDIVISION PLAN
PROPERTY OF
AT&T TECHNOLOGIES, INC.
BROENING HIGHWAY FACILITY
PLAT S.E.B. NO. 3026

MARYLAND COORDINATE SYSTEM
NAD 83/2011

METES & BOUNDS			
REC'D	1188	1188	1188
1	R = 73.00'	L=36.18'	
2	N 63°35'38" W	35.81'	
3	N 19°25'15" W	37.71'	
4	N 60°37'42" E	145.14'	
5	N 51°34'35" E	86.82'	
6	R = 1551.11'	L=5.20'	
7	S 33°09'46" E	5.20'	
8	S 56°42'16" W	2.00'	
9	S 33°17'42" E	2.00'	
10	R = 1551.11'	L=75.53'	
11	CHD. S 34°43'39" E	75.52'	
12	S 60°28'45" W	260.50'	
CONVEYANCE AREA 17,327 SQ. FT. OR 0.398 ACRES± SHOWN THUS: []			

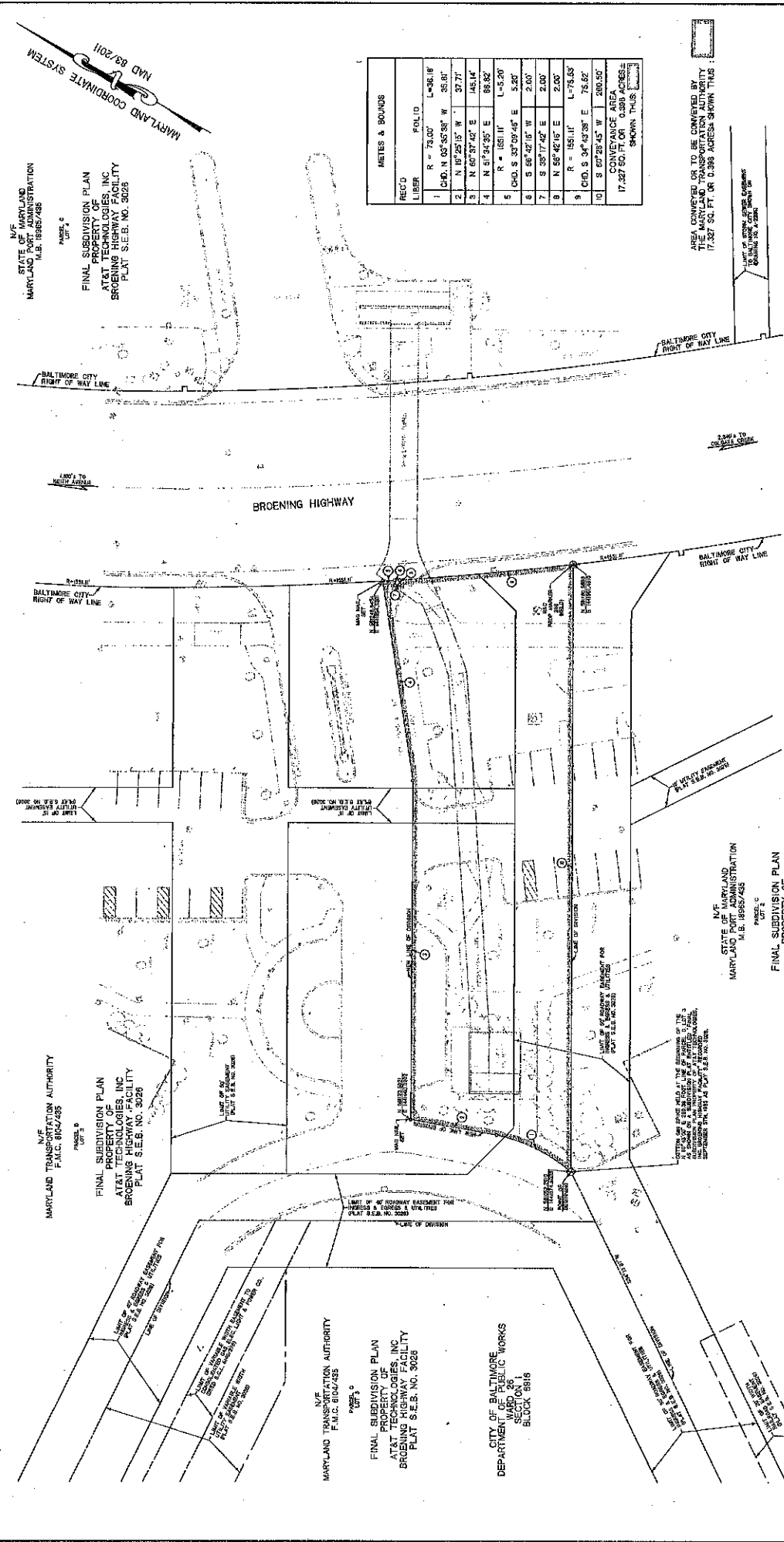
AREA CONVEYED OR TO BE CONVEYED BY
THE MARYLAND TRANSPORTATION AUTHORITY
17,327 SQ. FT. OR 0.398 ACRES± SHOWN THUS: []

SURVEYOR'S CERTIFICATION
THE RIGHT OF WAY LINES AND LINES OF DIVISION SHOWN
HEREON WERE ESTABLISHED FROM DEEDS AND PLATS OF
RECORD AND FIELD SURVEYS. THE UNDERSIGNED IS IN
RESPONSIBLE CHARGE OF THE PREPARATION OF THIS PLAT
AND THE SURVEYING WORK REFLECTED ON IT. THIS PLAT
WAS DEVELOPED IN COMPLIANCE WITH THE REQUIREMENTS
SET FORTH IN COMAR REGULATION 09.13.06.
JONATHAN M. DEER
PROFESSIONAL LAND SURVEYOR
MD REG. NO. 21255
EXP. DATE 06/20/2026
DATE

LEGEND OF PROPOSED EASEMENTS
[] TEMPORARY CONSTRUCTION EASEMENT FOR SPECIAL PURPOSE AS
INDICATED BY NOTATION ON THIS PLAT.
[] REVERTIBLE EASEMENT FOR SUPPORTING SLOPES.
[] PERPETUAL EASEMENT FOR SPECIAL PURPOSE AS INDICATED ON
THIS PLAT.
[] PERPETUAL EASEMENT FOR DRAINAGE FACILITY AS INDICATED BY
NOTATION ON THIS PLAT.
[] PERPETUAL EASEMENT FOR DISCHARGE FLOW OF WATER FROM OR
INTO AN EXISTING WATERWAY OR NATURAL DRAINAGE COURSE.
[] PERPETUAL EASEMENT TO DISCHARGE FLOW OF WATER UPON
EXISTING GROUND.

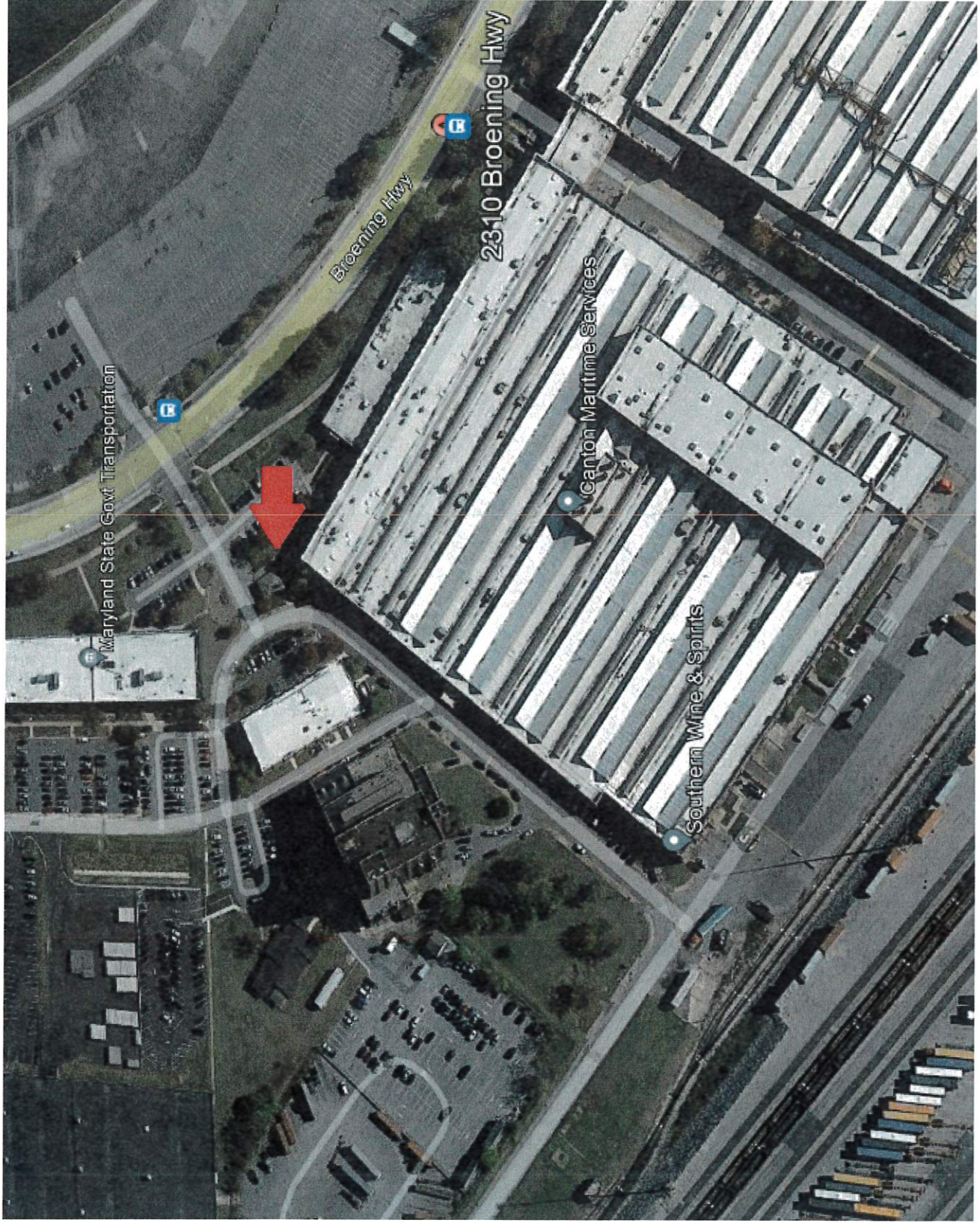
20' 0'
SCALE: 1" = 20'
SENT TO RECORD OFFICE
APPROVED BY:
STATE ROADS COMMISSION CHAIRMAN
NO. DATE REVISION

COORDINATES AND BEARINGS SHOWN HEREON ARE AS DEFINED BY THE NORTH AMERICAN DATUM OF 1983 AND ARE BASED ON THE FOLLOWING STATE HIGHWAY ADMINISTRATION SURVEY DIVISION CONTROL STATIONS:			
DESIGNATION	NORTH	EAST	SOURCE
JMT 201	581202.61	1441383.3690	RTN Key(NT)
JMT 202	581145.0270	1441049.5100	RTN Key(NT)
POINT DESIGNATION			
PK 100			
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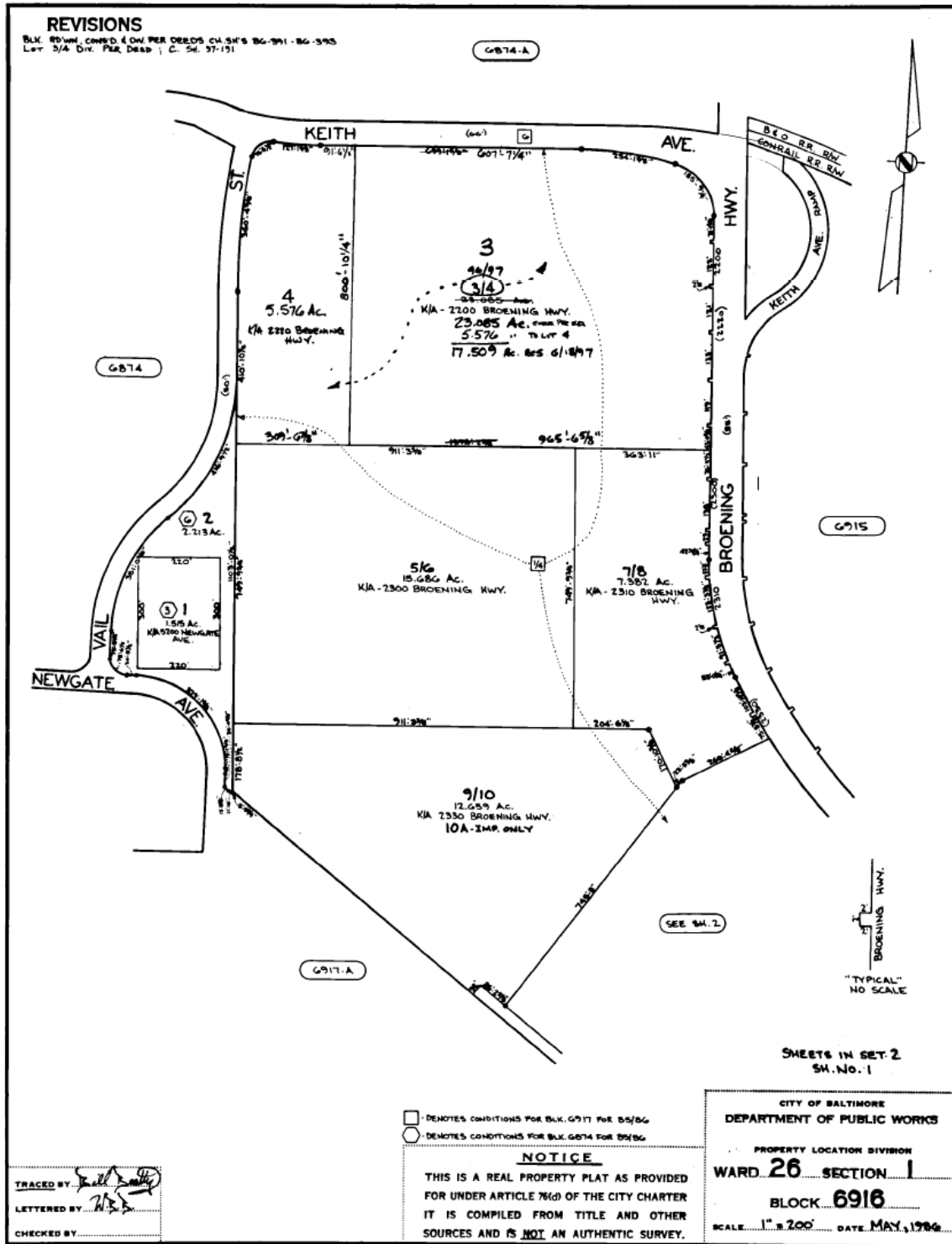
MARYLAND TRANSPORTATION AUTHORITY		STATE OF MARYLAND		DEPARTMENT OF TRANSPORTATION		STATE HIGHWAY ADMINISTRATION		STATE ROADS COMMISSION	
RIGHT OF WAY PROJECT:		POINT BREEZE CAMPUS		RIGHT OF WAY PROJECT NO.:		MAD2286V		FEDERAL AID PROJECT NO.:	
DESIGNED BY:		AT&T TECHNOLOGIES, INC.		CONSTRUCTION PROJECT NO.:		MAD2286V		CONSTRUCTION PROJECT NO.:	
APPROVED BY:		AT&T TECHNOLOGIES, INC.		CONSTRUCTION PROJECT NO.:		MAD2286V		CONSTRUCTION PROJECT NO.:	
DATE:		11-1-2008		CONSTRUCTION PROJECT NO.:		MAD2286V		CONSTRUCTION PROJECT NO.:	
SCALE:		1"=50'		CONSTRUCTION PROJECT NO.:		MAD2286V		CONSTRUCTION PROJECT NO.:	
CONVEYANCE		PLAT NO. 61489		CONSTRUCTION PROJECT NO.:		MAD2286V		CONSTRUCTION PROJECT NO.:	

CONVEYANCE PLAT 61489



LOCATION MAP

TAX MAP



TAB 9

PLACEHOLDER

**(This item is contingent upon a signed agreement between
MDTA and FOP #34 prior to the Board Meeting.)**

TAB 10



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. Chantelle Green, Director of Finance
SUBJECT: Legislative Report on Allaying Fiscal Stress Concerns
DATE: December 16, 2021

PURPOSE OF MEMORANDUM

To provide the Maryland Transportation Authority (MDTA) Board with a summary of the Joint Chairmen's Report (JCR) issued by the MDTA on Allaying Fiscal Stress Concerns.

SUMMARY

The MDTA remains a highly stable and financially strong toll agency maintained by three key financial pillars: (1) financial standards and MDTA Board-adopted policies; (2) strategic and financial planning; and (3) experienced leadership, staff, and Board. Despite legislative concerns about the MDTA's financial position, the MDTA continues to demonstrate its adherence to prudent financial management policies and has weathered the financial impacts of the COVID-19 pandemic while maintaining a robust capital program. In 2021, amid the COVID-19 pandemic and transitioning to a new toll collection system, the MDTA's double-A credit ratings with a stable outlook were affirmed by Fitch Ratings and Moody's Investors Service.

When the Governor Harry W. Nice Memorial/ Senator Thomas "Mac" Middleton (Nice/Middleton) Bridge Replacement and the I-95 Express Toll Lanes (ETL) Northbound Extension projects were approved by the MDTA Board in June 2018, the MDTA was projected to maintain its financial standards through FY 2028 without any toll increases. Today, despite the impacts of the global COVID-19 pandemic and transitioning to a new toll collection system, the MDTA is projected to maintain its financial standards through FY 2030, two years beyond the original forecast, while maintaining the Nice/Middleton Bridge Replacement Project on schedule and budget.

ATTACHMENT

- Report to the Maryland General Assembly, Senate Budget and Taxation Committee, and House Appropriation Committee on Allaying Fiscal Stress Concerns (2021 JCR, p.246) December 2021.

**Maryland Transportation Authority
Allaying Fiscal Stress Concerns Report
(2021 JCR, p. 246)**

**A Report to the Maryland General Assembly
Senate Budget and Taxation
and
House Appropriations Committee**

December 2021

Maryland Department of Transportation
Maryland Transportation Authority

The Maryland Department of Transportation and the Maryland Transportation Authority (MDTA) submit the following report in response to budget bill language contained in the 2021 Joint Chairmen’s Report (JCR). The language states:

That \$500,000 of the special fund appropriation in the Maryland Port Administration (MPA) and \$500,000 of the special fund appropriation in the Maryland Aviation Administration may not be expended for Maryland Transportation Authority (MDTA) police reimbursement until MDTA submits a report that allays concerns about future fiscal stress resulting from reduced revenues, engaging in multiple major capital projects, and continuing to fund non-MDTA projects. Based on the current Consolidated Transportation Program and other known planned project costs, the report should specifically forecast bond issuance until 2031, projected total debt held through 2031, and projected toll increases through fiscal 2031. To the extent that the forecasted data provided in the report breaches or comes near to violating coverage ratios and other administrative fiscal policies, MDTA should discuss mechanisms for alleviating that fiscal stress. The report shall be submitted by November 15, 2021, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending receipt of this report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted.

Executive Summary

The Maryland Transportation Authority (MDTA) remains a highly stable and financially strong toll agency maintained by three key financial pillars: (1) financial standards and MDTA Board-adopted policies; (2) strategic and financial planning; and (3) experienced leadership, staff, and Board. Despite legislative concerns about the MDTA’s financial position that have persisted for more than a decade, the MDTA continues to demonstrate its adherence to prudent financial management policies and has successfully weathered the Great Recession and the financial impacts of the COVID-19 pandemic while maintaining a robust capital program.

According to the MDTA’s June 2018 forecast, when the Governor Harry W. Nice Memorial/Senator Thomas “Mac” Middleton (Nice/Middleton) Bridge Replacement and the I-95 Express Toll Lanes (ETL) Northbound Extension projects were approved by the MDTA Board, the MDTA was projected to maintain its financial standards through FY 2028 without any toll increases. MDTA’s financial standards include maintaining an unencumbered cash balance of at least \$350 million, rate covenant compliance above the legal minimum 1.2 times debt service coverage requirement¹, debt service coverage of at least 2.0 times, and bonds outstanding below the statutory limit of \$3 billion. Today, despite the impacts of the global COVID-19 pandemic, the MDTA is projected to maintain its financial standards through FY 2030, two years beyond the original forecast, while maintaining the Nice/Middleton Bridge Replacement Project on schedule and budget.

¹ The rate covenant requirement is 1.0 times; however, debt service is based on a factor of 1.2 and is therefore equivalent to 1.2 times debt service.

MDTA Financial Pillars

Financial Standards and Board Policies

As an independent agency that relies solely on the toll revenues generated to fund its operating and capital programs, the MDTA maintains several financial standards and Board-adopted financial management policies to ensure that its budgets and debt remain affordable.

The MDTA's financial standards include the following requirements:

Financial Ratio	Requirement
Rate Covenant (Legal)	Net Revenues $\geq 1.0x$ sum of 120% of debt service + 100% deposits to the M&O Reserve
Debt Service Coverage (Policy)	Net Revenues $\geq 2.0x$ annual debt service
Unencumbered Cash (Policy)	Cash \geq \$350 million
Debt Outstanding Limit (Statutory)	\$3.0 billion for toll revenue-backed debt

The MDTA also has comprehensive, best practices policies and guidelines that provide direction for its financial operations and compliance with its Trust Agreement and State law requirements. Among these are the Debt Management Policy, Revenue Policy, and the Preparation of Financial Forecast Policy. These policies and guidelines are officially adopted and periodically reviewed by the MDTA Board and are available on MDTA's website.

These financial standards and policies, in conjunction with several other policies, help to ensure the MDTA maintains a sound financial position and strong credit ratings. In 2021, despite the COVID-19 pandemic and transitioning to a new toll collection system, the MDTA's double-A credit ratings with a stable outlook were affirmed by Fitch Ratings and Moody's Investors Service (Appendix 1). The MDTA is among only five other tolling agencies within Moody's U.S. Toll Sector rated universe of more than forty issuers with the distinction of holding the highest mid-double A credit ratings, reflecting both current financial stability and incorporating forecasted metrics. These rating affirmations are from professional, independent Nationally Recognized Statistical Ratings Organizations.

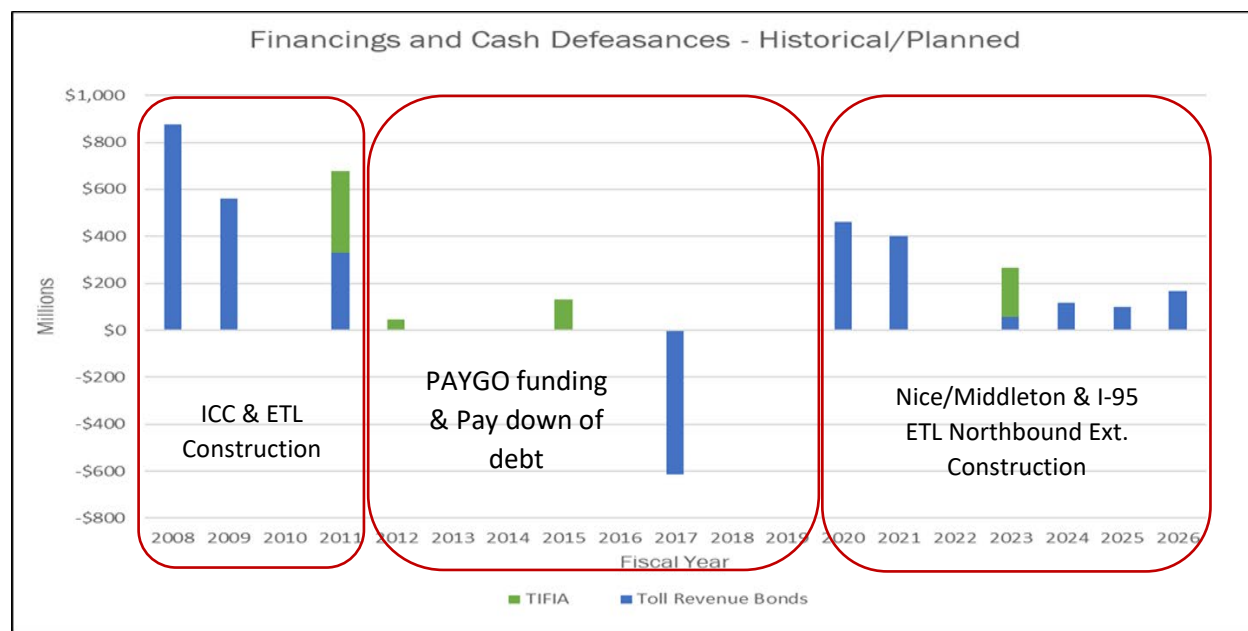
Strategic and Financial Planning

The MDTA is strategic regarding the timing and execution of its capital program, as the agency recognizes its responsibility of preserving and maintaining its existing infrastructure, including large mega assets and signature structures, while also addressing the need for expansion projects that support economic development and improve the quality of life for Maryland residents and businesses.

Bi-annually, the MDTA Board adopts a six-year financial forecast, which ensures sufficient revenues are available to maintain required financial coverage ratios and to meet operating and capital needs. The forecast incorporates the latest traffic and revenue data developed by an independent traffic and revenue consultant, debt service based on amortization schedules for

existing and planned debt, the current year operating budget grown at historical growth levels, and the six-year capital program. The financial forecast helps determine the size and timing of required bond issuances to fund the capital program and assist with determining the timing and magnitude of necessary toll increases. A toll rate increase may be required to adhere to the MDTA's financial standards when other mitigating actions, like reductions to the operating or capital budgets, are insufficient to maintain standards.

As illustrated below, the MDTA strategically issues debt in managed cycles that entail periods of temporary increased financial leverage to accomplish major capital projects, followed by years of declining debt and fewer new money financings. During the FY 2008 to 2011 timeframe, the MDTA issued \$2.1 billion in debt to construct two major projects – the Intercounty Connector (ICC) and Section 100 of the I-95 Express Toll Lanes (ETL). This was followed by eight years of pay-as-you-Go (PAYGO) capital funding and a \$614 million bond defeasance in the FY 2012 to 2019 timeframe. In FY 2020, the MDTA returned to the bond market to raise funds to support its capital program, including the construction of the Nice/Middleton Bridge Replacement and the I-95 ETL Northbound Extension Project (Section 200).



Experienced Leadership, Staff, and Board

The MDTA has a stable and experienced senior leadership team. Collectively, the current leadership team has, on average, 20 years of State service, including over a decade working for the MDTA. As such, the MDTA can leverage the experience of its senior leadership team to develop mitigation plans and strategies to alleviate financial challenges. Many members of the leadership team worked for the MDTA during the Great Recession of 2007-2008, when the agency was also constructing both the ICC and Section 100 of the I-95 ETL. Those combined projects totaled more than \$3 billion.

More recently, because of its experienced leadership team and staff, the MDTA was able to take swift action by incorporating preventative measures to mitigate the near and long-term fiscal impacts of the COVID-19 pandemic. These actions included, but were not limited to, updating the agency's financial forecast model to reflect known and anticipated pandemic traffic and revenue impacts, achieving \$409 million in operating and capital budget savings over the FY 2020-2026 forecast period, and extending the completion of the I-95 ETL Northbound Extension Project by one-year. These actions enabled the agency to successfully weather the fiscal challenges associated with the pandemic. The MDTA's senior leadership team is further complemented by the expertise of the MDTA Board, as members have decades of experience in structural engineering, transportation and land use planning, and finance.

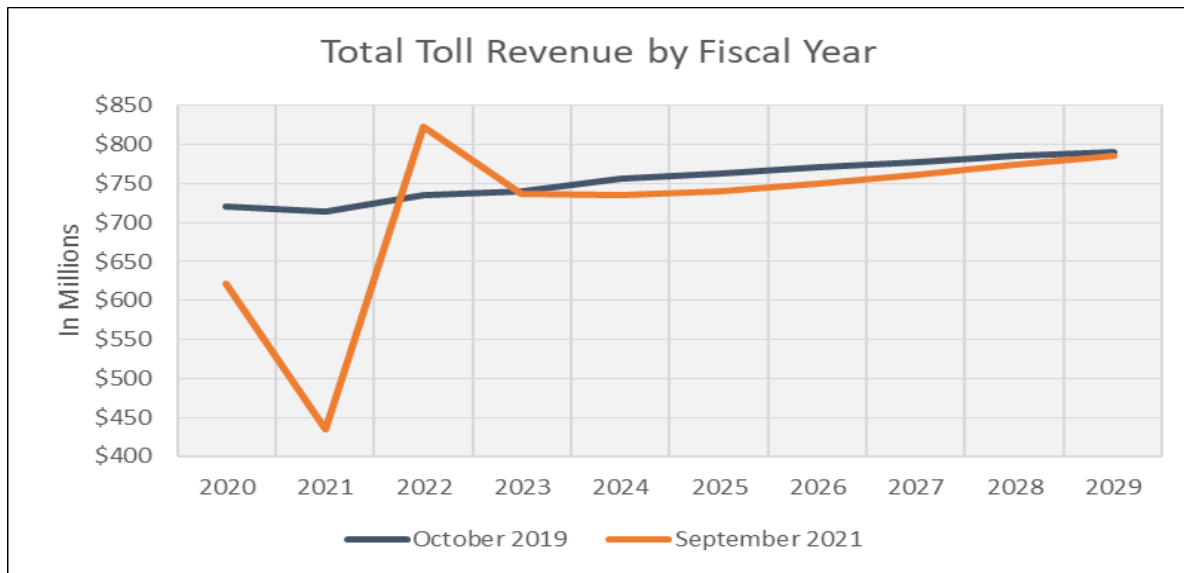
Addressing the Legislature's Concerns About MDTA's Financial Position

The COVID-19 pandemic directly impacted the MDTA's annual revenue, but the MDTA continues to maintain its financial position. Over a ten-year period, the MDTA's revenues are expected to decline \$392.1 million compared to the MDTA's most recent pre-COVID-19 forecast. The MDTA experienced the most significant reductions in FY 2020 and 2021 with ongoing reductions that taper down to one percent in FY 2029. The MDTA's October 2019 and September 2021 traffic and revenue reports, for FY 2020-2029, totaled \$7,553.6 million and \$7,161.5 million, respectively. On a combined basis, FY 2021, 2022, and 2023 revenues are expected to decline by nine percent because of the COVID-19 pandemic. The valley and peak revenue movements are the result of deferred revenue from video toll notices being held or not mailed as a means to assist customers financially during the pandemic, delayed transition to the MDTA's new tolling system, and the transition to All-Electronic Tolling. Traffic and revenue forecasts are prepared on a cash basis to facilitate and monitor the MDTA's compliance with its financial standards, including its rate covenant established in its Trust Agreement between the MDTA and its bondholders.

MDTA Official Traffic and Revenue Forecasts

Fiscal Year	October 2019 Forecast	September 2021 Forecast	\$ Change	% Change
\$ in millions				
2020	\$ 720.9	\$ 622.1	\$ (98.8)	(14) %
2021 *	713.8	433.9	(279.9)	(39) %
2022 *	736.0	822.9	86.9	12 %
2023 *	740.0	736.1	(3.9)	(1) %
2024	756.4	735.7	(20.7)	(3) %
2025	762.4	740.6	(21.8)	(3) %
2026	771.2	749.2	(22.0)	(3) %
2027	777.5	761.3	(16.2)	(2) %
2028	785.4	774.4	(11.0)	(1) %
2029	789.9	785.3	(4.6)	(1) %
Total	\$ 7,553.6	\$ 7,161.5	\$ (392.1)	(5) %

* Revenue shift between fiscal years



Irrespective of changes in traffic and revenue, the MDTA has demonstrated its ability to manage challenging financial circumstances, including the Great Recession of 2007-2008 and the COVID-19 pandemic. As noted by Fitch Ratings in March 2021, “MDTA has a demonstrated track record of maintaining solid debt service coverage and moderate leverage while retaining financial flexibility.” The MDTA’s financial flexibility and resourcefulness has supported its rating within the double-A ratings categories, the highest rating category for a tolling authority.

The MDTA’s financial flexibility and sound financial management are supported by the MDTA Board-adopted financial policies that govern its operations (e.g., Revenue Adequacy Policy, Revenue Bond Issuances Policy, Debt Management Policy, Investment Management Policy, Financial Forecasting Policy, and annual budget policies) and the expertise of the MDTA Board members. The MDTA also reevaluates its financial position and revenue adequacy at least twice a year when submitting the statutorily required six-year financial forecast to the legislature. The bi-annual review of projected revenues and expenses, coupled with the quarterly monitoring of revenues and expenses by the MDTA Board, enables the MDTA to continually evaluate its financial position and if required, take the necessary actions to reduce spending, defer capital projects, pursue innovative financing solutions, and adjust toll rates.

Despite the MDTA’s sound financial policies and the continual monitoring of its finances, toll rate increases are periodically necessary to support long-term population or economy driven system expansion, as well as the normal inflation adjustments for capital system preservation, maintenance, and operating costs. The MDTA last increased tolls in FY 2014, followed by certain toll reductions in subsequent years. As shown below, when considering that over 60 percent of comparable tolling authorities were required to raise electronic tolls for passenger and commercial vehicles by at least 10 percent between 2014 and 2021, the MDTA’s ability to avoid raising tolls for nearly two decades while maintaining its capital infrastructure, constructing two mega projects, and weathering the COVID-19 pandemic, is indicative of the MDTA’s ability to manage within its financial means.

Major Toll Agency Toll Rate Changes (December 31, 2014 – June 10, 2021)

State From	State To	Agency	ETC 2-Axle	ETC 5-Axle	Cash 2-Axle	Cash 5-Axle	Video 2-Axle	Video 5-Axle
MD	MD/VA	Maryland Transportation Authority	-20%	-5%			-5%	-5%
CA	CA	Bay Area Toll Authority	17%	4%			17%	4%
CA	CA	Golden Gate Bridge Highway and Transportation District	28%	28%			24%	24%
CA	CA	Transportation Corridor Agencies	51%	49%			12%	14%
CO	CO	E-470 Public Highway Authority	8%	2%			35%	35%
DE	DE	Delaware Department of Transportation	No toll changes between 12/31/2014 and 6/10/2021					
FL	FL	Central Florida Expressway Authority	6%	6%	13%	18%	84%	109%
FL	FL	Florida Department of Transportation	3%	3%	17%	17%	3%	3%
FL	FL	Florida Turnpike Enterprise	3%	3%	19%	19%	4%	4%
FL	FL	Lee County Department of Trans.	No toll changes between 12/31/2014 and 6/10/2021					
FL	FL	Miami-Dade Expressway Authority	-6%	-53%			-6%	-6%
FL	FL	Tampa-Hillsborough County Expressway Authority	Facility was extended between 12/31/2014 and 6/10/2021					
IL	IL	Illinois State Toll Highway Authority	0%	73%			0%	73%
IL	IL	Skyway Concession Company	45%	62%	45%	62%		
IN	IN	Indiana Toll Road Concession Company	159%	64%	20%	64%		
KS	KS	Kansas Turnpike Authority	14%	3%	25%	21%		
KY	IN	Kentucky-Indiana Joint Board	Not yet opened on 12/31/2014					
MA	MA	Massachusetts Department of Trans.	-11%	3%			41%	16%
NC	NC	North Carolina Turnpike Authority	30%	30%			31%	31%
NJ	NJ	New Jersey Turnpike Authority	37%	36%	37%	36%		
NJ	NJ	South Jersey Transportation Authority	60%	38%	60%	38%		
NY	NY	Metropolitan Transportation Authority	23%	23%			37%	38%
NY	NY	New York State Bridge Authority	15%	18%	17%	20%		
NY	NY	New York State Thruway Authority	1%	6%			25%	29%
NY	NJ	Port Authority of New York and New Jersey	17%	19%	14%	16%	14%	16%
OH	OH	Ohio Turnpike and Infrastructure Com.	22%	20%	21%	20%		
OK	OK	Oklahoma Turnpike Authority	16%	15%	34%	27%		
PA	NJ	Delaware River Joint Toll Bridge Com.	25%	13%	200%	25%		
PA	PA/NJ	Pennsylvania Turnpike Commission	54%	49%			121%	114%
TX	TX	Central Texas Regional Mobility Auth.	14%	14%			28%	28%
TX	TX	North Texas Tollway Authority	18%	18%			18%	18%
TX	TX	Texas Department of Transportation	11%	11%			25%	25%
VA	DE	Chesapeake Bay Bridge and Tunnel Commission	20%	10%	20%	10%		
VA	VA	City of Chesapeake	50%	43%	50%	43%		
VA	VA	Elizabeth River Crossings	133%	132%			141%	136%
VA	VA	Metropolitan Washington Airports Auth.	36%	24%	36%	24%		
VA	VA	Toll Road Investors Partnership II	14%	15%	14%	15%		
VA	VA	Richmond Metropolitan Authority	No toll changes between 12/31/2014 and 6/10/2021					
WA	WA	Washington State Department of Trans.	11%	11%	9%	9%	8%	8%
WV	WV	West Virginia Parkways, Economic Development, and Tourism Authority	100%	100%	100%	100%		

As shown in the table below, the MDTA remains in compliance with existing legal requirements and MDTA Board-approved policies through FY 2029. The MDTA's current forecast indicates that a toll rate increase may be required in FY 2030 to maintain 2.0 times debt service coverage; however, many events will occur between now and then that will modify the timing and size of that potential toll increase. The exact timing and size of any needed toll increases would be determined by the MDTA Board following the extensive legislative notification and public involvement process established in State law and regulations.²

MDTA Financial Standards												
	Required	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Rate Covenant	≥ 1.0	2.0	3.9	2.5	2.2	2.1	1.9	1.8	1.8	1.7	1.6	1.5
Debt Service Coverage	≥ 2.0	2.6	4.8	3.1	2.8	2.6	2.4	2.3	2.2	2.1	1.9	1.8
Unencumbered Cash	≥ \$350M	\$419M	\$511M	\$455M	\$354M	\$352M	\$353M	\$354M	\$353M	\$353M	\$353M	\$352M
Bonds Outstanding	≤ \$3.0B	\$2.1B	\$2.1B	\$2.3B	\$2.3B	\$2.4B	\$2.5B	\$2.5B	\$2.6B	\$2.7B	\$2.7B	\$2.8B

By their nature, forecasts are a point-in-time projection of future events based on the best known information at the time. Forecasting even two years into the future is subject to many assumptions; therefore, this required ten-year forecast is even more subject to change. The MDTA's ability to accurately forecast traffic and revenue, constrain operating budget growth, deliver capital projects within budget, and access the bond market, heavily impact the timing of future toll increases. As such, many factors will change over the next eight fiscal years, such as actual toll revenue attainment, changes to anticipated operating and capital budget spending, borrowing rates, and the size and timing of planned debt issuances, which would impact the MDTA's financial standards. To the extent that the MDTA is projected to fall short of its financial standards, the MDTA Board has a fiduciary responsibility to take action to ensure that it achieves its financial policies. These potential actions include but are not limited to: reducing the operating and capital budgets, delaying capital projects, pursuing innovative financing options such as advance funding a portion of debt service to legally reduce debt service for purposes of the debt service coverage and legal rate covenant coverage calculations, and if necessary, increasing tolls. Apart from increasing tolls, the MDTA successfully implemented these strategies in response to the COVID-19 pandemic.

Funding non-MDTA Projects

The MDTA made two loans to the Maryland Department of Transportation (MDOT), which is consistent with the MDTA's mission to provide alternative financing for transportation projects. Since its inception, the MDTA has played a critical role in providing alternative financing for multiple State agencies. Furthermore, the agency has extensive experience with providing alternative financing for critical transportation projects, including the Seagirt and Masonville Marine terminals; the Baltimore/Washington International Thurgood Marshall (BWI Marshall) Airport consolidated rental car facility; and multiple parking garages for the BWI Marshall

² See Appendix 3 for a diagram of the toll rate setting process.

Airport, the Washington Metropolitan Area Transit Authority, and the Maryland Department of General Services.

The MDTA executed two separate loan agreements with the MDOT to fund a portion of the costs associated with the Phase 1: American Legion Bridge (ALB) I-270 to I-70 project and certain improvement projects at the BWI Marshall Airport. Both loans have executed loan agreements and are being repaid with interest expected to total \$11.6 million during the FY 2021-FY 2031 forecast period. Due to the availability of alternative funding sources, the anticipated third loan for an aircraft maintenance facility land improvement project has been removed from the forecast.

The MDTA has also been required to provide financial support to the State by utilizing MDTA Police for numerous State-wide events supplementing other Police actions that are outside of MDTA's facilities. The MDTA's support on these activities is in accordance with requests made through the State Law Enforcement Coordinating Council under Executive Order 01.01.2012.03 and per the Governor's authority under the Transportation Article of the Annotated Code of Maryland. The impact on operations cannot be estimated due to the lack of predictability of when assistance is needed.

MDTA Financial Forecast Summary (FY 2021-2031)

The MDTA prepared a ten-year financial forecast for the FY 2021-2031 timeframe (Appendix 2) using the MDTA's current six-year official forecast as the foundation for this extended period forecast. Based on this forecast, the MDTA remains in compliance with existing legal requirements and MDTA Board-approved policies through FY 2029 without the need for toll increases.

The MDTA's traffic and revenue projections are prepared by an independent consultant(s) annually. The MDTA's revenue and operating cost projections are based on existing legal requirements, MDTA Board-approved policies, and the current economic outlook. The forecast assumes toll revenues will grow at a moderate rate and conservatively estimates bond financing rates. The capital budget includes funding for the continuation of the construction of the Nice/Middleton Bridge Replacement Project and the I-95 ETL Northbound Extension Project. No major changes in law, operating responsibilities, or external events are anticipated.

Revenues

Projections are based on the August 2021 Traffic and Revenue forecast prepared by CDM Smith. Total revenues are expected to total \$8.7 billion over the forecast period. This projection includes toll revenues, concession income, investment income, reimbursements, and other miscellaneous revenues.

The MDTA toll revenues are estimated to total \$8.1 billion through FY 2031. Projected toll revenues reflect an annual average growth rate of 1.0 percent over the FY 2023-FY2031 forecast

period.³ Legacy in-lane toll revenues, ICC revenues, and I-95 ETL revenues are expected to total \$6.6 billion, \$800.5 million, and \$231.1 million through FY 2031, respectively. The forecast assumes the MDTA will begin collecting revenues from the I-95 ETL Northbound Extension in FY 2025. Other toll revenues are projected to total \$484.3 million through FY 2031.

The remaining revenue sources provide \$549.6 million of travel plaza concession income, investment income, interest income, reimbursements, and other miscellaneous revenues over the forecast period. Bond financings are utilized to provide \$1.7 billion during this timeframe. It is estimated that, beginning in FY 2030, either an annual or biennial system-wide average toll rate increase of \$0.11 or \$0.33, would be required to maintain 2.0 times debt service coverage. The modest projected toll increase, adjusted for average inflation, and in FY 2030, which is more than 15 years since the last toll increase, is reflective of the long-term execution of the MDTA's financial plan, including constructing two major capital projects, such as the I-95 ETL Northbound Extension and the Nice/Middleton Bridge Replacement Project. Both projects have been reflected in the MDTA's financial forecast since June 2018. As shown below, despite the COVID-19 pandemic, transitioning to a new tolling system later than originally planned, and the permanent implementation of AET, the current forecast has slightly improved compared to the June 2018 official financial forecast. At that time, it was estimated that a toll rate increase would likely occur in the FY 2028-2029 timeframe.

System-wide Average Biennial Toll Rate Increases

Fiscal Year	June 2018 Official Forecast	September 2021 Official Forecast
2028	\$0.10	\$0.00
2029	\$0.00	\$0.00
2030	\$0.40	\$0.33
2031	\$0.00	\$0.00
Revenue Generated	\$136.6M	\$78.0M

Expenditures

Expenditures are categorized as Operating Budget, Debt Service, and Capital Expenses. Operating budget expenditures are projected to total \$4.5 billion over the forecast period. The FY 2022 operating budget reflects the final operating budget as approved by the MDTA Board on June 24, 2021. Beginning in FY 2023, the forecast assumes a growth factor that aligns with historical increases in the operating budget and, beginning in FY 2025, an additional \$300,000 in operating expenses for the I-95 ETL Northbound Extension.

Debt service, which reflects payment cycles of the planned bond issuances as of FY 2022 and thereafter, is projected to total \$1.7 billion throughout the forecast period. With the exception of the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan, the forecast assumes that the MDTA will finance debt at a conservative rate of 4.0 percent, generally over a

³ The financial forecast reflects revenue received on a cash basis. Due to the backlog of transactions, many transactions from FY 2021 were paid in FY 2022. The FY 2023-2031 period provides a more accurate annual average growth rate.

30-year amortization period. The forecast assumes an average financing rate of 2.27 percent for the TIFIA loan.

The forecast also includes two separate loan agreements with the MDOT totaling \$70 million. The MDOT loans will be used to fund a portion of the costs associated with the Phase 1: ALB I-495 to I-70 project and improvement projects at the BWI Marshall Airport. The anticipated third loan for aircraft maintenance facility land improvements has been removed from the forecast due to the availability of alternative funding sources.

Capital expenditures are projected to total \$4.6 billion over the forecast period and assume a 100 percent spend rate. Capital expenditures shown are consistent with the MDOT Draft FY 2022-2027 Consolidated Transportation Program for the MDTA. The forecast reflects a \$13 million contribution from the Virginia Department of Transportation for the Nice/Middleton Bridge Replacement Project.

Bond Issuances

During the FY 2022-2031 timeframe, the MDTA expects to issue approximately \$1.3 billion in bonds, including the TIFIA loan, to fund the Nice/Middleton Bridge, I-95 ETL Northbound Extension, and other capital projects. Total debt outstanding is expected to remain below the statutory limit of \$3.0 billion. The MDTA's long-term financial approach often entails planned cycles when the agency issues debt and then pays down debt. Similar to when the MDTA constructed the ICC and Section 100 of the I-95 ETL, the MDTA is currently in a debt issuance cycle as it finances portions of the Nice/Middleton Bridge and the I-95 ETL Northbound Extension.

APPENDIX 1

Announcement: Moody's has updated the sale amount and use of proceeds of Maryland Transportation Authority's Transportation Facilities Projects Revenue Bonds, Series 2021A; Aa2 rating and stable outlook unaffected

18 Mar 2021

New York, March 18, 2021 -- Moody's Investors Service ("Moody's") reports that the changes in i) the sale description to Transportation Facilities Projects Revenue Bonds, Series 2021A from Transportation Facilities Projects Revenue Bonds, Series 2021, ii) the sale amount and iii) the use of proceeds for Maryland Transportation Authority's ("MDTA" or "the authority") Transportation Facilities Projects Revenue Bonds, Series 2021A, which we rated on March 9, 2021, will have no impact on the assigned Aa2 rating or the stable outlook on the Series 2021A bonds.

The sale description was updated to Transportation Facilities Projects Revenue Bonds, Series 2021A from Transportation Facilities Projects Revenue Bonds, Series 2021.

The amount of the bonds has been updated to up to \$738 million from the previously cited \$400 million for the Series 2021A bonds.

The use of proceeds was changed to contemplate the possibility of refinancing Series 2008A TIFIA loan and also to replace the funding of a reserve account by the payment of a premium of a surety policy to be used to fund a reserve account.

RATINGS RATIONALE

Maryland Transportation Authority's Aa2 rating reflects the essentiality of the authority's road network, the fundamental strength of the service area and its history of strong financial and operational performance. MDTA's rating also incorporates the authority's financial policies and history of conservative budgeting coupled with track record of exceeding its forecasts. This strong financial policy with a proven track record is one of the main strengths of this credit that somewhat mitigates the projected metrics being lower than peers. Taken together, these factors support the authority's board-approved \$2.8 billion capital expenditure program spanning fiscal 2021 through fiscal 2026. The program is expected to be funded with internal liquidity combined with approximately \$1.0 billion to be funded by debt, including the currently proposed \$310 million new money portion of Series 2021A bonds. The increased leverage and debt service requirements coupled with the decline in liquidity could place pressure on the authority's current rating should toll revenues not keep pace with growing debt service requirements through either traffic growth or toll rate increases. The rating incorporates our expectation of the authority's willingness to maintain strong financial metrics by increasing toll rates or making other adjustments to preserve its financial position.

The rapid and widening spread of the coronavirus outbreak, the deteriorating global economic outlook, falling oil prices, and asset price declines, are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. The toll road sector has been significantly affected by the shock given its exposure to travel restrictions and sensitivity to consumer demand. Moody's regards the coronavirus outbreak as a social risk under its ESG framework, given the substantial implications for public health and safety. As a result of the epidemic, already existing trends of lifestyle changes may accelerate, such as an increase in remote working and teleconferences that could negatively impact traffic volumes and reduce profits for toll roads.

RATING OUTLOOK

The stable outlook reflects our view that the authority's sound financial policy coupled with ample liquidity will cushion the impact from the short term disruption from the implementation of changes in the tolling system and from the coronavirus outbreak as traffic returns to normalized levels. The outlook also incorporates our expectation that the authority will take action as necessary to support toll revenues in order to keep its financial metrics in line with its current profile through the expected leverage increases.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING

- The rating is unlikely to be upgraded going forward given its current rating and operating risks, however continued significant and sustained higher-than-projected traffic levels, successful completion of planned capital projects, toll revenues that support adjusted debt to operating revenues of less than 3.0x while maintaining strong liquidity could exert upward pressure on the rating.

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATING

- Lower traffic and revenue levels than assumed in the authority's base case forecast
- Significantly higher debt financing of the capital program than currently envisioned
- A sustained decline in the DSCR below 3.0x
- An increase in leverage resulting in adjusted debt to operating revenue above 4.5x
- Liquidity below 400 days cash on hand

LEGAL SECURITY

The Transportation Facilities Projects Revenue Bonds, Series 2021A are on parity with the authority's outstanding revenue bonds, which are secured by a pledge of revenues from the Transportation Facility Projects and from the General Account Project, which is subject to reallocation at the option of the MDTA. The authority's rate covenant requires net revenues, which include the Transportation Facility Projects, to be at least the sum of 1.2x annual debt service and 100% of the amount required to be deposited in the maintenance and operations reserve account. The additional bonds test requires the rate covenant to be met on a 5-year prospective basis.

The outstanding municipal bonds are also secured by debt service reserve subaccounts sized at the lesser of maximum annual debt service, 125% of average annual debt service or 10% of the proceeds of the principal amount of the bonds, currently funded with a combination of surety policies and cash. Series 2021A reserve subaccount is expected to be funded with a surety policy to be issued by Build America Mutual Assurance Company (not rated).

USE OF PROCEEDS

The Series 2021A revenue bonds will be used i) to finance and refinance the design, construction and equipping of any additions, improvements and enlargements to a portion of the authority's capital expenditure program, ii) to possibly refinance Series 2008A TIFIA loan, iii) to pay the premium for Series 2021A surety policy and iv) to fund certain costs of issuance.

The authority is considering refinancing its Series 2008A TIFIA loan with a portion of the currently proposed Series 2021A bonds, depending on market conditions, and it expects this refinancing to result in net present value savings with no considerable changes to the debt service profile.

PROFILE

The authority is an independent agency with autonomous rate-setting authority, however the secretary of the state department of transportation, Maryland Department of Transportation (MDOT), also serves as chairman of the authority's 8-member board which is appointed by the governor (and confirmed by the Senate). The two agencies work together to address state-wide transportation needs and this high level of coordination benefits the authority as it undertakes capital projects.

The authority owns and operates 8 facilities, of which revenues from 7 are deemed Transportation Facilities Projects: the John F. Kennedy Memorial Highway; the Fort McHenry Tunnel; the Baltimore Harbor Tunnel; the Francis Scott Key Bridge (formerly the Baltimore Harbor Outer Bridge); the Governor Harry W. Nice Memorial Bridge (formerly the Potomac River Bridge); the Chesapeake Bay Bridge; and the ICC. The last facility is the Thomas J. Hatem Memorial Bridge (formerly the Susquehanna River Bridge), which the authority operates as a General Account Project.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moodys.com for the most updated credit rating action information and rating history.

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RATING ACTION COMMENTARY

Fitch Rates Maryland Transportation Auth's Facilities Project Revs Ser 2021A 'AA'; Outlook Stable

Mon 08 Mar, 2021 - 5:31 PM ET

Fitch Ratings - New York - 08 Mar 2021: Fitch Ratings has assigned a 'AA' rating to Maryland Transportation Authority's (MDTA) approximately \$738 million in transportation facilities project revenue and revenue refunding bonds series 2021A. Fitch has also affirmed the 'AA' rating on the outstanding \$1.9 billion transportation facilities project revenue bonds. The Rating Outlook on all of the bonds is Stable.

RATING RATIONALE

The rating reflects MDTA's role as a vital system that provides diverse transportation links in the mid-Atlantic region, demonstrated traffic levels with resilience to economic conditions and a pricing framework that allows for a strong rate-making ability. Although the authority experienced significant pandemic-related traffic declines, peak declines were in line with other facilities in Fitch's rated portfolio.

The rating is supported by robust financial metrics; under Fitch's coronavirus rating case scenario, which incorporates coronavirus-related stresses, the average debt service

Feedback

coverage ratio (DSCR) throughout the forecast is high at 2.6x, and projected leverage (net debt over cash flow) is moderate at 5.4x in 2025. MDTA's substantial liquidity position, with over 700 days cash on hand (DCOH) as of fiscal year-end 2020, provides additional support to the rating.

KEY RATING DRIVERS

Critical Transportation Network - Revenue Risk (Volume): Stronger

MDTA revenues are derived from a diverse system of seven mature assets and the Inter County Connector (ICC), which provide critical transportation links in a high-volume market with limited competing facilities. The system's legacy facility transactions have historically experienced low elasticity when numerous significant toll increases have been introduced. As a result of the pandemic-related shutdowns commencing in March, MDTA experienced yoy peak weekly traffic declines of approximately 65% for passenger vehicles and 23% for commercial vehicles. Steady increases in traffic have been observed as state restrictions were eased beginning in mid-May.

Demonstrated Toll Increases - Revenue Risk (Price): Stronger

The authority has a demonstrated ability to raise rates to maintain financial flexibility and meet internal policies. This ratemaking ability is supported by the facilities' affluent service areas comprising Baltimore and Washington D.C. metropolitan statistical areas. There are no current plans for any toll adjustments.

Prudent Capital Planning - Infrastructure Development & Renewal: Stronger

The authority's facilities are in overall good condition. The \$2.8 billion 2021-2026 capital program focuses on preservation and addresses system expansion and congestion relief. In light of the coronavirus pandemic, this program represents a \$302 million reduction from the 2020-2025 program, which will reduce cashflow demands in a stressed economic environment. The program is approximately 50% funded as pay-go, with the remaining funded with \$1.1 billion in future debt issuances. The replacement of the Nice Bridge with a larger four-lane bridge is included in the capital plan; the project's total cost is estimated at \$636 million.

Conservative Debt Structure - Debt Structure: Stronger

The authority's debt is all senior, fixed rate, and fully amortizing. The covenant package is adequate with an additional bonds test and rate covenant both at 1.2x debt service coverage but the authority maintains coverage above 2.0x in accordance with its debt policy. The authority's debt policy also includes a statutory bond cap of \$3.0 billion.

Financial Profile

MDTA has a demonstrated track record of maintaining solid debt service coverage and moderate leverage while retaining financial flexibility. Liquidity is strong with over 700 days of unrestricted cash on hand as of fiscal year-end 2020. Cash balances are expected to decline as the authority executes its capital program. However, the authority adheres to a policy of a \$350 million minimum unencumbered cash balance. Fiscal 2020 coverage was 3.7x and leverage was 3.4x. In Fitch's rating case, the 10-year DSCR averages 2.5x and leverage increases to 6x by 2030 including new debt issuances with no toll increases. However, the authority has historically projected new debt issuances conservatively.

PEER GROUP

Like MDTA, Florida Turnpike Enterprise (FTE; AA/Stable) and Pennsylvania Turnpike Commission (PTC; A+/Stable senior and A-/Stable subordinate) are essential facilities with strong catchments and limited direct competition. All three have considerable ongoing capital needs. The average rating case DSCRs for MDTA and FTE are comparable, but MDTA's leverage exceeds FTE's as additional debt is issued through 2028. PTC's higher debt burden than both MDTA and FTE results in higher leverage on both liens, explaining PTC's lower ratings.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--At the current rating level, a further upgrade is unlikely due to future investment and political risks inherent to toll systems.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--Under-performance of traffic and revenue with further toll reductions or unwillingness to adjust tolls with coverage dropping to at or near the 2.0x debt service coverage policy.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Sovereigns, Public Finance and Infrastructure issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit [\[https://www.fitchratings.com/site/re/10111579\]](https://www.fitchratings.com/site/re/10111579).

TRANSACTION SUMMARY

MDTA expects to issue approximately \$738 million in transportation facilities project revenue and revenue refunding bonds, series 2021A. Proceeds will be used to fund capex under the authority's capital program, refund the series 2008A bond and cover the cost of issuance. The bonds will be fixed rate, on parity with existing transportation facilities project revenue bonds, and reach final maturity in 2052. The bonds are expected to price on March 24, 2021.

CREDIT UPDATE

Traffic and toll revenue both declined by 52% and 38%, respectively in the seven-months fiscal YTD due to the pandemic. The decline was mostly due to the 50% drop in passenger revenue. Commercial revenue fared better, declining by 15% yoy. Although declines in traffic and revenue have been severe, the authority's substantial liquidity position of over \$550 million in unrestricted cash as of FYE 2020 provides cushion and is sufficient to fund the entire fiscal 2021 operating budget and debt service. Due to the authority's strong liquidity position, management does not expect to draw on its DSRF, which is comprised of sureties and cash.

MDTA has implemented reductions to its operating and capital budgets to mitigate lost revenue in the near term, but capital projects underway and with near term start dates are expected to continue as scheduled. The MDTA maintains the financial flexibility necessary to reduce operating and capital expenses by delaying expansion projects.

FINANCIAL ANALYSIS

Fitch has developed two scenarios evaluating a potential deeper and more prolonged health crisis with economic effects that may extend recovery beyond 2022. The differences between the two cases focus on the level of initial recovery of toll revenues in 2021 through the next several years. Both cases factor in YTD performance and anticipated future borrowings. Operating expenses in both cases include management's estimate in 2021 followed by approximately 4.5% annual growth. Given the current economic environment due to the coronavirus, and the unlikeliness of a stable operating environment over the near term, Fitch's coronavirus rating case is also considered the base case.

In Fitch's coronavirus rating case, passenger toll revenues reach 59% of 2019 levels in fiscal 2021 followed by recovery to 93% and 100% of 2019 levels in 2022 and 2023, respectively. Commercial traffic reaches 89% of 2019 levels in fiscal 2021 and reaches 2019 levels in fiscal 2022. Revenue assumptions grow by 1% per year thereafter. Under these assumptions, DSCR averages 2.5x from 2021-2030 with a year-five (2025) leverage of 5.2x. Minimum coverage is 1.9x in 2030, reflecting additional future borrowing.

Fitch also ran a coronavirus downside case with passenger toll revenue reaching 53% of 2019 levels in fiscal 2021, followed by steady recovery to 2019 levels by 2025. Commercial toll revenues reach 85% of 2019 levels in fiscal 2021 and fully recover by 2023. Toll revenue subsequently increases by 1% per year. Under these assumptions, DSCR averages 2.3x from 2021-2030 with a year-five (2025) leverage of 5.4x. Minimum coverage is 1.8x in 2030, reflecting additional future borrowing.

Indicative rating guidance highlights that 'AA' rated assets are expected to average 1.8x coverage throughout the rating case. Even in a severe downside scenario, the Authority's momentary, minimum DSCR of 1.8x, substantiates the 'AA' rating.

SECURITY

The bonds are primarily secured by the net revenues of the Transportation Facilities Projects.

Asset Description

The Maryland Transportation Authority is an independent state agency tasked with the construction, operation, maintenance, and repair of certain revenue-producing Transportation Facilities Projects and General Account Projects. The authority operates a diverse system of eight toll facilities including I-95 between Baltimore and the Maryland-Delaware state line, three bridges crossing Chesapeake Bay, Potomac River and Baltimore Harbor, two tunnels on I-95 and I-895 and ICC since operations began in February 2011.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg.

RATING ACTIONS

ENTITY/DEBT	RATING	PRIOR
Maryland Transportation Authority (MD)		

Feedback

ENTITY/DEBT	RATING			PRIOR
● Maryland Transportation Authority (MD) /Transportation Revenues/1 LT	LT	AA Rating Outlook Stable	Affirmed	AA Rating Outlook Stable

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APPLICABLE CRITERIA

Feedback

[Infrastructure and Project Finance Rating Criteria \(pub. 24 Mar 2020\) \(including rating assumption sensitivity\)](#)

[Toll Roads, Bridges and Tunnels Rating Criteria \(pub. 26 Jun 2020\) \(including rating assumption sensitivity\)](#)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

GIG AST Model, v1.2.0 ([1](#))

ADDITIONAL DISCLOSURES

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Maryland Transportation Authority (MD)

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Industrials and Transportation US Public Finance Infrastructure and Project Finance

North America United States

Feedback

APPENDIX 2

MARYLAND TRANSPORTATION AUTHORITY
CASH FLOW FORECAST
FY 2021 - 2031

In Millions \$	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues											
Toll Revenues	\$433.9	\$822.9	\$736.1	\$735.7	\$740.6	\$749.2	761.3	774.4	785.3	793.40	800.00
Concessions Revenue	3.8	3.8	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.92	3.93
Investment Income & Other Revenue	9.1	7.2	7.4	6.6	6.1	6.1	6.1	6.1	6.1	6.08	6.08
MDOT Loan Repayment - Interest	0.2	0.5	1.7	1.6	1.5	1.3	1.2	1.1	1.0	0.82	0.68
BWI/Port Police Reimbursement	30.7	32.6	33.9	35.3	36.7	38.2	39.7	41.3	42.9	44.67	46.45
Total Revenues	\$477.6	\$867.1	\$783.0	\$783.1	\$788.7	\$798.7	\$812.2	\$826.8	\$839.2	\$848.9	\$857.1
Operating Expenses											
Operating Account Budget	\$315.3	\$360.8	\$359.6	\$374.0	\$389.2	\$404.8	421.0	437.8	455.3	473.54	492.49
Debt Service	61.8	105.0	138.1	147.0	154.3	164.0	171.4	177.5	185.7	193.65	201.93
Total Operating Expenses	\$377.1	\$465.8	\$497.7	\$521.0	\$543.6	\$568.8	\$592.4	\$615.3	\$641.0	\$667.2	\$694.4
Operating Revenue Net of Expenses	\$100.5	\$401.3	\$285.3	\$262.1	\$245.2	\$229.9	\$219.8	\$211.4	\$198.1	\$181.7	\$162.7
Capital Expenses											
2022-2027 Total CTP	\$471.7	\$602.9	\$559.2	\$492.3	\$427.3	\$387.0	308.2	363.8	342.0	323.28	328.10
Total Expenses (Operating + Capital)	\$848.8	\$1,068.7	\$1,057.0	\$1,013.2	\$970.9	\$955.8	\$900.5	\$979.1	\$983.1	\$990.5	\$1,022.5
Capital Funding Source / (Uses) and Intergovernmental											
Revenue Bonds	\$401.8	\$0.0	\$0.0	\$103.9	\$176.0	\$153.0	85.0	146.1	139.1	136.63	159.82
TIFIA	-	-	200.0	-	-	-	-	-	-	-	-
Surety Policy	(3.0)	-	-	(0.2)	(0.4)	(0.4)	(0.2)	(0.3)	(0.3)	(0.31)	(0.37)
Cash Refunding	(63.1)	-	-	-	-	-	-	-	-	-	-
MDOT Loan Repayment - Principal	(4.8)	4.7	4.8	4.9	4.9	5.0	5.1	5.2	5.2	5.32	5.41
Less: VDOT Contribution	-	-	13.0	-	-	-	-	-	-	-	-
Less: I-95 Interchange Partner Contribution	-	-	-	20.0	-	-	-	-	-	-	-
Accrual Accounting Reconciliation	-	-	-	-	-	-	-	-	-	-	-
Total Current Year Sources (Uses) Available	330.8	4.7	217.8	128.6	180.5	157.7	89.9	151.0	144.0	141.64	164.86
Annual Cash Requirements	518.0	1,064.0	839.2	884.7	790.4	798.2	810.7	828.1	839.0	848.8	857.7
Annual Cash Surplus/Deficit	(\$40.3)	(\$196.9)	(\$56.2)	(\$101.6)	(\$1.6)	\$0.5	1.5	(1.4)	0.2	0.1	(0.5)
Total Cash Balance	\$741.4	\$544.5	\$488.4	\$386.7	\$385.1	\$385.6	\$387.2	\$385.8	\$385.9	\$386.0	\$385.5
Bonds Outstanding (≤\$2.325 b. FY 16-20; then ≤\$3.0 b.)	\$2,091.8	\$2,083.4	\$2,263.6	\$2,310.2	\$2,426.1	\$2,514.7	\$2,529.4	\$2,599.5	\$2,657.7	\$2,707.5	\$2,774.5
Financial Coverage Ratios											
Unencumbered Cash (\$350MM minimum)	\$418.8	\$511.5	\$455.3	\$353.7	\$352.1	\$352.6	\$354.1	\$352.7	\$352.9	\$352.9	\$352.4
Debt Service Coverage (≥2.5x thru FY 20; then ≥2.0x)	2.6	4.8	3.1	2.8	2.6	2.4	2.3	2.2	2.1	1.9	1.8
Rate Covenant Compliance (Legal - 1.0x)	2.0	3.9	2.5	2.2	2.1	1.9	1.8	1.8	1.7	1.6	1.5

APPENDIX 3

Public Toll Hearing Process Overview



TAB 11



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. Will Pines, PE, PMP, CCM, Chief Operating Officer
SUBJECT: Third Generation Electronic Toll Collection (3G ETC) System Current Operations Update
DATE: December 16, 2021

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.

ATTACHMENT

- 3G ETC System Update Presentation

Electronic Tolling

Current Operations Update

MDTA Board Meeting

December 16, 2021

Schedule Update

- As previously noted, Contractor provided an updated SAT schedule
 - Schedule based on a fully agile release approach with new tickets addressed initially every 3 weeks and now about every 2 weeks
 - Contractor is on schedule with 6 releases in production to date
- Negotiating with Contractor to establish clear SAT deadlines and ensuring Post-SAT is limited to punchlist items
 - Modifications sent to the vendors for review,
 - Will update MDTA Board, State DOIT and BPW modifications 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

Software Reports & Documentation

- Continue finalizing outstanding reports and documentation

QA/QC & Lane Maintenance Improvements

- Coordinating and addressing ongoing AET conversions for FMT and HWN
 - HWN is next with a planned go live in the early Spring
- Accountability for timeliness of resolution for identified issues
- Enforcement of contractual requirements
- Consistent pro-active approach to the maintenance tasks

System Acceptance & Key Performance Indicators (KPI)

- Finalize System Acceptance Testing and Plans
 - Reviewing and approving reports for system monitoring
- Plan and test KPI
 - Some revisions to KPI verbiage in the Modification to improve processing

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

- High volumes and wait times persist with average waits over an hour and half
 - Increased volumes with escalations resuming and backlog processing
 - Calls in November increased by nearly 20,000 for the month compared to October – up to nearly 180,000 calls
 - Attrition was better in November with only 4 employee losses
 - Hiring continues with 118 total CSC staff, as of 12/8/2021 – 93 servicing calls and 25 in training and starting in this month
 - Certain periods heavier than others
- Website improvement releases continue to help ease volumes
- Actively managing customer outreach to reduce call volumes and avoid communications that may drive call volumes

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 12/8/2021
 - Approximately 29.5 million video transactions posted to customer accounts
 - Updated video transaction posting estimate by most recent assessment of actual ITOLs (i.e., 25% ITOLs)
 - Several notices sent to alert customers to proactively pay electronically to receive early payment discounts
 - \$8.3 million PNOTDs paid online to date for early payment discounts
 - Proactive mailer to customers with more than 25 transactions complete
 - Moving to a 2nd batch of 25+ customers
 - 10.4 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 12



**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: Mr. James Harkness, P.E., PTOE, Chief Engineer, Office of Engineering and Construction
SUBJECT: Update on Major Capital Projects valued over \$40 Million
DATE: December 16, 2021

PURPOSE OF MEMORANDUM

The purpose of the memorandum is to update the MDTA Board on the status of the Major Projects in the Capital Program.

SUMMARY

As of December 8, 2021, there are nine Major Projects in the Capital Program. Six of the projects are under Construction, two in Procurement and one in Design. This update includes projects funded for construction in the current CTP and includes five projects valued in excess of \$100 million. There are two projects from the \$1.1 billion I-95 ETL Northbound Expansion program.

ATTACHMENT

- MDTA Major Capital Projects (>\$40 million) – December 2021 Update

MDTA Major Capital Projects (>\$40 Million) - December 2021 Update

Pin	Contract No.	Description	AD	NTP	Budget (Thousands \$)	Ant. Construction Completion Date	Construction (C), Procurement (P) or Design (D)
2147	MA-2257	Replace Electronic Toll Collection - 3rd Gen	8/1/16	3/6/18	123,251	Summer 2022	C
1024	NB-543	Replace Nice/Middleton Bridge	10/20/18	3/17/20	635,788	Winter 2024	C
2251	FT-2651R	Rehabilitate Ventilation Fans	9/5/19	7/1/20	41,844	Spring 2024	C
2516	BB-3014	Emergency BB All Electronic Toll (AET) Conversion	9/29/20	1/11/21	51,456	Spring 2023	C
2453	KH-3009	I-95 Northern Transition - Express Toll Lanes to MD 152	8/17/20	5/3/21	224,161	Summer 2024	C
2491	KH-3019	I-95 Northern Transition - MD 152 Interchange Reconstruction	5/7/21	11/29/21	242,151	Fall 2024	C
2477	KH-3024	I-95/Belvidere Road Interchange	5/18/20	1/28/22	76,585	Spring 2025	P
2306	HT-2709	Envelope and Switchgear Replacements at Baltimore Harbor Tunnel Ventilation Buildings	11/5/21	4/11/22	64,477	Fall 2023	P
2317	BB-2726	Eastbound Bay Bridge Deck Replacment	9/6/19	7/12/21	237,550	Fall 2025	D

TAB 13



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
FROM: Mr. David Goldsborough, Director of Information Technology
SUBJECT: Quarterly Information Technology Update
DATE: December 16, 2021

PURPOSE OF MEMORANDUM

The purpose of this memorandum is to provide a quarterly update to the MDTA Board on MDTA's Division of Information Technology (DoIT).

SUMMARY

As of December 16, 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. Post go-live support of the Third-Generation Tolling System (3G) continues and will remain in place until official transition to operations and maintenance occurs. DoIT is still experiencing some recruitment challenges because of the requirement for an on-site work presence. We are continuing the use of additional telework days over and above the traditional one day per week to attract potential employees. DoIT has begun penetration testing with Cyber Defense Technologies for the internal portion of the MDTA network. To this point, we have implemented a few recommendations around how permissions are handled and will have a final report from the vendor in the early January timeframe.

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

- Cybersecurity - looking to potentially assist the Maryland Department of Health with their recovery
- Police body cameras - looking to start rollout in the August/September 2022 time frame
- Post go-live support of 3G
- Enterprise budget system - training has begun on use of the new system
- Conversion of the purchasing card system to the new platform
- Migration of contract data from Dynamics to Maximo

TAB 14



**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
FROM: Mr. Percy E. Dangerfield, Chief Administrative Officer
Ms. Towanda R. Livingston, Director of Civil Rights and Fair Practices
PREPARED BY: Ms. Towanda R. Livingston, Director of Civil Rights and Fair Practices
Ms. Normetha Goodrum, DBE Program Manager
SUBJECT: Quarterly Update: Socioeconomic Program - Disadvantaged Business
Enterprise Program (Nice-Middleton Bridge Project)
DATE: December 16, 2021

PURPOSE OF MEMORANDUM

The purpose of this memorandum is to provide the Maryland Transportation Authority (MDTA) Board of Directors with an update on the MDTA socioeconomic program goals as it relates to Disadvantaged Business Enterprise (DBE) Program for the Nice-Middleton Bridge Project.

SUMMARY

In accordance with Article II of the MDTA Board Operating Policy, as amended January 25, 2018, this summary has been prepared and distributed. The Division of Civil Rights and Fair Practices (CRFP) is responsible for the development, oversight, and administration of the MDTA 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.

For the Fiscal Year 2022 Quarter One (Q1) update the focus is on the DBE Programmatic efforts, which covers the performance period of July 1, 2021 to September 30, 2021. This performance period will be referenced as Q1 FY 2022.

Disadvantaged Business Enterprise (DBE) Program

CRFP is responsible for monitoring the Nice-Middleton Bridge Project's federally funded contracts to ensure compliance with nondiscrimination and affirmative action requirements. The responsibilities include oversight of the Disadvantaged Business Enterprise (DBE) Program, the Contractor's Equal Employment Opportunity (EEO)/Workforce Affirmative Action plans, On-the-Job Training (OJT) programs, and Contractor Labor Compliance. The unit also provides management, supervision, and direction to the third-party civil rights compliance monitors assigned to the Project by the General Engineering Consultant for the Nice-Middleton Bridge Project.

The Nice-Middleton Bridge Project will construct a new 4-lane crossing of US-301 over the Potomac River to replace the existing bridge, which is over 80 years old. The Project also includes minor roadway work on each side of the Potomac River, improvements to the campus infrastructure, and demolition of the existing bridge. The Nice-Middleton Bridge Project is comprised of five (5) contracts that have an estimated value of \$531 million.

The five (5) contracts that are included in Nice-Middleton Bridge Project were identified for federal financial assistance via a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan. DBE firms' utilization is monitored monthly and reported to the Federal Highway Administration (FHWA) semi-annually. DBE firms' utilization is calculated by dividing the total dollars paid to DBE subcontractors by the total dollars expended for this Project.

The Bridge Replacement Contract Number NB-0543-0000 and the Campus Improvements Contract Number NB-3003-000 have workforce goals and a Maryland Department of Human Resources Hiring Agreement. The Hiring Agreement is a mechanism for providing current and former Family Investment Program (FIP) recipients with employment opportunities on State procurement contracts. The assigned account representative for the Bridge Replacement and Campus Improvements construction contract is the Tri-County Council of Southern Maryland (TCCSM) - Job Source. The account representative is the referral source to the contractors and processes job notices; refers screened and qualified current and former FIP participants for available jobs; and assists in developing job-training and support services.

The Bridge Replacement Contract Number NB-0543-0000 has an On-the-Job Training (OJT) goal to train 11 individuals in a skilled craft training program to a journeyperson status. Some assessment factors used to determine whether a contract has an OJT goal are as follows:

- Potential for effective training;
- Duration of the contract;
- Contract dollar value;
- Total anticipated workforce;
- Type of work; and
- Satisfactory ratio of journeyperson to trainee expected during normal operation of the construction project ordinarily in the range of 4:1 to 10:1 ratio.

Table 1 depicts total DBE subcontractor payments by the five (5) Contracts for the Nice-Middleton Bridge Project through September 30, 2021. Each Contract has a contract-specific DBE subcontracting goal commitment.

Table 2 depicts the geographic location of participating DBE Subcontracting firms. As of September 30th, there were 53 active DBE subcontractors working on the Nice-Middleton Bridge Project, of which 37 are based in the State of Maryland.

Table 3 depicts a workforce overview for the Project. As of September 30th, there were a total of 140 New Hires working on the Project, of which 59 are Maryland residents.

This update includes photographs of Nice-Middleton Bridge Project from a September 29th site visit (Attachment 1) and an On-the-Job (OJT) Trainee Spotlight (Attachment 2) that highlights a Charles County, Maryland resident.

ATTACHMENTS

- Table 1: Nice-Middleton Bridge Project Disadvantaged Business Enterprise (DBE) Program Utilization Project-To-Date
- Table 2: Geographic Location of Participating Disadvantaged Business Enterprise (DBE) Firms
- Table 3: Workforce Overview
 - 3-A: New Hires by Geographic Location as of September 30, 2021
 - 3-B: On-the-Job (OJT) Training Update as of September 30, 2021
- Attachment 1: September 29th Photographs of Nice-Middleton Bridge Project
- Attachment 2: On-the-Job (OJT) Trainee Spotlight – modified excerpt from Skanska, Corman, McLean Joint Venture’s Newsletter – courtesy of Joint Venture Team

ATTACHMENTS

Q1 FY 2022: SOCIOECONOMIC PROGRAM STATUS

Table 1: Nice-Middleton Bridge Project Disadvantaged Business Enterprise (DBE) Program Utilization Project-To-Date

Disadvantage Business Enterprise Program Utilization Project-To-Date (Period Ending September 30, 2021)								
Contract Number & Contract Value	Contract Description	Committed DBE Goal	Total Payments 30-Sep-21	% Paid to Prime 30-Sep-21	\$ Paid to Prime 30-Sep-21	% Paid to DBEs 30-Sep-21	\$ Paid to DBEs 30-Sep-21	Burn Rate % (Payments/Award)
NB-0543-0000 NTP 03/17/20 \$ 462,957,000.00	Bridge Replacement	15.47%	\$245,267,905.02	91.41%	\$224,211,181.79	8.59%	\$21,056,723.23	52.98%
NB-3003-0000 NTP 08/28/20 \$ 23,433,000.00	Campus Improvements	23.00%	\$9,294,401.01	78.01%	\$7,251,019.99	21.99%	\$2,043,381.02	39.66%
AE-3049-0000 NTP 11/14/18 \$ 15,000,000.00	Construction Management Inspection Services	26.00%	\$3,246,140.85	86.47%	\$2,807,083.88	13.53%	\$439,056.97	21.64%
AE-3050-0000 NTP 11/14/18 \$ 15,000,000.00	Construction Management Inspection Services	26.00%	\$3,249,642.67	80.33%	\$2,610,495.70	19.67%	\$639,146.97	21.66%
AE-3051-0000 NTP 11/14/18 \$ 15,000,000.00	Construction Management Inspection Services	26.00%	\$3,088,637.98	82.42%	\$2,545,686.18	17.58%	\$542,951.80	20.59%

Table 2: Geographic Location of Participating Disadvantaged Business Enterprise (DBE) Firms

New Nice-Middleton Bridge Project						
TOTAL NUMBER OF DBE SUBCONTRACTORS UTILIZED AS OF SEPTEMBER 30, 2021						
Construction Management Inspection Services (Contracts Numbers)			Bridge Replacement (Contract Numbers)	Campus Improvements (Contract Numbers)		
AE-3049	AE-3050	AE-3051	NB-0543	NB-3003		
5	4	4	37	3		
Total					53	
PARTICIPATING DBE SUBCONTRACTORS BY GEOGRAPHIC LOCATION						Totals
3	2	4	25	3	Maryland	37
1			1		Washington D.C.	2
1	1		8		Virginia	10
	1		3		Other	4
5	4	4	37	3		53

Note: "Other" includes the following States: Connecticut, Kentucky, North Carolina, and Pennsylvania.

Table 3: Workforce Overview

Table 3-A: New Hires by Geographic Location as of September 30, 2021

Total Number of New Hires	140
· Maryland Residents	59
Anne Arundel County	2
Calvert County	1
Caroline County	1
Charles County	17
Frederick County	0
Montgomery County	8
Prince George's County	25
St. Mary's County	5
Total by Maryland Counties	59
· Virginia	44
· Washington D.C.	3
· Other States	34
TCCSM-Job Source referrals hired	33

Note: "TCCSM" - Tri-County Council of Southern Maryland - Job Source

Table 3-B: On-the-Job (OJT) Training Update as of September 30, 2021

NB-0543 - Bridge Replacement Project/Contract - On-The-Job Training (OJT) Program			
Contract Goal - 11 Trainees			
Active Trainees as of September 2021	6		
Graduated Trainees	7	1 Front End Loader	Seven (7) Trainees have graduated as of September 2021 and were retained.
		1 Oiler/Greaser	
		1 Concrete Pump Operator	
		2 Carpenters	
		2 Piledrivers	
There is no OJT Goal on NB-3003 - Campus Improvement Project/Contract			

Attachment 1: NB-0543-0000 / Bridge Replacement Photographs – September 29, 2021 Site Visit

Photographs taken during a September 29, 2021 site visit by the MDTA Civil Rights Compliance Team, the Federal Highway Administration Division Office Civil Rights, Engineering and Construction team and Tri-County Council of Southern Maryland – Job Source representatives.



View of New Bridge superstructure - DBE Subcontractor, Interlock Steelworkers, Inc., is performing the pre-cast girder work.



D.T. Read Steel Company, Inc. (DBE Subcontracting firm) tying rebar for bridge piers Bridge Replacement Contract

Attachment 2: On-the-Job Trainee Spotlight

Skanska, Corman, and McLean Joint Venture – OJT Program– NICE BRIDGE PROJECT (CONTRACT NO. NB-0543- Bridge Replacement) – courtesy of the Joint Venture Team, modified excerpt from their Newsletter.

Video Clip: [CRFP Quarterly Update December 2021 \(Parrish Thompson Video 12.06.2021\)](#)

On-The-Job Training Program and the Story of Mr. Parrish Thompson

As part of a federally funded project, Skanska Corman McLean JV is participating in the On-the-Job Training (OJT) Program. The OJT Program provides training opportunities to individuals who are looking to break into the construction industry, especially minorities and women.

Mr. Parrish Thompson is an example of how the OJT program can train and prepare individuals for the workforce. Mr. Thompson was working on the project as a laborer when he was recommended into the Oiler OJT program based on his strong work ethic and passion for construction. After successfully completing the Oiler OJT program, he is now participating in a Mechanic OJT program.

Born and raised in the Charles County and a graduate of North Point High School, life was never easy for Mr. Thompson. He is the oldest of four siblings, and at a young age, had to find work to support his Mother and family. At an early age he worked residential construction.

As he got older, he tried his best to educate himself with vocational school training, however he struggled to have the needed funds to sustain the commute. Although opportunities were scarce, his passion led him to start his own business as a handyman where he found entrepreneurial success. Then, life threw him a curve ball and he lost everything. Nevertheless, Mr. Thompson continued to work hard pursuing other opportunities.

It was during this time he met Ms. Jacklyn Chambers of the Tri-County Council of Southern Maryland. Jacklyn immediately referred Mr. Thompson to Skanska, Corman, McLean JV and after a quick review of his application, he was offered a job at a general laborer making about \$33 an hour, the prevailing wage.

TAB 15

VERBAL

TAB 16

CLOSED SESSION

TAB 17

CLOSED SESSION