



Maryland Transportation Authority

BOARD MEETING

THURSDAY, MARCH 27, 2025

MARYLAND TRANSPORTATION AUTHORITY
2310 BROENING HIGHWAY
2ND FLOOR TRAINING ROOM
BALTIMORE, MD 21224

IN-PERSON AND LIVESTREAM



MARYLAND TRANSPORTATION AUTHORITY BOARD MEETING

2310 Broening Highway * 2nd Floor Training Room * Baltimore, MD 21224

MARCH 27, 2025 9:00 AM

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

NOTES:

- This is an In-Person Open Meeting being conducted via livestreaming.
- The public is welcome 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 March 25. You **MUST** pre-register and attend the meeting in person to comment.* Once pre-registered, all pertinent information will be emailed to you.

AGENDA

OPEN SESSION – 9:00 AM

Call Meeting to Order

- | | | |
|---|------------------------------------|---------|
| 1. <u>Approval</u> – <u>Open Session Meeting Minutes of February 27, 2025</u> | Chairman | 5 min. |
| 2. <u>Resolutions</u> – <u>Years of Service Recognition</u> – Recognition for Two Retired Employees | Bruce Gartner | 10 min. |
| 3. <u>Approval</u> – <u>Board Committee Assignments</u> – Adding New Board Member to Board Committee Assignments | Bruce Gartner | 5 min. |
| 4. <u>Approval</u> – <u>Contract Awards</u> <ul style="list-style-type: none">• SV00211187 – Communications and Related Services | Jeffrey Davis | 5 min. |
| 5. <u>Approval</u> – <u>Fiscal Year 2025 Budget Amendment</u> – Approval of a Budget Amendment to the Operating Budget | Jeffrey Brown | 5 min. |
| 6. <u>Update</u> – <u>Fiscal Year 2025 Department of Legislative Services Budget Analysis</u> | Deb Sharpless
Jeffrey Brown | 10 min. |
| 7. <u>Update</u> – <u>Major Projects</u> – Quarterly Update on Major Projects | James Harkness | 15 min. |
| 8. <u>Update</u> – <u>Information Technology Major Projects</u> – Quarterly Update on Information Technology Major Projects | David Goldsborough | 10 min. |
| 9. <u>Update</u> – <u>Civil Rights Fair Practice’s Socioeconomic Programs</u> – Quarterly Update on Socioeconomic Programs | Percy Dangerfield
Khadriah Ward | 10 min. |
| 10. <u>Update</u> – <u>Legislative Session</u> – Verbal | Bradley Ryon | 10 min. |
| 11. <u>Update</u> – <u>Audit Committee Update</u> – Verbal | Member Ardinger | 5 min. |
| 12. <u>Update</u> – <u>Executive Director’s Report</u> – Verbal | Bruce Gartner | 10 min. |

Vote to Adjourn Meeting

TAB 1

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

THURSDAY, FEBRUARY 27, 2025
9:00 A.M.

2310 BROENING HIGHWAY
BALTIMORE, MD 21224

IN-PERSON & LIVESTREAMED OPEN MEETING

OPEN SESSION

Paul J. Wiedefeld, Chairman

MEMBERS ATTENDING:

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

STAFF ATTENDING:

Lt. Col. Ronce Alford
Jeffrey Brown
Carl Chamberlin
Percy Dangerfield
Jeffrey Davis
Allen Garman
Bruce Gartner
James Harkness
Natalie Henson
Kimberly Millender, Esq.
Mary O’Keeffe
Bradley Ryon
Col. Joseph Scott
Deb Sharpless
Jennifer Stump
Bradley Tanner
Paul Trentalance
John Wedemeyer

At 9:00 a.m. Chairman Paul J. Wiedefeld called the meeting of the Maryland Transportation Authority (MDTA) Board to order. The meeting was held in-person at MDTA Headquarters, 2310 Broening Highway, Baltimore MD 21224 and was livestreamed on the MDTA Board Meeting web page.

APPROVAL – OPEN SESSION MEETING MINUTES OF JANUARY 30, 2025

Upon motion by Member William H. Cox, Jr. and seconded by Member Mario J. Gangemi, the open session meeting minutes of the MDTA Board meeting held on January 30, 2025 were unanimously approved.

APPROVAL – CLOSED SESSION MEETING MINUTES OF JANUARY 30, 2025

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

APPROVAL – CONTRACT AWARD

***** Member John F. von Paris recused himself prior to this contract being presented. *****

• MDTA 2023-02 – Comprehensive Project Planning and Miscellaneous Consulting Services

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Contract No. MDTA 2023-02 – Comprehensive Project Planning and Miscellaneous Consulting Services with the following three proposers in the following three amounts for a total of \$20,500,000.00.

<u>Contract #</u>	<u>Proposer</u>	<u>Amount</u>
AE-3136	Rummel, Klepper & Kahl, LLP (RK&K)	\$9,000,000.00
AE-3137	Jacobs Engineering Group, Inc. (Jacobs)	\$6,500,000.00
AE-3138	Wallace Montgomery/WSP USA, Inc. (WM/WSP)	\$5,000,000.00

Mr. Davis explained that the services to be performed under this contract will include project planning, environmental services, design services, miscellaneous consulting services including revenue and expense forecasting, toll analyses and studies pertaining to operating toll systems as directed by MDTA. MDTA advertised with the intent to award contracts to the three highest technically ranked firms in the amounts \$9 Million, \$6.5 Million and \$5 Million, for a total of \$20.5 Million for a five (5) year period.

Mr. Davis also explained that we anticipate presenting this Contract at the March 19, 2025 BPW meeting.

Upon motion by Member Mario J. Gangemi and seconded by Member Dontae Carroll, the Members unanimously gave approval of Contract No. MDTA 2023-02 – Comprehensive Project Planning and Miscellaneous Consulting Services.

***** Member John F. von Paris returned to the room for the remainder of the meeting after the vote was complete. *****

- **MT-00211372 – On-Call Plumbing Services – Southern Region**

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Contract No. MT-00211372 – On-Call Plumbing Services – Southern Region with Langenfelder in the amount of \$529,800.00.

Mr. Davis explained that the purpose of the project is to retain the services of a qualified Contractor to provide on-call repairs and preventative maintenance tasks on plumbing equipment and systems. The Provider shall furnish all labor, materials, supplies, equipment, supervision, services and related incidentals for these services. The MDTA received four (4) bids.

Mr. Davis also explained that we anticipate presenting this Contract at the March 19, 2025 BPW meeting.

Upon motion by Member William H. Cox, Jr. and seconded by Member John F. von Paris, the Members unanimously gave approval of Contract No. MT-00211372 – On-Call Plumbing Services – Southern Region.

- **MT-00211314 – HVAC and ATC Maintenance and Repairs for Northern MDTA Facilities**

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Contract No. MT-00211314 – HVAC and ATC Maintenance and Repairs for Northern MDTA Facilities with Denver Elek in the amount of \$2,155,660.60.

Mr. Davis explained that the purpose of the project is to retain the services of a qualified Contractor to provide HVAC, ATC, and Monthly Water Treatment Services for JFK and TJH Facilities (Northern Region). The Provider shall furnish all labor, materials, supplies, equipment, supervision, services and related incidentals for these services. MDTA received five (5) bids and one (1) bid was rejected for being nonresponsive.

Mr. Davis also explained that we anticipate presenting this Contract at the April 23, 2025 BPW meeting.

Upon motion by Member Mario J. Gangemi and seconded by Member William H. Cox, Jr., the Members unanimously gave approval of Contract No. MT-00211314 – HVAC and ATC Maintenance and Repairs for Northern MDTA Facilities.

- **J01PB5600016 – VMware Licenses**

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Contract No. J01PB5600016 – VMware Licenses with Applied Technology Services, Inc. in the amount of \$741,912.00.

Mr. Davis explained that this contract is for the provision of VMware Licenses. VMware is a suite of virtualization products that MDTA uses in its Data Centers, allowing us to run multiple virtual servers on a single physical server. The physical components of the server are better managed by VMware which allows us to operate our Data Centers more efficiently and experience much smaller maintenance windows.

Mr. Davis also explained that we anticipate presenting this Contract at the April 23, 2025 BPW meeting.

Upon motion by Member Dontae Carroll and seconded by Member Cynthia D. Penny-Ardinger, the Members unanimously gave approval of Contract No. J01PB5600016 – VMware Licenses.

UPDATE – PROCURMENT REPORT ON OPEN CONTRACTS

Mr. Jeffrey Davis presented the MDTA Board with a report on how many contracts are currently open with the MDTA, excluding state credit card purchases. There are currently 199 contracts totaling \$2,330,689,899.53.

APPROVAL – FORMER 1325 G STREET ASSOCIATES LLLP-MC#24-7051

Mr. John Wedemeyer requested MDTA Board approval to place restrictive covenants on a conservation area to remain substantially in its natural condition forever.

Mr. Wedemeyer explained a Covenant area for Wetland 6j containing 7.464 acres, plus or minus, was acquired by MDTA as part of the MD200 Intercounty Connector project.

Mr. Wedemeyer further explained that as compensatory mitigation under Federal and State law for Department of the Army Permit No. CENAB-OP-RMS (MD SHA & MTA/INTERCOUNTY CONNECTOR 05-6011-1 (“Permit”) issued by the U.S. Army Corps of Engineers, Baltimore District (“Corps” or “Baltimore District,” to include any successor agency), and certification(s) and/or permit(s) issued by the Maryland Department of the Environment (“MDE,” to include any successor agency), and in recognition of the continuing benefit to the permitted property, and for the protection of waters of the United States and scenic, resource, environmental, and general property values, Declarant has agreed to execute and record this Declaration of Restrictive Covenants (“Declaration”) placing certain restrictive covenants on a Conservation Area within the Property, in order that the Conservation Area shall remain substantially in its natural condition forever.

Upon motion by Member William H. Cox, Jr. and seconded by Member Mario J. Gangemi, placing restrictive covenants on a conservation area to remain substantially in its natural condition forever was unanimously approved.

UPDATE – ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) REPORT

Ms. Deb Sharpless presented MDTA’s inaugural Environmental, Social, and Governance (ESG) Report to the MDTA Board.

Ms. Sharpless explained that the MDTA’s ESG Report will serve as an annual disclosure to provide internal and external stakeholders a holistic, enterprise-wide understanding of the agency’s societal and environmental impacts, risks, and opportunities. As financial markets and credit rating agencies are increasing the use of ESG criteria to assess the value and creditworthiness of public agencies, the ESG Report is a critical disclosure to provide a clear and organized picture of social and environmental performance. The report structure and content are tailored to a multi-stakeholder audience and address key focus areas of credit rating agencies. The ESG Report complements the MDTA’s legacy of strong financial health and good governance. Prepared over the course of 2024, the inaugural ESG Report summarizes the agency’s practices and performance across departments.

APPROVAL – QUARTERLY REVIEW OF INVESTMENT STRATEGY AND BENCHMARKS

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

Mr. Garman explained that the chosen strategies and benchmark indices represent a reasonable and prudent compromise between long-term, multiyear return/income focus and tolerance for return volatility. Also, no changes in strategy or benchmarks are recommended.

Mr. Garman further explained that investments conformed to Investment Policy limitations for the trailing twelve-month period ended December 31, 2024. Portfolio structuring by account adhered to board approved strategy and should remain consistent, despite short-term return volatility associated with the interest rate environment. Duration Targeted reserves maintain consistent structures and management does not attempt to time market rate changes. The longer duration strategies employed in certain reserves generate higher return volatility with expected higher average annual returns over multiyear periods.

Upon motion by Member John F. von Paris and seconded by Member Dontae Carroll, continuation of the current investment strategies and benchmarks for all accounts was unanimously approved.

UPDATE – 1ST QUARTER OPERATING BUDGET COMPARISON

Mr. Jeffrey Brown updated the MDTA Board on actual versus projected year-to-date spending for the second quarter of Fiscal Year (FY) 2025 Operating Budget. As of December 31, 2024, 37% of the budget was spent compared to a target of 49%. Except for personnel expenses, all Object Codes were below budget.

UPDATE – 1ST QUARTER CAPITAL BUDGET COMPARISON

Ms. Jennifer Stump updated the MDTA Board on the status of actual Fiscal Year (FY) 2025 capital spending relative to the FY 2025 capital budget in the FY 2025-2030 Draft Consolidated Transportation Program (CTP). As of December 31, 2024, 22.7% of the FY 2025 budget was spent as compared to the targeted spending level of 50%. The total budget for FY 2025 is \$809.8 million. The actual spending through the second quarter was \$183.4 million.

Ms. Stump further explained that twenty-seven of the 91 projects budgeted in FY 2025 were within the acceptable spending limits of 25% to 75% (plus or minus 25% of the 50% target). Due to normal lags in invoicing, generally two months, a plus or minus 25% threshold was determined to be reasonable. Actual spending through the second quarter for ten projects with the highest FY 2025 budgets was \$126.5 million.

UPDATE – QUARTERLY UPDATE ON TRAFFIC AND REVENUE

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

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

She further explained that actual collected revenue was below forecast by \$2.2 million for the period ending December 31, 2024 and that during December 2024, \$3.3 million of transaction processing was delayed.

UPDATE – LEGISLATIVE REPORT SUBMITTED TO THE LEGISLATURE

- **Maryland Transportation Facilities – Buffered Bicycle/Pedestrian Lanes**

Mr. Carl Chamberlin provided a summary of the Joint Chairmen’s Report (JCR) regarding Maryland Transportation Facilities – Buffered Bicycle/Pedestrian Lanes.

Mr. Chamberlin explained that in accordance with the requirements specified in in the Maryland General Assembly 2024 Joint Chairmen's Report (JCR), the MDTA collaborated with the Maryland Department of Transportation State Highway Administration (MDOT SHA) and relevant local jurisdictions to identify appropriate locations for bicycle ways and pedestrian walkways that cross MDTA highways, run parallel to MDTA highways and bridges, or otherwise involve MDTA facilities.

To complete this analysis and evaluation, publicly available GIS data was obtained from counties, Metropolitan Planning Organizations (MPOs), SHA, and Maryland Transit Administration (MTA) in the vicinity of all MDTA facilities to document existing and planned bicycle and pedestrian facilities on State and County roads, rail stations, and bus stops. The most recently completed Statewide master plan, county master plans, and MPO long-range plan documents were then reviewed to determine if any MDTA facilities were located in close proximity to any documented existing or planned/proposed bicycle and pedestrian facilities. To assist with the study, coordination meetings were held with identified stakeholders from each jurisdiction, including representatives from the Maryland Department of Transportation (MDOT), SHA, MTA, MPOs, and counties.

Mr. Chamberlin further explained that the results of this study are included in the report. It is important to note that the improvements identified in this report are improvements identified in the master plans of jurisdictions that surround MDTA facilities, and as such, are not necessarily projects being programmed and funded by MDTA. MDTA commits to work with local stakeholders, as we currently do on all reconstruction projects, to accommodate these identified needs on our facilities as the needs of the facility dictate.

UPDATE – LEGISLATIVE SESSION

Mr. Bradley Ryon gave an update to the MDTA Board regarding the bills that have been filed that will have an impact to the MDTA and the number of legislative casework/inquiries that his office has received thus far.

UPDATE – AUDIT COMMITTEE

Member Cynthia D. Penny-Ardinger presented an update on the Audit Committee meeting that took place on February 4, 2025.

Member Penny-Ardinger explained the Committee was informed that the novation agreement with Citrin Cooperman who acquired the previous audit services consultant was completed January 28, 2025. Citrin Cooperman management met with the MDTA Audit Director on February 3, 2025, to discuss completing work in progress by the previous firm that was suspended pending completion of the novation agreement. Citrin Cooperman management stated they would utilize the work already invoiced by the previous firm.

UPDATE - EXECUTIVE DIRECTOR'S REPORT

Mr. Bruce Gartner updated the MDTA Board on the following: February 4 Unveiling of the New Design Concept for the Key Bridge Rebuild; MDTA's plan to engage public input on non-structural elements of the bridge; February 3 Legislative Black Caucus/Kiewit Networking Event; February 10 Civil Rights Fair Practices Virtual Outreach Event; February 12 MDTA Police Class 59 Graduation; February 21 Fort McHenry Tunnel Tour for High School Students as part of National Engineer's Week; and the upcoming March 25 "Doing Business with the MDTA" quarterly event.

Lastly, Mr. Gartner acknowledged Natalie Henson's well deserved promotion to Executive Officer. Ms. Henson will remain in the Executive Office and will continue with her Board-related duties in her new role.

VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member William H. Cox, Jr. and seconded by Member Mario J. Gangemi, the Members unanimously voted to adjourn the meeting at 10:07 a.m.

The next MDTA Board Meeting will be held on Thursday, March 27, 2025 at 9:00 a.m. at MDTA Headquarters, 2310 Broening Highway, Baltimore MD 21224 and will be livestreamed on the MDTA Board webpage.

APPROVED AND CONCURRED IN

Paul J. Wiedefeld, Chairman

TAB 2

Donna M. DiCerbo

MDOT MDTA DOT Procurement Manager IV

WHEREAS, Donna DiCerbo began her State of Maryland career with the Maryland Department of Health (DHMH) as a DHMH Office Secretary II in March 2017, and

WHEREAS, Ms. DiCerbo continued to progress within Maryland State Government and was promoted to Department of General Services (DGS) Administrative Aide in September 1984, and to DGS Public Information Office Administrative Aide in January 1991, and

WHEREAS, She continued to build on her knowledge and skills, and Ms. DiCerbo was promoted within Maryland State Government from the span of January 1991 to October 2006. This included titles of DHMH Public Relations Administrative Specialist, DGS Administrator III, Department of Human Services (DHMS)-OPASS Chief Compliance Procurement Specialist and Maryland Aviation Administration (MAA) Chief Architectural/Engineering & Consultant Services, and

WHEREAS, In January 2012, Ms. DiCerbo joined the Maryland Transportation Authority (MDTA) as a Maryland Department of Transportation (MDOT) MDTA Procurement Administrator V, and was promoted to MDOT MDTA DOT Executive V in December 2012, and to MDOT MDTA DOT Procurement Manager IV in July 2019, a position held until retirement, and

WHEREAS, She is an invaluable member of the team, and her coworkers expressed the fact that her dedication and expertise will be sorely missed, now

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

BE IT FURTHER RESOLVED, That this Resolution be entered into the minutes of the MDTA Board meeting of March 27, 2025, and a copy, appropriately framed, be presented to Ms. DiCerbo as an expression of the MDTA Board's appreciation and esteem.

Vicentia (Tia) Rattini
MDOT MDTA Program Manager Senior I

WHEREAS, Vicentia Rattini began her career with the State of Maryland as a Maryland Department of Transportation (MDOT) Administrator III in December 2017, and

WHEREAS, Ms. Rattini continued to progress within Maryland State Government, and became an MDOT Minority Business Enterprise Administrator I in March 2020, and

WHEREAS, In April 2012, Ms. Rattini joined the Maryland Transportation Authority (MDTA) as an MDOT MDTA Program Manager Senior I, a title held until retirement, and

WHEREAS, She is an invaluable member of the team, and her coworkers expressed the fact that her dedication and expertise will be sorely missed, now

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

BE IT FURTHER RESOLVED, That this Resolution be entered into the minutes of the MDTA Board meeting of March 27, 2025, and a copy, appropriately framed, be presented to Ms. Rattini as an expression of the MDTA Board's appreciation and esteem.

TAB 3



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Paul J. Wiedefeld, Chairman

Board Members:
Dontae Carroll
Maricela Cordova
William H. Cox, Jr.
Mario J. Gangemi, P.E.
Cynthia D. Penny-Ardinger
Jeffrey S. Rosen
Samuel D. Snead, MCP, MA
John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Executive Director Bruce Gartner
SUBJECT: Member Committee Assignments
DATE: March 27, 2025

PURPOSE

To seek approval of the proposed Member committee assignments.

SUMMARY

With Member Maricela Cordova officially becoming a member of the MDTA Board, staff has developed proposed committee assignments to reflect the new membership. Below you will find the current configuration of the assignments and attached is the proposed new committee assignments.

CURRENT CONFIGURATION

Capital Committee

Mario J. Gangemi (Chair)
William H. Cox, Jr.
W. Lee Gaines, Jr.
Samuel D. Snead

Finance & Administration Committee

John F. von Paris (Chair)
Dontae Carroll
Cynthia D. Penny-Ardinger
Jeffrey S. Rosen

Audit Committee

Cynthia D. Penny-Ardinger, Esq. (Chair)
William H. Cox, Jr.
Mario J. Gangemi
John F. von Paris

Liaison Position

William H. Cox, Jr. - Canton Railroad

ATTACHMENT

- Proposed New Committee Assignments



**MARYLAND TRANSPORTATION AUTHORITY
MEMBER COMMITTEE ASSIGNMENTS & LIAISON POSITIONS
As of March 27, 2025**

Capital Committee

Mario J. Gangemi (Chair)
William H. Cox, Jr.
Maricela Cordova
Samuel D. Snead

Finance & Administration Committee

John F. von Paris (Chair)
Dontae Carroll
Cynthia D. Penny-Ardinger
Jeffrey S. Rosen

Audit Committee

Cynthia D. Penny-Ardinger, Esq. (Chair)
William H. Cox, Jr.
Mario J. Gangemi
John F. von Paris

Liaison Positions

William H. Cox, Jr. - Canton Railroad

TAB 4



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Paul J. Wiedefeld, Chairman

Board Members:

Dontae Carroll	Cynthia D. Penny-Ardinger
Maricela Cordova	Jeffrey S. Rosen
William H. Cox, Jr.	Samuel D. Snead, MCP, MA
Mario J. Gangemi, P.E.	John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Director of Procurement, Jeffrey Davis, NIGP-CPP, CMPO
SUBJECT: SV-00211187, Communications and Related Services
DATE: March 27, 2025

PURPOSE

To seek approval from the MDTA Board to execute Contract No. SV-00211187, Communications and Related services for the MDTA.

SUMMARY

The purpose of the contract is to retain the services of a qualified Contractor to provide communications and related services for the MDTA Office of Communications & Marketing. These services will aid the MDTA in public education, promoting public safety on MDTA roadways, and in providing exceptional and equitable customer service to all MDTA's customers and communities. Further examples of projects supported by this contract include; implementing Bay Bridge Travel Campaigns, the Go Orange Day and Nation Safety Awareness campaigns, and MDTA Police recruitment campaigns.

MDTA advertised with the intent to award a single work-order based contract to the highest over-all ranked firm (considering both Technical and Financial proposals) with a not-to-exceed amount up to \$8.25 million for a five (5) year period (including a three (3) year base and single two (2) year renewal option). Financial Proposals were prepared using an estimated number of hours per labor classification for the life of the contract. The proposers provided fixed-firm "Fully Loaded" hourly rates for each of these labor classifications in their proposal. Therefore, the total hypothetical cost of the contract in the financial proposal was used for evaluation and ranking purposes only.

We anticipate presenting this Contract at the May 21, 2025 BPW meeting.

RECOMMENDATION

To provide approval to execute Contract No. SV-00211187, Communications and Related services.

ATTACHMENT

- Project Summary



AUTHORITY BOARD PROJECT SUMMARY
Contract No. SV-00211187, Communications & Related Services

PIN NUMBER N/A
CONTRACT NUMBER SV-00211187
CONTRACT TITLE Communications & Related Services

PROJECT SUMMARY The purpose of the contract is to retain the services of a qualified Contractor to provide communications and related services for the MDTA Office of Communications & Marketing. These services will aid the MDTA in public education, promoting public safety on MDTA roadways and in providing exceptional and equitable customer service to all MDTA's customers and communities.

SCHEDULE		MBE PARTICIPATION		
		MBE PARTICIPATION - OVERALL	ADVERTISED GOAL (%)	PROPOSED GOAL (%)
ADVERTISEMENT DATE	6/28/2024	OVERALL MBE	24.00%	24.00%
ANTICIPATED NTP DATE	6/1/2025	VSBE	1.00%	1.00%
DURATION/TERM	Three (3) Years with one 2-Year Renewal Option			

INCUMBENT	YES	NO	BID PROTEST	YES	NO
	<input checked="" type="checkbox"/> Check	<input type="checkbox"/> Check		<input type="checkbox"/> Check	<input checked="" type="checkbox"/> Check

OFFEROR	FINAL EVALUATED PRICE	FINANCIAL RANK	TECHNICAL RANK	OVERALL RANK
McAndrew	\$ 1,759,200.00	1	1	1
Integrated Designs	\$ 2,074,296.00	2	2	2
Pulsar	\$ 2,593,950.00	3	3	3

Contract Amount
\$8,250,000.00

TAB 5



Maryland
Transportation
Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Paul J. Wiedefeld, Chairman

Board Members:
Dontae Carroll Cynthia D. Penny-Ardinger
Maricela Cordova Jeffrey S. Rosen
William H. Cox, Jr. Samuel D. Snead, MCP, MA
Mario J. Gangemi, P.E. John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Director of Budget, Jeffrey Brown
SUBJECT: Fiscal Year 2025 Operating Budget - Amendment #2
DATE: March 27, 2025

PURPOSE OF MEMORANDUM

The Maryland Transportation Authority (MDTA) requests approval of an amendment to increase the Fiscal Year (FY) 2025 Operating Budget by \$7.3 million to account for the accelerated purchase of police vehicles in current fiscal year that were originally planned for FY 2026. According to Section 6.17 of the Trust Agreement, the budget may be amended at any time during the current fiscal year.

The budget amendment was also presented during the March 13 Finance and Administration Committee meeting. The Committee agreed to move the item forward to the full Board with recommendation for approval.

SUMMARY

As a result of collective bargaining, 90 police vehicles must be purchased and distributed by July 1, 2025. The FY 2025 Amended Operating Budget totals \$441.4 million. This represents an increase of \$7.3 million, or 1.7%, above the previous FY 2025 budget. The previous FY 2025 budget anticipated vehicle distribution after July 1, 2025. Consequently, the funds for these vehicles were budgeted in FY 2026 instead of FY 2025. The budget change represents a shift in funding between the two years, not a net increase.

Fiscal Year 2025 Operating Budget – Amendment #2
Page Two

The funding by RC is provided in the table below:

RC	SubObject	# Cars	Description	FY25 Bud	FY25 Am2	Difference
						O/(U)
9550 - Traffic Mgmt	0701	33	Purchase Vehicle - Car, Light Truck	9,077,990	11,754,663	2,676,673
9180- MAA	0701	43	Purchase Vehicle - Car, Light Truck	96,000	3,583,773	3,487,773
9181 - MPA	0701	14	Purchase Vehicle - Car, Light Truck	96,000	1,231,554	1,135,554
			Total Change	9,269,990	16,569,990	7,300,000
All Oither	All Other		All Other Expenses	424,792,657	424,792,657	0
			Total Budget	434,062,647	441,362,647	7,300,000

RECOMMENDATION

Request MDTA Board approval for the amended FY 2025 budget.

TAB 6



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Paul J. Wiedefeld, Chairman

Board Members:

Dontae Carroll	Cynthia D. Penny-Ardinger
Maricela Cordova	Jeffrey S. Rosen
William H. Cox, Jr.	Samuel D. Snead, MCP, MA
Mario J. Gangemi, P.E.	John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Chief Financial Officer Deborah Sharpless
Deputy Director of Finance Allen Garman
Budget Director Jeffrey Brown
SUBJECT: Department of Legislative Services Fiscal Year 2026 Budget Analysis
DATE: March 27, 2025

PURPOSE OF MEMORANDUM

To provide an overview of the budget issues and recommendations presented by the Department of Legislative Services (DLS) during the Maryland Transportation Authority's (MDTA) Fiscal Year (FY) 2026 legislative budget hearing. The Budget Analysis agenda item was also presented during the March 13 Finance and Administration Committee meeting.

SUMMARY

The DLS budget analysis is a comprehensive document that examines multiple facets of the MDTA's operations, including changes in proposed funding and personnel. The budget analysis document typically examines an agency's goals and mission, raises public policy issues, includes recommended budget actions, and provides appendices that summarize fiscal activity for the prior, current, and upcoming fiscal years.

ATTACHMENTS

- DLS FY 2026 Budget Analysis
- MDTA FY 2026 Budget Analysis Responses

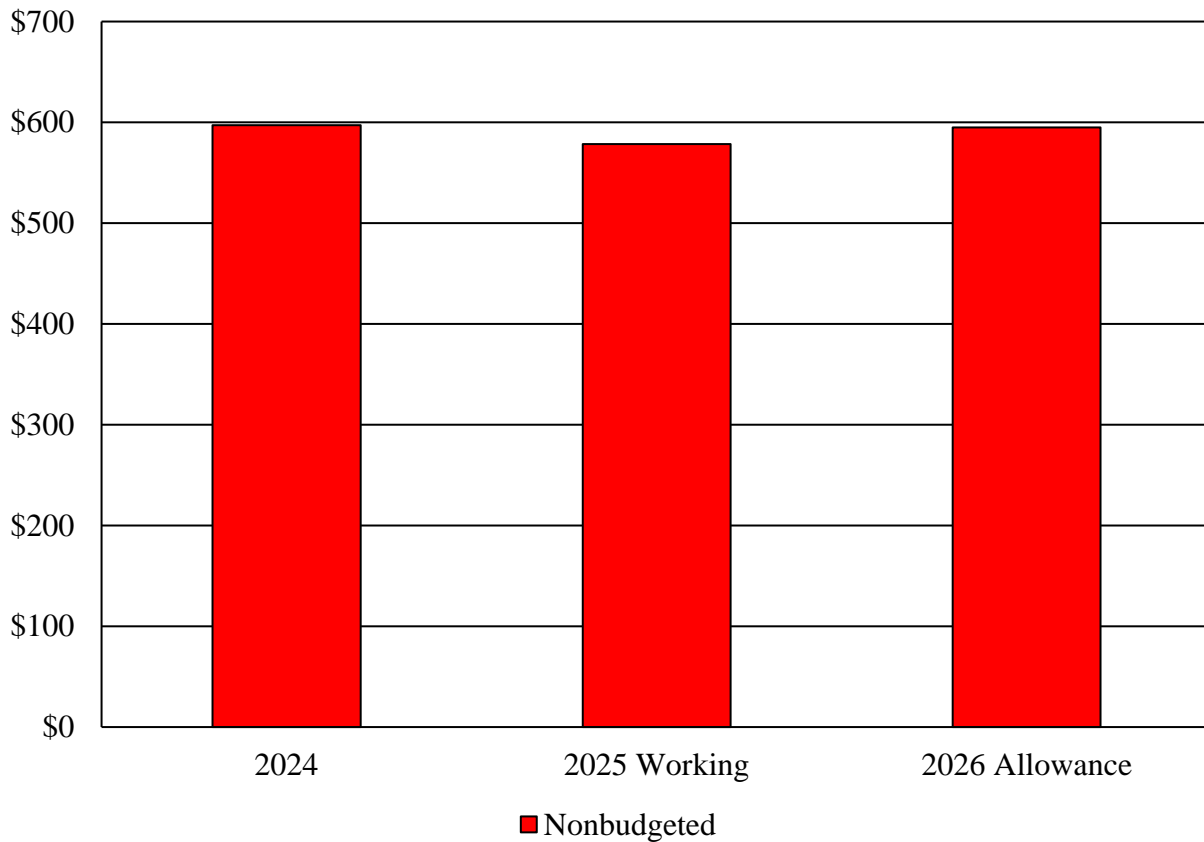
J00J00
Maryland Transportation Authority

Executive Summary

The Maryland Transportation Authority (MDTA) has exclusive authority relating to the supervision, financing, construction, operation, maintenance, and repair of Maryland's toll facilities, as well as for financing new revenue-producing projects authorized under law.

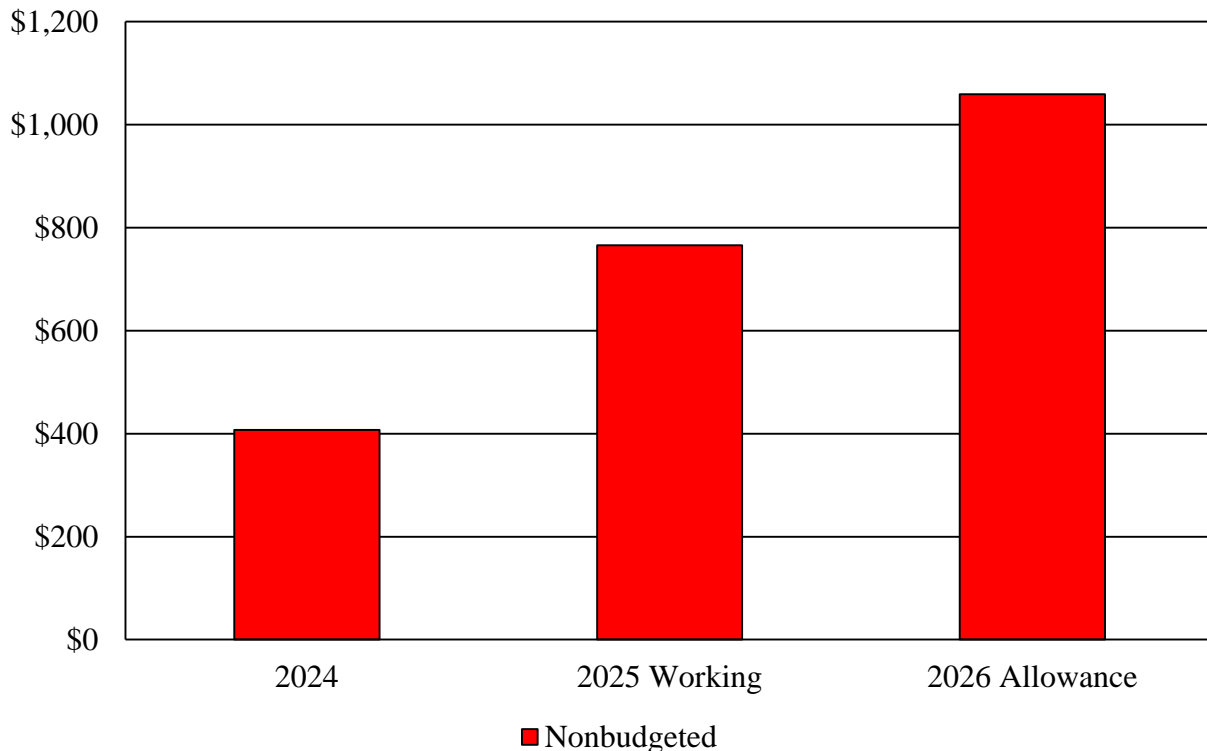
Operating Budget Summary

Fiscal 2026 Budget Increases \$16.5 Million, or 2.9%, to \$595.0 Million
(\$ in Millions)



PAYGO Capital Budget Summary

**Fiscal 2026 Budget Increases \$293.3 Million, or 38.3%, to \$1.06 Billion
(\$ in Millions)**



Key Observations

- **Financial Forecast:** The January 2025 financial forecast for MDTA projects fiscal challenges on the horizon and anticipates that projected increases in debt outstanding occurring between fiscal 2026 and 2030 will result in the need for action, such as implementing a toll increase to maintain debt service coverage ratio by fiscal 2028, one year earlier than was projected in the January 2024 financial forecast. Compared to the prior forecast, the current forecast has significant forecasted increases in capital expenditures related to the rebuilding of the Francis Scott Key Bridge.
- **Francis Scott Key Bridge Rebuild:** Compared to the fiscal 2025 working appropriation, the fiscal 2026 programmed pay-as-you-go (PAYGO) (\$1.1 billion) capital spending increases by 38.3%, and is more than double fiscal 2024 actual spending, primarily due to costs associated with the rebuilding of the Francis Scott Key Bridge. The total estimated cost to rebuild the Francis Scott Key Bridge, which has been added to the Maryland

Department of Transportation (MDOT) fiscal 2025 to 2030 *Consolidated Transportation Program* (CTP), is estimated at over \$1.7 billion. A progressive design-build contract was awarded in August 2024, and primary construction is expected to begin in spring 2025. The new bridge is projected to be complete and open to the public in fall 2028.

Operating Budget Recommended Actions

1. Nonbudgeted.

PAYGO Budget Recommended Actions

1. Nonbudgeted.

Updates

- ***Chesapeake Bay Crossing Study National Environmental Policy Act (NEPA) Process Status:*** In November 2024, a Notice of Intent (NOI) to prepare the Tier 2 Environmental Impact Statement (EIS) was published in the *Federal Register* to formally initiate the environmental review process. MDTA held three public open houses in December 2024 to present information and solicit feedback on MDTA’s proposed actions related to the Chesapeake Bay Bridge and seven proposed alternatives for a new Chesapeake Bay bridge. MDTA is expected to identify its recommended preferred alternative in July 2025 and publish a draft EIS in November 2025. The Tier 2 study is anticipated to conclude with the approval of a final EIS and Record of Decision (ROD) in November 2026.
- ***First Phase of I-95 Express Toll Lanes Northbound Expansion Project Opens:*** In December 2024, the first phase of the northbound extension of the I-95 Express Toll Lanes opened to the public. The second and final phase of the extension project is expected to open in calendar 2027. In total, the project will extend the existing Express Toll Lanes along I-95 by 10 miles.

J00J00
Maryland Transportation Authority

Budget Analysis

Program Description

MDTA has exclusive authority relating to the supervision, financing, construction, operation, maintenance, and repair of Maryland's toll facilities, as well as for financing new revenue producing transportation projects authorized under law. MDTA may act on behalf of, but is separate from, MDOT and is self-financed through toll revenues and other revenues related to the operation and maintenance of toll facilities. MDTA operates nine toll facilities across the State and also has jurisdiction over portions of I-95 and I-395 in Baltimore City. MDTA divides its facilities into three regions:

- ***Northern Region:*** includes the Thomas J. Hatem Memorial Bridge (US 40); the John F. Kennedy Memorial Highway (I-95); and the Express Toll Lanes on I-95;
- ***Central Region:*** includes the Baltimore Harbor Tunnel (I-895); the Fort McHenry Tunnel (I-95); and the Francis Scott Key Bridge (I-695); and
- ***Southern Region:*** includes the Governor Harry W. Nice/Senator Thomas "Mac" Middleton Bridge (Nice/Middleton Bridge) (US 301); the William Preston Lane Jr. Memorial Bridge (Bay Bridge) (US 50/301); and the Intercounty Connector (MD 200).

Membership of the MDTA Board is comprised of eight members appointed by the Governor with the advice and consent of the Senate. The Secretary of Transportation serves as the chair of the MDTA Board. MDTA's revenues are held separately from the Transportation Trust Fund, and the agency operates as a nonbudgeted agency.

MDTA's police force is responsible for security and law enforcement services at all of MDTA's toll facilities except the northern region of I-95, which is patrolled by the Maryland State Police (MSP). MDTA is also under contract with the Maryland Aviation Administration (MAA) to provide law enforcement services at the Baltimore/Washington International Thurgood Marshall Airport (BWI Marshall Airport) and with the Maryland Port Administration (MPA) to provide law enforcement services at MPA-owned facilities at the Port of Baltimore.

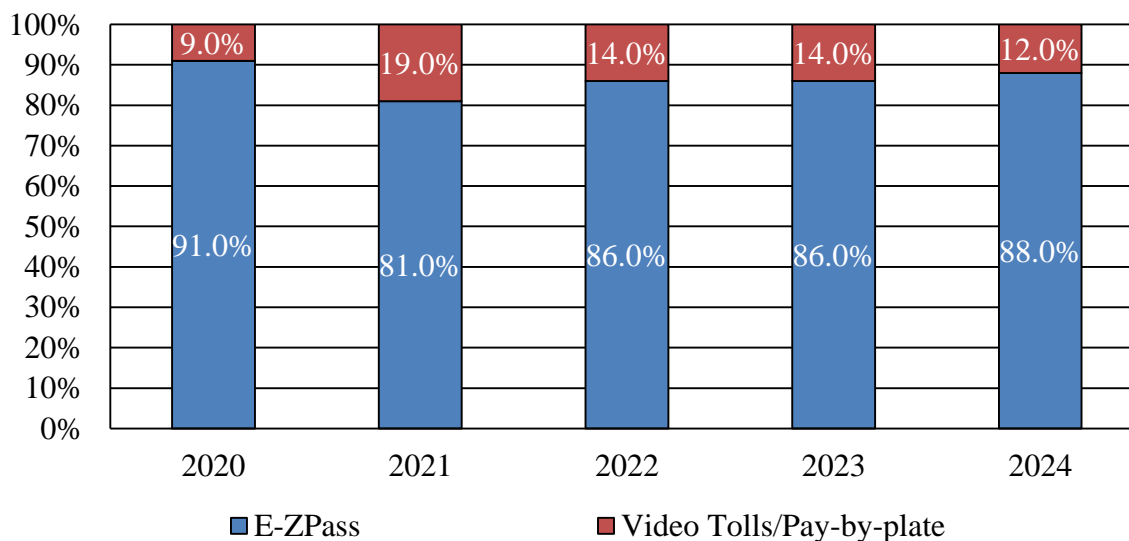
MDTA's mission is talented people ensuring Maryland's iconic bridges, tunnels, and roadways are the customer's trusted and preferred choice for safe mobility, connection, and E-ZPass passage today and tomorrow.

Performance Analysis: Managing for Results

1. E-ZPass Usage

E-ZPass toll transactions reduce costs and expedite the toll collection process, reduce delays at toll plazas, reduce vehicle idling time thereby reducing emissions, and allow for the efficient movement of goods and people. E-ZPass toll collection is available at toll facilities in 20 states, including all Maryland toll facilities, most of the northeastern states, and parts of the Midwest and southeast U.S. **Exhibit 1** shows the percentage of tolls collected with E-ZPass and non-E-ZPass transactions (video tolls and pay-by-plate) at all MDTA facilities by fiscal year. Beginning in March 2020, during the height of the COVID-19 pandemic, MDTA began the implementation of systemwide all electronic tolling. In fiscal 2024, MDTA collected 88% of all tolls with E-ZPass, an increase from 86% in fiscal 2023. The remaining 12% of tolls collected by MDTA were collected through either video tolls or pay-by-plate transactions. After decreasing from 91% in fiscal 2020 to 81% in fiscal 2021, due to impacts of the COVID-19 pandemic and the resulting backlog of toll processing, E-ZPass usage has remained between 86% to 88% over the past three fiscal years. E-ZPass collection rates are estimated to remain within these ranges in fiscal 2025 and 2026, suggesting that most motorists who have interest in participating in the program have already enrolled.

Exhibit 1
Tolls Collected Using E-ZPass versus Video Tolls/Pay-by-plate
Fiscal 2020-2024



Source: Department of Budget and Management; Maryland Transportation Authority

Proposed Budget Change

As shown in **Exhibit 2**, the proposed fiscal 2026 budget increases by \$16.5 million. Personnel costs increase by \$7.5 million, primarily due to salary increases mirroring statewide salary actions. Operational expenses increase by \$9.0 million, primarily due to cost increases for contractual services, E-ZPass service center operations, and other services, along with new and replacement motor vehicle purchases. Fixed charges, including bond payments, interest, insurance payments, and other miscellaneous charges increase by \$1.7 million in fiscal 2026.

Exhibit 2 Proposed Budget Maryland Transportation Authority (\$ in Thousands)

How Much It Grows:	<u>Nonbudgeted Fund</u>	<u>Total</u>
Fiscal 2024 Actual	\$597,075	\$597,075
Fiscal 2025 Working Appropriation	578,513	578,513
Fiscal 2026 Allowance	<u>595,026</u>	<u>595,026</u>
Fiscal 2025-2026 Amount Change	\$16,512	\$16,512
Fiscal 2025-2026 Percent Change	2.9%	2.9%
Where It Goes:		<u>Change</u>
Personnel Expenses		
Salary increases to mirror statewide actions.....		\$7,477
Other Changes		
New and replacement motor vehicles.....		3,460
Bond payments and interest.....		1,269
Contractual engineering costs.....		1,700
Contractual IT services costs		1,700
E-ZPass service center cost increases due to transaction volumes.....		1,000
Equipment purchases including heavy duty vehicles and police equipment		688
Other fixed charges		504
Miscellaneous supplies and materials purchases based on need		354
Utility cost increases for electricity		319
Communications expenses due to additional filled positions.....		47
Cost allocations.....		39
Travel expenses due to increased virtual meetings.....		-55
Insurance coverage premiums paid to State Treasurer		-100

Where It Goes:	<u>Change</u>
Contractual personnel expenses due to reduced reliance on contractual personnel	-385
Other contracts for operations	-499
Reduced IT equipment purchases based on need due to prior year purchases.....	-1,006
Total	\$16,512

IT: information technology

Note: Numbers may not sum to total due to rounding.

Financial Forecast

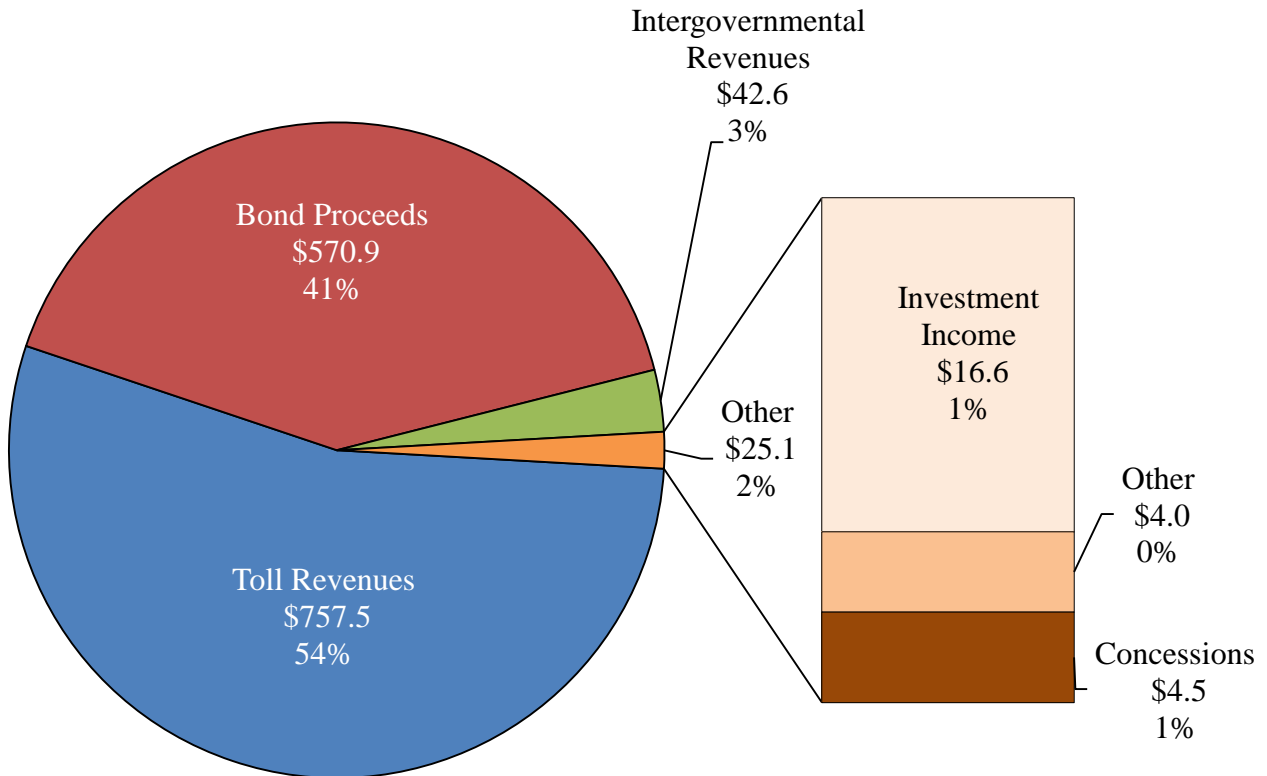
Section 4-313 of the Transportation Article establishes the Transportation Authority Fund, a nonlapsing fund into which all MDTA revenues flow, except to the extent that revenues are pledged under a trust agreement. MDTA revenues come primarily from tolls, as well as from concessions income from travel plazas that it owns along I-95, investment income, and payments from MDOT. MDOT payments comprise reimbursement for police services provided at BWI Marshall Airport and the Port of Baltimore.

To support its capital program, MDTA may issue toll revenue bonds with a maturity of up to 40 years. Typically, MDTA issues its toll revenue bonds with a 30-to-33-year maturity. The terms of MDTA's trust agreement with its bondholders are the driving force in MDTA finances. Maintaining its debt service coverage and liquidity ratios is the primary concern, and all revenue adjustments and operating and capital expenditures are managed to maintain these ratios. To this end, MDTA develops and maintains a six-year financial forecast. Section 4-210 of the Transportation Article requires MDTA to provide the General Assembly with a copy of its financial forecast by September 1 of each year and in conjunction with submission of the Governor's budget in January. **Appendix 2** provides the detail of MDTA's fiscal 2024 through 2030 financial forecast.

Fiscal 2026 Sources and Uses of Funding

Exhibit 3 shows the various sources of MDTA revenues in fiscal 2026. The primary source of MDTA funding is toll revenues, which are projected to total \$757.5 million, or 54% of total fiscal 2026 revenues. The second-largest source of revenues in fiscal 2026 is bond proceeds to support the capital program, which total \$570.9 million based on projected issuances of MDTA toll revenue bonds. Fiscal 2026 is projected to have the first new bond issuances since fiscal 2023. Intergovernmental revenue totals \$41.6 million and includes funding reimbursements for MDTA police services provided at the Port of Baltimore and BWI Marshall Airport, and loan repayments and interest from loans issued to MDOT – MAA.

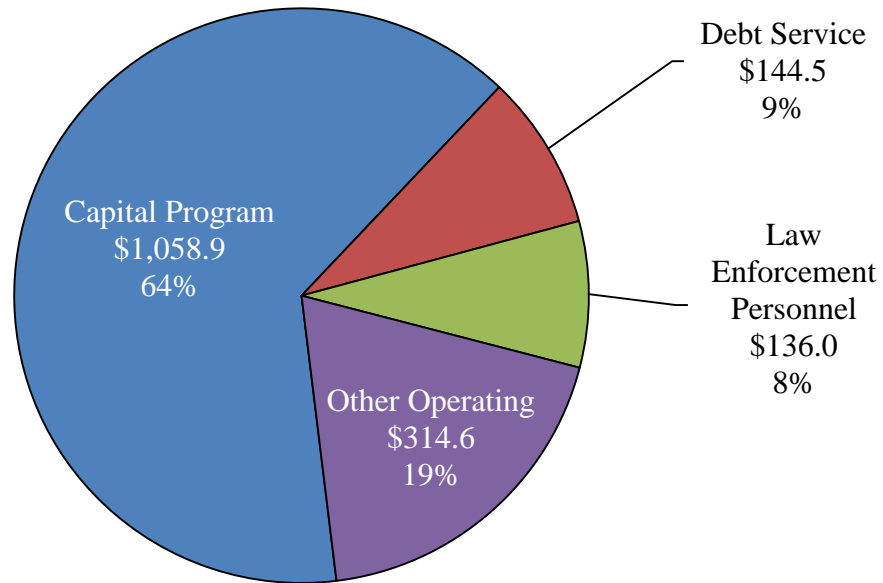
Exhibit 3
Maryland Transportation Authority Revenue Sources
Fiscal 2026
(\$ in Millions)



Source: Governor's Fiscal 2026 Budget Books; Maryland Transportation Authority

As shown in **Exhibit 4**, the capital program accounts for 64% of anticipated spending in fiscal 2026, increasing to nearly \$1.1 billion. Operating costs, including administrative and personnel costs, total \$450.5 million and account for 27% of spending. Within operating costs, law enforcement personnel, including MDTA police and reimbursements for MSP that patrol at the I-95 facility, total \$136 million, or 8% of total spending. Fiscal 2026 debt service costs total \$144.5 million, or 9% of total spending.

Exhibit 4
Maryland Transportation Authority Uses of Funding
Fiscal 2026
(\$ in Millions)



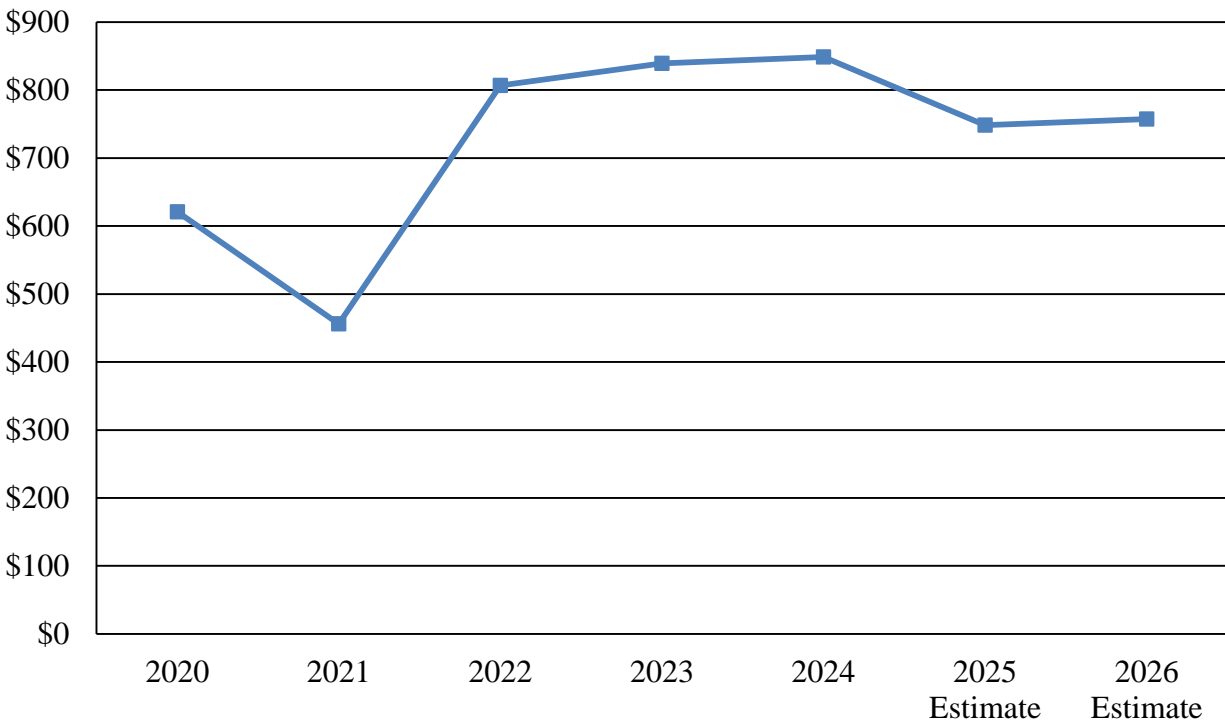
Source: Governor's Fiscal 2026 Budget Books; Maryland Transportation Authority

Revenues and Debt Affordability

Toll Revenues

Toll revenues are the primary revenue source for MDTA. As shown in **Exhibit 5**, toll revenues increased slightly, by \$9.3 million, or 1.1%, to \$848.5 million in fiscal 2024, which was the third straight fiscal year that toll revenues exceeded \$800 million following significant decreases to toll revenue in fiscal 2020 and 2021 caused by impacts of the COVID-19 pandemic on traffic patterns. However, the agency estimates that toll revenues will decrease by \$100.1 million (11.8%) in fiscal 2025 due in part to the closure of the Francis Scott Key Bridge, which impacted only a portion of fiscal 2024. Toll revenues are estimated to once again increase in fiscal 2026, by \$9.1 million (1.2%), but will remain significantly below fiscal 2024 revenues. Additional discussion of the impacts of the collapse of the Francis Scott Key Bridge can be found in Issue 2 of this analysis.

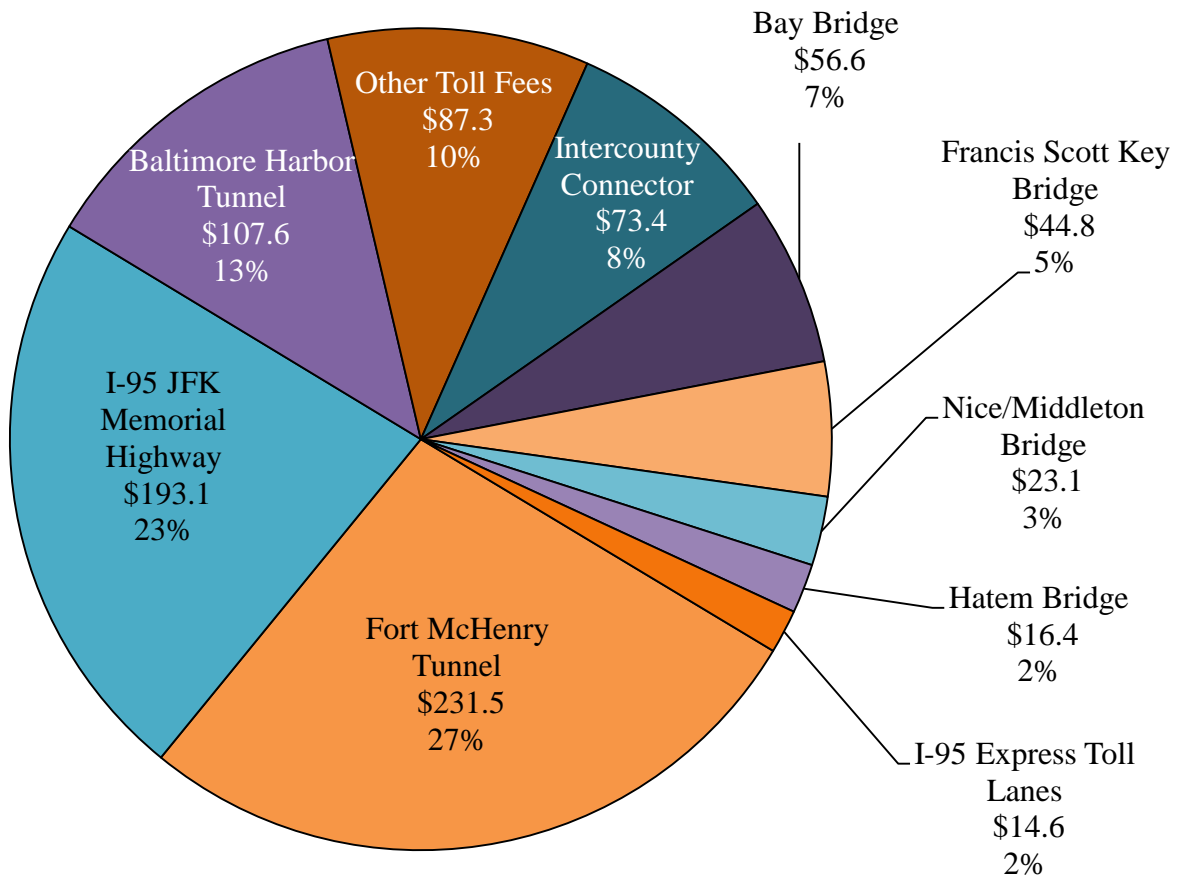
Exhibit 5
Actual and Projected Toll Revenues
Fiscal 2020-2026 Est.



Source: Governor’s Fiscal 2026 Budget Books, Maryland Transportation Authority

Exhibit 6 shows actual fiscal 2024 toll revenue by facility. Nearly two-thirds of all toll revenues collected by MDTA in fiscal 2024 came from the Fort McHenry Tunnel (27%), I-95 (the JFK Memorial Highway) (23%), and the Baltimore Harbor Tunnel (13%). Prior to its collapse in March 2024, the Francis Scott Key Bridge accounted for 5%, or \$44.8 million of toll revenues collected during fiscal 2024. In fiscal 2022 and 2023, the Francis Scott Key Bridge accounted for over \$50 million in annual toll revenues. Compared to fiscal 2024 revenues, fiscal 2026 estimated revenues decline across all facilities except for increases to revenues from the Fort McHenry Tunnel and the I-95 Express Toll Lanes. Revenues from the Fort McHenry Tunnel are projected to increase by 2.8%, and revenues from the I-95 Express Toll Lanes are projected to increase by 46.2% compared to fiscal 2024 levels.

Exhibit 6
Toll Revenues by Facility
Fiscal 2024
(\$ in Millions)



Bay Bridge: William Preston Lane, Jr. Memorial Bridge (US 50/301)

Hatem Bridge: Thomas J. Hatem Memorial Bridge (US 40)

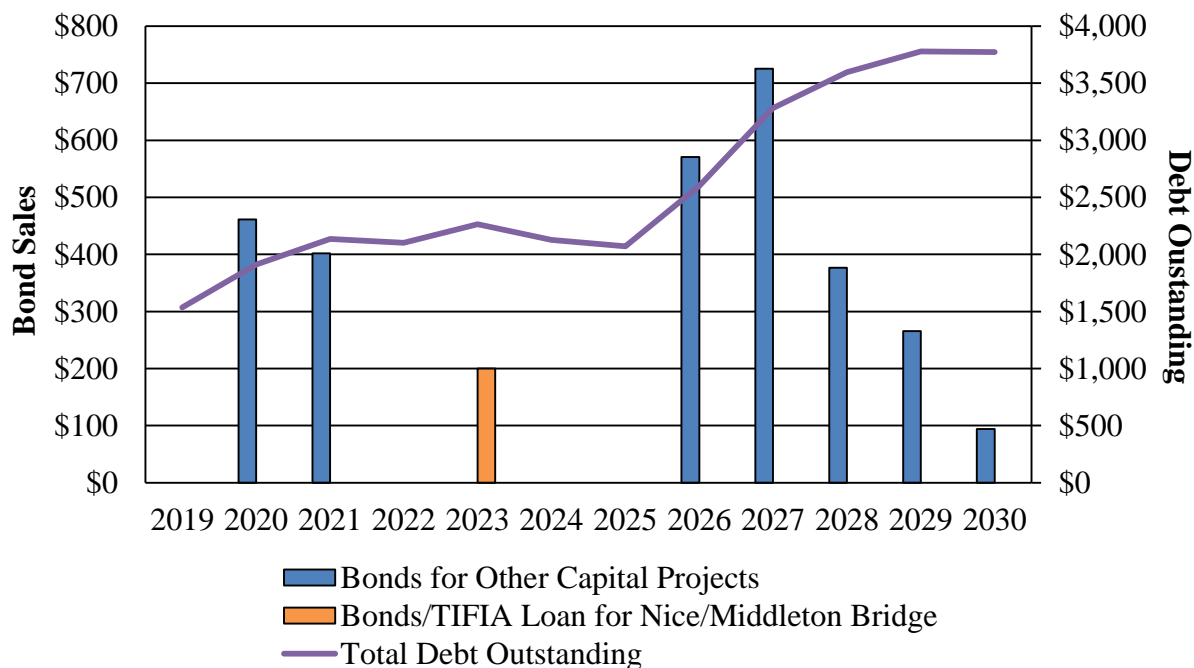
Nice/Middleton Bridge: Governor Harry W. Nice/Senator Thomas “Mac” Middleton Bridge (US 301)

Source: Governor’s Fiscal 2026 Budget Books

Revenue Bonds

Under statute, MDTA is authorized to issue bonds without obtaining the consent of any unit or agency in the State, so long as the total bonds outstanding do not exceed a certain level at the end of any fiscal year. MDTA bonds are backed by toll revenues and are not considered State debt and, therefore, are not limited by the State's debt affordability measures. However, MDTA does have its own debt affordability measures, which are discussed further in Issue 1 of this analysis. In response to the collapse of the Francis Scott Key Bridge, Chapter 2 of 2024 increased the cap on total debt outstanding from \$3.0 billion to \$4.0 billion at the end of any fiscal year. As shown in **Exhibit 7**, due to new planned bond issuances in fiscal 2026 and subsequent fiscal years to support the growing needs of the capital program, total debt outstanding is projected to increase significantly from \$2.1 billion in fiscal 2025 to \$2.6 billion in fiscal 2026 before increasing to \$3.3 billion in fiscal 2027 and remaining above \$3.0 billion through the remainder of the forecast. Total debt outstanding peaks at just under \$3.8 billion in fiscal 2029 and 2030, remaining slightly below the new statutory cap.

Exhibit 7
Bond Sales and Debt Outstanding
Fiscal 2019-2030
(\$ in Millions)



TIFIA: Transportation Infrastructure Finance and Innovation Act

Source: Maryland Transportation Authority

Nonrecourse Debt

In addition to its own revenue bonds, MDTA also issues debt on behalf of other State agencies and projects, which is referred to as nonrecourse debt. Current outstanding MDTA nonrecourse debt totals \$214.1 million and includes \$204.1 million associated with expansion efforts at BWI Marshall Airport and \$10.0 million associated with the Calvert Street parking garage in Annapolis for State employees.

Debt service and debt outstanding for MDTA's nonrecourse bonds from fiscal 2024 through 2026 is shown in **Appendix 3** and totals approximately \$33.8 million annually in each fiscal year. The debt service for these projects is paid using the revenues from the projects or through lease payments from other agencies and does not affect MDTA's debt outstanding or its budget.

Operating and PAYGO Personnel Data

	<u>FY 24</u> <u>Actual</u>	<u>FY 25</u> <u>Working</u>	<u>FY 26</u> <u>Allowance</u>	<u>FY 25-26</u> <u>Change</u>
Regular Operating Budget Positions	1,697.00	1,697.00	1,697.00	0.00
Regular PAYGO Budget Positions	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Regular Positions	1,697.00	1,697.00	1,697.00	0.00
Operating Budget FTEs	0.00	0.00	0.00	0.00
PAYGO Budget FTEs	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total FTEs	0.00	0.00	0.00	0.00
Total Personnel	1,697.00	1,697.00	1,697.00	0.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding

New Positions	144.25	8.5%
Positions and Percentage Vacant as of 1/1/25	185	10.9%

Vacancies Above Turnover	40.75
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Note: As a nonbudgeted State agency, the Maryland Transportation Authority is not part of the State Personnel Management System and has independent authority over its personnel.

- While MDTA has independent authority over its personnel, it mirrors statewide salary actions for its civilian workforce. MDTA Police compensation adjustments are collectively bargained.

- MDTA’s vacancy rate decreased from 231 positions, or 13.6%, in January 2024 to 185 positions, or 10.9% in January 2025.

PAYGO Capital Program

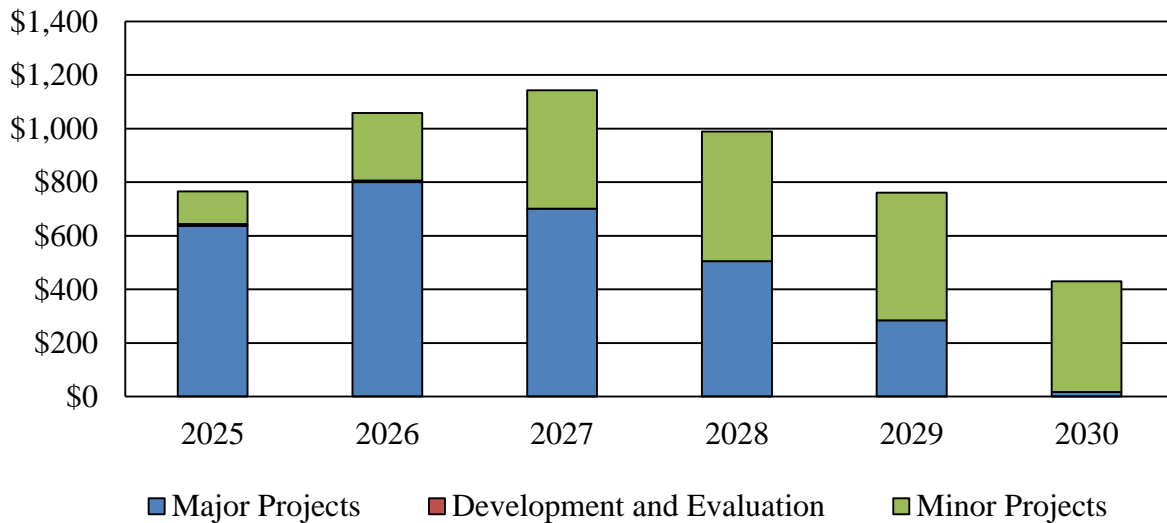
Program Description

MDTA’s capital program involves the construction and maintenance of revenue-generating transportation facilities throughout the State.

Fiscal 2025 to 2030 CTP

The fiscal 2025 to 2030 CTP for MDTA totals \$5.1 billion. As shown in **Exhibit 8**, the planned amount of total capital spending increases significantly between fiscal 2025 and 2026 due to the costs programmed for the rebuild of the Francis Scott Key Bridge. Total capital spending decreases each year after peaking in fiscal 2027 as the bridge rebuild reaches its projected completion in fiscal 2029. Spending on minor program projects increases each year between fiscal 2025 and 2029. The majority of all capital spending across the six-year period is spent on system preservation projects.

Exhibit 8
Six-year PAYGO Capital Spending
Fiscal 2025-2030
(\$ in Millions)



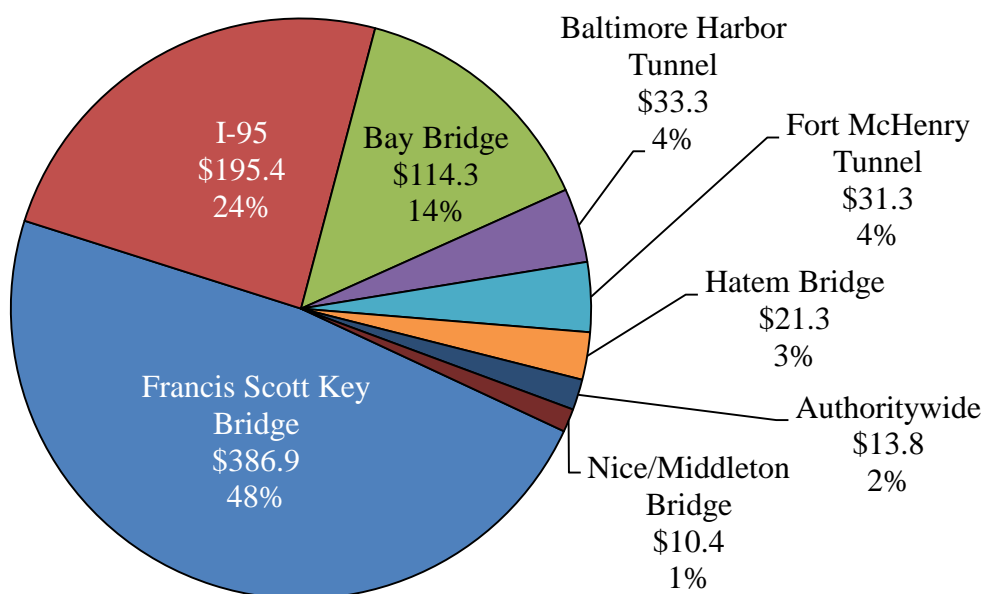
PAYGO: pay-as-you-go

Source: Fiscal 2025-2030 *Consolidated Transportation Program*, Maryland Department of Transportation

Fiscal 2026 Capital Allowance by MDTA Facility

Exhibit 9 shows capital funding programmed by facility in fiscal 2026. The largest share of capital spending (48%) is for projects related to the Francis Scott Key Bridge, including the bridge’s reconstruction. The next largest share of MDTA capital spending is for various projects along I-95, primarily related to the Express Toll Lanes Northern Expansion project and at the Bay Bridge. Bay Bridge spending is primarily related to bridge deck rehabilitation on the eastbound span. Authoritywide spending consists of development and evaluation projects related to the Bay Bridge and the implementation of a third-generation electronic toll collection and operating system. MDTA development and evaluation projects include funding for the Chesapeake Bay Crossing Study Tier 2 NEPA and the design of a pier protection system for both spans of the Bay Bridge.

Exhibit 9
Capital Funding by MDTA Facility
Fiscal 2026
(\$ in Millions)



Bay Bridge: William Preston Lane, Jr. Memorial Bridge (US 50/301)

Hatem Bridge: Thomas J. Hatem Memorial Bridge (US 40)

I-95: John F. Kennedy Memorial Highway

MDTA: Maryland Transportation Authority

Nice/Middleton Bridge: Governor Harry W. Nice/Senator Thomas “Mac” Middleton Bridge (US 301)

Note: These amounts do not include minor program projects, which total \$251.9 million in fiscal 2026.

Source: *Fiscal 2025-2030 Consolidated Transportation Program*, Maryland Department of Transportation

Fiscal 2026 Capital Allowance Detail

Exhibit 10 provides additional detail on the programmed funds for the fiscal 2026 capital allowance by project and program along with the total estimated costs and six-year funding for each program.

Exhibit 10
PAYGO Capital Allowance Detail
Fiscal 2026
(\$ in Thousands)

<u>Facility</u>	<u>Project Description</u>	<u>2026</u>	<u>Total Estimated Cost</u>	<u>Six-year Total</u>
Francis Scott Key Bridge	Key Bridge Rebuild	\$376,818	\$1,702,000	\$1,701,009
	Subgrade	10,057	43,983	33,933
	Improvements at Bear Creek			
	MDTA Police Training Academy	64	24,255	19,627
Subtotal – Key Bridge		\$386,939	\$1,770,238	\$1,754,569
JFK Memorial Highway (I-95)	Express Toll Lanes Northern Extension	\$141,901	\$1,050,304	\$467,314
	I-695 Ramps to I-95 Northbound Express Toll Lanes	21,050	79,125	75,955
	Construct Interchange at Belvidere Road	13,621	81,528	56,110
	JFK Maintenance Facility Complex	12,826	53,056	49,814
	I-95 Southbound Hard Shoulder Running	6,029	38,460	35,667
Subtotal – I-95		\$195,427	\$1,302,473	\$684,860
Bay Bridge	Rehabilitate Eastbound Bridge Deck	\$113,214	\$307,780	\$195,548
	Project Management Office and Maintenance Equipment Storage Building	1,113	12,460	9,655
Subtotal – Bay Bridge		\$114,327	\$320,240	\$205,203

J00J00 – Maryland Transportation Authority

<u>Facility</u>	<u>Project Description</u>	<u>2026</u>	<u>Total Estimated Cost</u>	<u>Six-year Total</u>
I-895 Baltimore Harbor Tunnel	Envelope and Switchgear Replacements at Vent Buildings	\$21,399	\$80,675	\$53,091
	Resurfacing North and South of the Baltimore Harbor Tunnel	4,347	13,603	12,780
	Facilitywide Signing Upgrades	4,024	21,175	20,508
	Lane Use Signals Extension	3,561	10,086	9,545
<i>Subtotal – I-895</i>		<i>\$33,331</i>	<i>\$125,539</i>	<i>\$95,924</i>
Fort McHenry Tunnel	Facility-wide Zone Paint Program	\$11,843	\$26,539	\$26,414
	Rehabilitate Tunnel 15 KV Cable, Conduit, and Concrete Wall	9,084	33,284	16,427
	Rehabilitate Areawide Lighting	5,033	12,017	11,500
	Box Girder Preservation	4,368	10,496	10,066
	MDTA Police Vehicle Storage Garage and Auto Repair Shop	1,000	24,287	23,314
<i>Subtotal – Fort McHenry Tunnel</i>		<i>\$31,328</i>	<i>\$106,623</i>	<i>\$87,721</i>
Thomas J. Hatem Bridge (US 40)	Cleaning and Painting of the Hatem Bridge	\$21,330	\$65,936	\$47,712
<i>Subtotal – Hatem Bridge</i>		<i>\$21,330</i>	<i>\$65,936</i>	<i>\$47,712</i>
Nice/Middleton Bridge	Replace Nice/Middleton Bridge	\$10,429	\$590,434	\$18,538
<i>Subtotal – Nice/Middleton Bridge</i>		<i>\$10,429</i>	<i>\$590,434</i>	<i>\$18,538</i>
<i>Subtotal – Projects</i>		<i>\$793,111</i>	<i>\$4,281,483</i>	<i>\$2,894,527</i>
Programs				
Authoritywide	Major Development and Evaluation	\$7,000	n/a	\$14,516
Authoritywide	Minor Program	252,000	n/a	2,190,300

J00J00 – Maryland Transportation Authority

<u>Facility</u>	<u>Project Description</u>	<u>2026</u>	<u>Total Estimated Cost</u>	<u>Six-year Total</u>
Authoritywide	Replace Electronic Toll Collection and Operating System – 3rd Generation	6,783	139,353	35,800
Total – Projects and Programs		\$1,058,894	\$4,420,836	\$5,135,143

Bay Bridge: William Preston Lane, Jr. Memorial Bridge (US 50/501)

Hatem Bridge: Thomas J. Hatem Memorial Bridge (US 40)

JFK: John F. Kennedy

KV: kilo volts

MDTA: Maryland Transportation Authority

Nice/Middleton Bridge: Governor Harry W. Nice/Senator Thomas “Mac” Middleton Bridge

PAYGO: pay-as-you-go

Note: This table includes only projects and programs that will receive funding in fiscal 2026. Additional projects appear in this year’s *Consolidated Transportation Program* (CTP) that are funded in other years during the six-year program. As a result, the total estimated cost and six-year total is below the figure listed in the CTP. The Chesapeake Bay Crossing Study Tier 2 National Environmental and Policy Act and Bay Bridge Protection, Suspension Span Anchorage Concrete and Navigational Lighting Rehabilitation project are included as part of the Major Development and Evaluation Program.

Source: *Fiscal 2025-2030 Consolidated Transportation Program*, Maryland Department of Transportation

Significant Changes from the Previous CTP

Exhibit 11 lists the significant changes from the fiscal 2024 to 2029 CTP, which includes additions and removals from the construction and development and evaluation programs. The most significant change is the addition of the Francis Scott Key rebuild project, which is estimated to cost over \$1.7 billion. Other new construction projects are added to the CTP at the Baltimore Harbor Tunnel, Fort McHenry Tunnel, and I-95 JFK Memorial Highway. A new development and evaluation program project has also been added to design and install a pier protection system at the Bay Bridge.

Exhibit 11
Major Changes from the Fiscal 2024 to 2029 CTP
(\$ in Millions)

<u>Projects Added to the Construction Program</u>	<u>Total Cost</u>
I-695 Francis Scott Key Bridge – Rebuild	\$1,702.0
I-95 John F. Kennedy Memorial Highway – I-695 Ramps to I-95 Northbound Express Toll Lanes	79.1
I-695 Francis Scott Key Bridge – MDTA Police Training Academy	24.3
I-95 Fort McHenry Tunnel – MDTA Police Vehicle Storage Garage and Auto Repair Shop	24.3
I-895 Baltimore Harbor Tunnel Thruway – Facility-wide Signing Upgrades	21.2
I-895 Baltimore Harbor Tunnel Thruway – All Electronic Tolling Conversion with Frankfurst Avenue Interchange Modifications	14.7
I-895 Baltimore Harbor Tunnel Thruway – Lane Use Signals Extension	10.1
 <u>Projects Added to the Development and Evaluation Program</u>	
US 50/301 Bay Bridge – Bay Bridge Protection, Suspension Span Anchorage Concrete and Navigation Lighting Rehabilitation	0.6
 <u>Projects Removed from the Development and Evaluation Program</u>	
MD 695 Francis Scott Key Bridge – Deck Replacement	

Bay Bridge: William Preston Lane, Jr. Memorial Bridge (US 50/501)

CTP: *Consolidated Transportation Program*

MDTA: Maryland Transportation Authority

Source: *Fiscal 2025 to 2030 Consolidated Transportation Program*, Maryland Department of Transportation

Issues

1. MDTA Financial Outlook

As a nonbudgeted entity, MDTA must balance operating and capital costs, including debt service, to manage their financial standard requirements while also keeping facilities in a state of good repair. As shown in **Exhibit 12**, four financial standards guide MDTA: (1) rate covenant; (2) debt service coverage; (3) unencumbered cash; and (4) debt outstanding limits. Each standard has a threshold that is set either in statute or as an agency policy to ensure that MDTA is in good financial standing and able to cover its obligations, even if revenues unexpectedly decline.

Exhibit 12 MDTA Financial Standards

<u>Financial Ratio</u>	<u>Requirement</u>
Rate Covenant (Legal)	Net revenues greater than or equal to 1.0 times the sum of 120% of debt service and 100% of deposits to the Maintenance and Operations Reserve
Debt Service Coverage (Policy, Legal)	Net revenues greater than or equal to 2.0 times annual debt service
Unencumbered Cash (Policy)	Cash greater than or equal to \$400 million
Debt Outstanding Limit (Statutory)	\$4.0 billion for toll revenue-backed debt

MDTA: Maryland Transportation Authority

Source: Maryland Transportation Authority

MDTA is mandated to submit a biannual financial forecast that covers the same six-year period as the current CTP. A summary of the forecast, including projected values for each of the four financial standards, appears in **Exhibit 13**. As noted previously, each standard has a threshold that is set either in statute or as an agency policy to ensure that MDTA is in good financial standing and able to cover its obligations, even if revenues unexpectedly decline or expenses unexpectedly increase. Due to significant increases in overall expenses, MDTA's forecast relative to each of the financial standards decline during the forecast period. The unencumbered cash balance declines to equal the \$400 million limit.

Exhibit 13
Financial Forecast Summary
Fiscal 2024-2030
(\$ in Millions)

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
Total Revenues	\$936.0	\$816.1	\$819.7	\$826.2	\$843.8	\$872.3	\$890.0
Total Expenses	\$955.1	\$1,344.1	\$1,653.3	\$1,781.3	\$1,687.2	\$1,500.0	\$1,204.7
Annual Cash							
Surplus/Deficit	\$6.4	-\$104.7	-\$257.1	\$0.0	\$0.0	\$0.0	\$0.0
Total MDTA							
Cash Balance	\$794.9	\$690.2	\$433.1	\$433.1	\$433.1	\$433.1	\$433.1
Financial Standards							
Rate Covenant							
Compliance							
(Legal; Greater							
than or equal to							
1.0)	2.6	2.0	2.0	1.6	1.3	1.2	1.1
Debt Service							
Coverage							
(Policy; Greater							
than or equal to							
2.0)	3.6	2.6	2.6	2.1	1.7	1.6	1.5
Unencumbered							
Cash (Policy;							
Greater than or							
equal to \$400							
million)	\$733.6	\$657.1	\$400.0	\$400.0	\$400.0	\$400.0	\$400.0
Debt Outstanding							
(Statutory; Less							
than \$4 billion)	\$2,126.3	\$2,072.2	\$2,600.0	\$3,283.4	\$3,596.2	\$3,778.6	\$3,773.6

MDTA: Maryland Transportation Authority

Source: Maryland Transportation Authority, 2024-2030 MDTA Financial Forecast

Debt service coverage conveys the ability of the authority to adequately cover its debt service obligations without overly stressing its revenues. The debt service coverage ratio is the

ratio of annual net revenues to annual debt service obligations. Although MDTA's trust agreement does not stipulate a debt service coverage ratio, the MDTA Board has established an administrative policy requiring 2.0 times debt service coverage, and the MDTA's Transportation Infrastructure Finance and Innovation Act Loan Agreement also contains a 2.0 times debt service coverage covenant. This ratio equates to the ability of MDTA to use half or less of its annual revenues to cover debt service obligations during the same year. In fiscal 2026, the debt service coverage ratio is projected to be 2.6. Due to a significant increase in total debt outstanding projected between fiscal 2026 and 2030, the projected debt service coverage ratio declines steadily throughout the forecast period and is expected to dip below the 2.0 level to 1.7 in fiscal 2028. By fiscal 2030, the debt service coverage ratio declines further to 1.5.

The rate covenant compliance ratio, as stipulated in the trust agreement, requires that the ratio of net revenues (total revenues minus operating expenses) to the amount deposited into the Maintenance and Operating Reserve Account plus 120% of debt service be at least 1.0. The additional bonds test requires that the rate covenant is met on a five-year prospective basis. The fiscal 2026 rate covenant compliance ratio is projected to be 2.0 and adequate coverage is provided throughout the financial forecast period. However, there is a steady decline throughout the forecast with the ratio falling to 1.1 in fiscal 2030.

The agency also has an administrative policy to maintain an unencumbered cash balance of at least \$400 million. The MDTA Board approved an increase of this threshold from \$350 million in November 2023 to conform to agency growth and inflation. Bond rating agencies view the amount of cash on hand relative to operating expenses as a liquidity measure to ensure that operations can continue even if revenues are lower than expected, expenses are higher than expected, or if there is a temporary loss of revenues. MDTA reports that for other AA-rated toll agencies, the median cash on hand is sufficient to fund operations for at least 12 months. Expenditures are projected to outpace revenues in fiscal 2025 and 2026, largely due to growth in the capital program, before equaling each other in fiscal 2027 through 2030. As a result, the unencumbered cash balance declines from \$733.6 million at the end of fiscal 2024 to the \$400 million minimum threshold in fiscal 2026 and remains at that level through the remainder of the forecast period.

The January 2025 MDTA financial forecast reflects additional fiscal stress on the horizon compared to the January 2024 forecast, which projected that debt service coverage would fall below acceptable levels in fiscal 2029, one year later than current projections. **Due to this forecast change, MDTA projects the need for a systemwide toll increase during the six-year forecast period in order to maintain compliance with the legal obligations set forth in the trust agreement and loan agreements to maintain MDTA's favorable bond rating. MDTA should comment on the timing of potential toll increases and how they would be implemented.**

2. Impacts of the Francis Scott Key Bridge Collapse

On March 26, 2024, the M/V Dali, a 947-foot container ship collided into one of the primary support piers of the Francis Scott Key Bridge, resulting in the bridge's collapse. The

collapse of the bridge resulted in the death of six construction workers and over 50,000 tons of bridge wreckage falling into the Patapsco River, blocking access to the Port of Baltimore for several months. Full access to the shipping channel was restored on June 12, 2024.

Impacts on MDTA Revenues

The Francis Scott Key Bridge carried a portion of I-695 (the Baltimore Beltway) over the Patapsco River, and along with the Baltimore Harbor Tunnel (I-895) and the Fort McHenry Tunnel (I-95), are collectively referred to as the Baltimore Harbor crossings. In fiscal 2023, the last full year prior to the bridge collapse, a total of 12.5 million toll transactions occurred at the Francis Scott Key Bridge, including 11.1 million passenger cars and 1.4 million commercial vehicles. Since the collapse of the bridge, traffic traveling through the Baltimore region has been diverted to either the Baltimore Harbor Tunnel or the Fort McHenry Tunnel or other routes including passing around Baltimore on the western portion of I-695 or local roads through the city. While many vehicles have been able to divert to the Baltimore Harbor Tunnel or the Fort McHenry Tunnel, certain commercial vehicles are prohibited from using the tunnels due to size and hazardous waste transport restrictions. Additionally, increased traffic congestion at the Baltimore Harbor Tunnel and the Fort McHenry Tunnel have led to some MDTA customers choosing to use non-MDTA routes instead or forgoing or reducing trips entirely.

MDTA engages with an outside consultant to prepare annual 10-year traffic and revenue estimate reports for toll facilities it operates based on historic traffic and revenue trends and current relevant socioeconomic conditions. The most recent traffic and revenue forecast update was prepared by CDM Smith in October 2024. This report estimates total lost revenue throughout the 10-year forecast period by comparing the current forecast with a hypothetical 10-year forecast scenario in which the Francis Scott Key Bridge collapse did not occur. The results of this forecast are shown in **Exhibit 14**. In total, CDM Smith estimated that the Francis Scott Key Bridge collapse will result in \$131.8 million in lost net toll revenues between fiscal 2024 and 2029, when the new bridge is projected to reopen, with annual revenue losses of approximately \$28 million projected from fiscal 2025 through 2028. Approximately \$9.2 million in revenue loss occurred during the remainder of fiscal 2024 following the collapse, and \$9.9 million in revenue loss is projected in fiscal 2029, representing the portion of the year prior to the estimated opening of the new bridge. The forecast assumes that the total amount of toll revenues that would have been collected at the Francis Scott Key Bridge during this time period is \$265.8 million. However, due to traffic diversions and future estimated traffic increases due to other growth factors, revenues are expected to increase by \$35 million at the Baltimore Harbor Tunnel and \$99 million at the Fort McHenry Tunnel during the forecast period to offset a portion of this revenue loss.

Exhibit 14
Revenue Impacts of the Francis Scott Key Bridge Collapse
Fiscal 2024-2030
(In Millions)

	Changes in Toll Revenues				Changes in Toll Transactions			
	<u>BHT</u>	<u>FMT</u>	<u>FSK</u>	<u>Net Revenue Loss</u>	<u>BHT</u>	<u>FMT</u>	<u>FSK</u>	<u>Net Change in Transactions</u>
2024	\$1.1	\$4.5	-\$14.9	-\$9.2	0.4	0.8	-3.1	-1.9
2025	7.0	21.0	-56.2	-28.2	2.1	3.4	-11.5	-6.1
2026	7.9	21.8	-57.6	-27.9	2.0	3.2	-11.7	-6.5
2027	8.0	21.9	-58.1	-28.2	2.0	3.2	-11.8	-6.5
2028	8.1	22.1	-58.7	-28.5	2.0	3.2	-11.9	-6.6
2029	2.8	7.6	-20.4	-9.9	0.7	1.1	-3.9	-2.2
2030	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
Total	\$35.0	\$99.0	-\$265.8	-\$131.8	9.2	14.9	-53.9	-29.8

BHT: Baltimore Harbor Tunnel (I-895)

FMT: Fort McHenry Tunnel (I-95)

FSK: Francis Scott Key Bridge (I-695)

Source: CDM Smith, *MDTA FY 2025 Traffic and Toll Revenue Forecast Update*

Impacts on MDTA Expenditures

MDOT's *Fiscal 2025-2030 CTP* adds the rebuild of the Francis Scott Key Bridge to the major construction program for MDTA and programs \$1.7 billion in funding across the six-year period, representing the total estimated cost to rebuild the bridge. The CTP projects that \$204.5 million will be expended by MDTA in fiscal 2025 and \$376.8 million in fiscal 2026, as part of the MDTA capital program.

The U.S. Department of Transportation's Federal Highway Administration (FHWA) approved \$60 million in federal funds for the State on March 28, 2024, two days after the bridge collapse. The funds were designated as "quick release" and slated for debris removal, repairs, and demolition needed after the incident. In August 2024, MDTA received \$350 million in property and business interruption insurance proceeds related to the bridge collapse. MDTA gave approval to remit these funds to the federal government for current and future costs.

On December 23, 2024, President Joseph R. Biden, Jr. signed into law the American Relief Act, a continuing resolution that funds the federal government through March 14, 2025. Among other disaster relief provisions included in the bill, funding is authorized within the FHWA Emergency Relief (ER) Program to cover 100% of the costs of reconstruction of the Francis Scott Key Bridge through federal funds. As with other FHWA programs, ER is a reimbursable program, and a state that has been confirmed as eligible to receive ER funds by FHWA receives payment after completing construction and submitting vouchers to FHWA for reimbursement of the specified federal share. **MDTA should discuss the anticipated timing of receipt of the funding and if any funds have been received to date.**

According to federal program guidelines, damages awarded to a state through litigation, in addition to insurance payouts, are required to be used to offset federal ER funds. It is anticipated that additional funding for the reconstruction of the Francis Scott Key Bridge could be recovered by the State as damages awarded from several lawsuits currently pending against the ship's owner and operator, Grace Ocean Private Limited and Synergy Marine Group. On September 24, 2024, Attorney General Anthony G. Brown, on behalf of the State, filed a claim in the U. S. District Court for the District of Maryland against the ship's owner and operator alleging that the collapse of the bridge was entirely preventable, and that the ship's owner and operators failed to exercise proper care and diligence in operating the ship to maintain its seaworthiness. In the lawsuit, the following costs and damages to the State are cited:

- removal costs of the remnants of the Francis Scott Key Bridge;
- replacement costs to build the bridge;
- lost toll revenues until the bridge reopens;
- costs to numerous State government agencies to respond to the collapse, perform salvage operations, and mitigate the impact for Maryland residents;
- environmental damage to the State's water and air quality due to the release of pollutants and debris into the Patapsco River and due to increased vehicle mileage on alternate routes through the Baltimore area;
- increased maintenance costs due to wear and tear on other roads, highways, and other State infrastructure;
- lost revenues and taxes due to economic disruptions; and
- other economic losses due to the resulting closure of the shipping channel providing access to the Port of Baltimore during a portion of calendar 2024.

Multiple additional lawsuits have also been filed related to the Francis Scott Key Bridge collapse, including a case brought by the U.S. Department of Justice that was settled with the ship owner and operator in October 2024 for approximately \$102 million to cover the costs to the federal government of the clean-up costs in the aftermath of the bridge collapse. Other cases have been filed by local governments, including Baltimore City and Baltimore County, by the families and estates of the six construction workers who died in the bridge collapse, and other parties who have been negatively impacted. An investigation into the causes of the bridge collapse by the National Transportation Safety Board is currently ongoing.

Reconstruction of the Francis Scott Key Bridge

Planning for the reconstruction of the Francis Scott Key Bridge began shortly after the initial disaster response and cleanup. In July 2024, FHWA issued a categorical exclusion classification and NEPA approval for the replacement bridge. FHWA determined that the replacement bridge is not anticipated to significantly impact community, natural, or cultural resources because the bridge's capacity and location will be the same as the former bridge.

In order to accelerate and simplify the reconstruction of the Francis Scott Key Bridge, MDTA selected a progressive design-build approach. This approach allows for a two-phase contract with a single procurement. During phase 1, the progressive design-builder will complete project scope and preliminary design. Upon successful completion of phase 1, the progressive design-builder will have exclusive negotiating rights for phase 2 at which time a guaranteed maximum price for the project will be established. Phase 2 will include completion of the final design and construction of the new bridge.

In August 2024, MDTA approved the award of a \$73 million phase 1 design-build contract to Kiewit Infrastructure Company, a construction firm based in Omaha, Nebraska, as the progressive design builder. In January 2025, a \$75 million construction management contract was approved by the Board of Public Works to three selected firms that together will be known as the Bridging Maryland Partnership and will oversee planning, engineering, construction management, and program support services during the bridge construction.

According to MDTA, preliminary preconstruction activities began in January 2025 and include surveying and scanning of the Patapsco River bed to map the river channel and drilling to collect soil samples. Demolition of the remaining bridge piers is expected to occur in spring 2025 prior to the beginning of project construction. Preliminary project design development is underway. Construction of the new bridge is anticipated to begin in spring 2025, and the new bridge is projected to be completed in fall 2028.

Operating Budget Recommended Actions

1. Nonbudgeted.

PAYGO Budget Recommended Actions

1. Nonbudgeted.

Updates

1. Chesapeake Bay Crossing Study Tier 2 NEPA Continues

In 2017, MDTA initiated a formal process under NEPA to consider options for the addition of a third Chesapeake Bay bridge crossing. The Chesapeake Bay Crossing Study: Tier 1 NEPA developed and considered various alternatives for the location of a third span of the Bay Bridge. The Tier 1 Final EIS and ROD were approved by FHWA in April 2022. FHWA designated Corridor 7/Existing Corridor (US 50/301 to US 50 from the Severn River Bridge in Anne Arundel County to the US 50/301 split in Queen Anne’s County) as the Preferred Corridor Alternative. The Chesapeake Bay Crossing Study: Tier 2 NEPA was subsequently launched in June 2022 to develop and analyze various build alternatives within the study limits of the Preferred Corridor Alternative. Goals of the Tier 2 study include evaluating measures to reduce traffic congestion, improve travel times and reliability, mobility, and roadway deficiencies, and to accommodate maintenance activities and navigation while minimizing impacts to local communities and the environment.

MDTA hosted a series of informational open houses in calendar 2022 and 2023 to solicit primary feedback on the Tier 2 study and to consider several key elements in the development of proposed alternatives including structure type, alignment relative to existing approaches on US 50/301, the number of lanes, the structure location relative to the existing bridge spans, transit options, and the inclusion of a shared use path separate from travel lanes. In November 2024, a NOI to prepare the Tier 2 EIS was published in the *Federal Register* to formally initiate the environmental review process. MDTA held three public open houses in December 2024 to present information and solicit feedback on the MDTA’s proposed actions for the Bay Bridge and proposed Alternatives Retained for Detailed Study and other issues to be evaluated in the EIS.

In developing its proposed alternatives, MDTA determined that instead of building a third bridge span, both existing bridge spans should be removed and replaced with two new larger bridge spans, and that the new bridge spans should utilize the existing alignments of US 50/301 to minimize socioeconomic and environmental impacts. The proposed retained alternatives developed by MDTA include a combination of lane configurations and structure locations relative to the existing bridge spans. These combinations include both the number of lanes of the bridge itself, as well as the number of lanes of the approach roadways. For example, a 6-8-6 lane configuration would include six lanes on the approach roadways on either side of the bridge (three lanes in each direction), and eight lanes on the bridge itself (four lanes in each direction). Structure location combinations include constructing both new bridge spans to the immediate north or south of the existing bridge spans, or one span to the north or south and one span in between the existing bridge spans. To minimize traffic impacts during construction, both existing bridge spans would remain open until one or both of the new bridge spans is complete.

MDTA has developed seven proposed retained alternatives, including a no-build alternative and six-build alternatives with varying lane configurations and structure locations relative to the existing bridge spans:

- No Build Alternative (Alternative A);
- 6-8-6 lane configuration north of existing spans (Alternative B) or south of existing spans (Alternative C);
- 8-8-8 lane configuration north of existing spans (Alternative D) or south of existing spans (Alternative E);
- 8-10-8 lane configuration north of existing spans (Alternative F) or south of existing spans (Alternative G).

Additional options that are being considered for the new bridge spans include the accommodation of bus service transit options, Transportation Systems Management and Transportation Demand Management strategies such as congestion pricing and part-time shoulder use, and the inclusion of a shared use pedestrian and bike path separated from travel lanes.

MDTA will continue to evaluate the retained alternatives prior to identification of MDTA's recommended preferred alternative in July 2025. A draft EIS is anticipated to be published in November 2025, with the Tier 2 Study concluding with the approval of a final EIS and ROD the following year in November 2026.

2. I-95 Express Toll Lanes Northbound Extension

In December 2024, the first phase of the northbound extension of the I-95 Express Toll Lanes opened to the public. This phase of the project includes the extension of existing Express Toll Lanes along I-95 in Harford County by 6.5 miles, spanning from White Marsh Boulevard (MD 43) to Mountain Road (MD 152). The second phase of the extension project, which will extend through MD 24 (I-95 exit 77), is anticipated to open in 2027. In total, both phases of the project will extend I-95 Express Toll Lanes by 10 miles. A separate project is planned to construct new ramps providing access to the I-95 Express Toll Lanes from I-695 eastbound and westbound and is projected to begin construction in fiscal 2026. The original portion of the Express Toll Lanes along I-95 opened in 2014 and have had over 87 million users since opening. Toll rates for the I-95 Express Toll Lanes vary depending on the section of the road, the vehicle's axle classification, and the time of travel.

Appendix 1

2024 Joint Chairmen’s Report Responses from Agency

The 2024 *Joint Chairmen’s Report* (JCR) requested that MDTA prepare two reports. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Report on Locations and Costs of Bicycle/Pedestrian Lanes:*** A report was requested from MDTA, in collaboration with the State Highway Administration and local jurisdictions, identifying appropriate locations for bicycle ways and pedestrian walkways that cross MDTA highways, run parallel to authority highways and bridges, or otherwise involve MDTA facilities. Additionally, it was requested that the report include approximate cost estimates for adding this infrastructure. The report was due on December 1, 2024. Due to competing priorities in the wake of the Francis Scott Key Bridge collapse, MDTA submitted an extension request for this report to extend the due date to January 2025. The report has not been received as of this writing.
- ***Report on Collecting Outstanding Tolls from Out-of-State Motorists:*** A report was submitted by MDTA on strategies to collect outstanding tolls from out-of-state motorists, as well as data on the current amount of outstanding tolls from out-of-state motorists by state of residence and length of time outstanding. According to MDTA, as of November 30, 2024, over an 11-year timeframe from fiscal 2014 through 2024, there was a total of \$357.4 million of outstanding toll debt owed, including \$175.2 million owed by in-State motorists and \$182.1 million owed by motorists from other states. These amounts represent 4.2% of toll revenues during this time period. MDTA states that in addition to establishing reciprocity agreements and utilizing out-of-state collections agencies, MDTA’s first priority in expanding toll collections is to expand E-ZPass utilization and other similar interoperability programs from other parts of the country. E-ZPass and pay-by-plate payment methods have a near 100% collections rate, compared to invoicing unregistered motorists through video tolling. Additional strategies identified by MDTA to improve the toll collection rate for video tolls include establishing more convenient electronic payment mechanisms, providing additional payment due warning notices by mail, and providing payment due notices by email.

Appendix 2
MDTA Financial Forecast
January 2025

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
Revenues							
Toll Revenues	\$848.5	\$748.4	\$757.5	\$766.1	\$782.0	\$808.9	\$824.8
Concessions	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Investment Income and Other	45.5	22.1	16.6	12.8	12.8	12.8	12.8
MDOT Loan Repayment - Interest	0.2	0.2	0.2	0.2	0.2	0.1	0.1
MAA/MPA Police Reimbursement ⁽¹⁾	37.1	40.8	40.9	42.6	44.3	46.0	47.9
Total Revenues	\$936.0	\$816.1	\$819.7	\$826.2	\$843.8	\$872.3	\$890.0
Expenses							
Operations	\$404.8	\$434.1	\$450.0	\$460.4	\$478.8	\$497.9	\$517.9
Debt Service	142.9	144.5	144.5	177.3	219.1	240.8	256.5
Capital Program	407.4	765.5	1,058.9	1,143.6	989.2	761.3	430.3
Total Expenses	\$955.1	\$1,344.1	\$1,653.3	\$1,781.3	\$1,687.2	\$1,500.0	\$1,204.7
Capital Funding Sources/(Uses) and Intergovernmental							
Revenue Bond Proceeds	\$0.0	\$0.0	\$570.9	\$725.3	\$376.8	\$265.9	\$93.9
Surety Policy Expenses	-1.2	0.0	-1.0	-1.3	-0.7	-0.5	-0.2
MDOT Loan Repayment – Principal	1.5	1.5	1.5	1.5	1.6	1.6	1.6
I-895 Federal Grant	0.0	0.0	5.0	25.0	50.0	0.0	0.0
I-95 Interchange Partner Contribution	3.7	11.8	0.0	0.0	0.0	0.0	0.0
I-695 Key Bridge Property Insurance	0.0	350.0	0.0	0.0	0.0	0.0	0.0
I-695 Key Bridge Federal Grant	0.0	60.0	0.0	204.6	415.7	360.6	219.3
Accounting Reconciliation	21.6	0.0	0.0	0.0	0.0	0.0	0.0
Total Sources/(Uses)	\$25.6	\$423.3	\$576.4	\$955.2	\$843.4	\$627.7	\$314.6
Annual Cash							
Requirements⁽²⁾	\$929.5	\$920.7	\$1,076.9	\$826.2	\$843.8	\$872.3	\$890.0
Annual Cash Surplus/(Deficit)	\$6.4	-\$104.7	-\$257.1	\$0.0	\$0.0	\$0.0	\$0.0
Total MDTA Cash Balance	\$794.9	\$690.2	\$433.1	\$433.1	\$433.1	\$433.1	\$433.1

J00J00 – Maryland Transportation Authority

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
MDTA Financial Standards							
Debt Outstanding	\$2,126.3	\$2,072.2	\$2,600.0	\$3,283.4	\$3,596.2	\$3,778.6	\$3,773.6
Unencumbered Cash	733.6	657.1	400.0	400.0	400.0	400.0	400
Debt Service Coverage	3.6	2.6	2.6	2.1	1.7	1.6	1.5
Rate Covenant							
Compliance	2.6	2.0	2.0	1.6	1.3	1.2	1.1

MAA: Maryland Aviation Administration
MDOT: Maryland Department of Transportation
MDTA: Maryland Transportation Authority
MPA: Maryland Port Administration

Appendix 3
Nonrecourse Debt
Fiscal 2024-2026

	<u>2024</u>	<u>2025</u>	<u>2026</u>
<u>Debt Service Payments</u>			
2002 Series – BWI Airport Rental Car Facility	\$9,071	\$9,069	\$9,072
2012 A Series – PFC BWI Airport	3,839	3,841	3,837
2012 B Series – PFC BWI Airport	7,969	7,968	7,968
2014 Series – PFC BWI Airport	2,955	2,955	2,955
2019 Series – PFC BWI Airport	8,471	8,471	8,466
2015 Series – Calvert Street Parking Garage Refunding	1,489	1,488	1,485
Total Debt Service Payments	\$33,794	\$33,792	\$33,783
<u>Debt Outstanding</u>			
2002 Series – BWI Airport Rental Car Facility	\$59,990	\$54,910	\$49,490
2012 A Series – PFC BWI Airport	25,660	22,970	20,150
2012 B Series – PFC BWI Airport	22,730	15,340	7,765
2014 Series – PFC BWI Airport	24,270	22,190	20,045
2019 Series – PFC BWI Airport	93,105	88,705	84,090
2015 Series – Calvert Street Parking Garage Refunding	11,187	9,992	8,769
Total Debt Outstanding	\$236,942	\$214,107	\$190,309

BWI: Baltimore/Washington International Thurgood Marshall Airport
PFC: Passenger Facility Charge

Source: Maryland Transportation Authority

Appendix 4
Object/Fund Difference Report
Maryland Transportation Authority

<u>Object/Fund</u>	<u>FY 24</u> <u>Actual</u>	<u>FY 25</u> <u>Working</u> <u>Appropriation</u>	<u>FY 26</u> <u>Allowance</u>	<u>FY 25 - FY 26</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	1,697.00	1,697.00	1,697.00	0.00	0%
Total Positions	1,697.00	1,697.00	1,697.00	0.00	0%
Objects					
01 Salaries and Wages	\$ 218,243,865	\$ 233,343,523	\$ 240,820,082	\$ 7,476,559	3.2%
02 Technical and Special Fees	104,645	1,479,934	1,094,978	-384,956	-26.0%
03 Communication	2,955,074	4,314,437	4,361,325	46,888	1.1%
04 Travel	383,708	639,245	584,358	-54,887	-8.6%
06 Fuel and Utilities	4,807,169	4,957,216	5,275,842	318,626	6.4%
07 Motor Vehicles	11,548,886	19,135,177	22,595,291	3,460,114	18.1%
08 Contractual Services	196,215,537	145,921,604	149,862,783	3,941,179	2.7%
09 Supplies and Materials	8,972,082	10,580,917	10,935,361	354,444	3.3%
10 Equipment – Replacement	1,572,371	2,709,887	1,703,823	-1,006,064	-37.1%
11 Equipment – Additional	468,859	1,184,750	1,872,675	687,925	58.1%
13 Fixed Charges	151,803,264	154,246,446	155,919,051	1,672,605	1.1%
Total Objects	\$ 597,075,460	\$ 578,513,136	\$ 595,025,569	\$ 16,512,433	2.9%
Funds					
07 Nonbudgeted Fund	\$ 597,075,460	\$ 578,513,136	\$ 595,025,569	\$ 16,512,433	2.9%
Total Funds	\$ 597,075,460	\$ 578,513,136	\$ 595,025,569	\$ 16,512,433	2.9%

J00J00 – Maryland Transportation Authority

**Appendix 5
Fiscal Summary
Maryland Transportation Authority**

<u>Program/Unit</u>	<u>FY 24 Actual</u>	<u>FY 25 Wrk Approp</u>	<u>FY 26 Allowance</u>	<u>Change</u>	<u>FY 25 - FY 26 % Change</u>
41 Operating Program	\$ 597,075,460	\$ 578,513,136	\$ 595,025,569	\$ 16,512,433	2.9%
42 Capital Program	407,434,980	765,548,094	1,058,866,158	293,318,064	38.3%
Total Expenditures	\$ 1,004,510,440	\$ 1,344,061,230	\$ 1,653,891,727	\$ 309,830,497	23.1%
Nonbudgeted Fund	\$ 1,004,510,440	\$ 1,344,061,230	\$ 1,653,891,727	\$ 309,830,497	23.1%
Total Appropriations	\$ 1,004,510,440	\$ 1,344,061,230	\$ 1,653,891,727	\$ 309,830,497	23.1%

J00J00 – Maryland Transportation Authority

**J00J00 Maryland Transportation Authority
Fiscal Year 2026 Operating Budget
Response to Department of Legislative Services Analysis**

Senate Budget and Taxation Committee
Public Safety, Transportation, and Environment Subcommittee
Chair Michael Jackson
February 6, 2025

House Appropriations Committee
Transportation and the Environment Subcommittee
Chair Courtney Watson
February 5, 2025

**J00J00 Maryland Transportation Authority
Fiscal Year 2026 Operating Budget
Response to Department of Legislative Services Analysis**

DLS Budget Analysis Issues

1. MDTA Financial Outlook (Page 22)

MDTA should comment on the timing of potential toll increases and how they would be implemented.

MDOT Response:

A need for a toll increase has been forecasted since prior to the pandemic. Reductions in revenue caused by the pandemic, coupled with inflationary pressures on operating and capital expenses, pulled the toll increase into fiscal year 2029. The toll increase was pulled forward into fiscal year 2028 largely due to the reduction in toll revenue associated with the Key Bridge collapse.

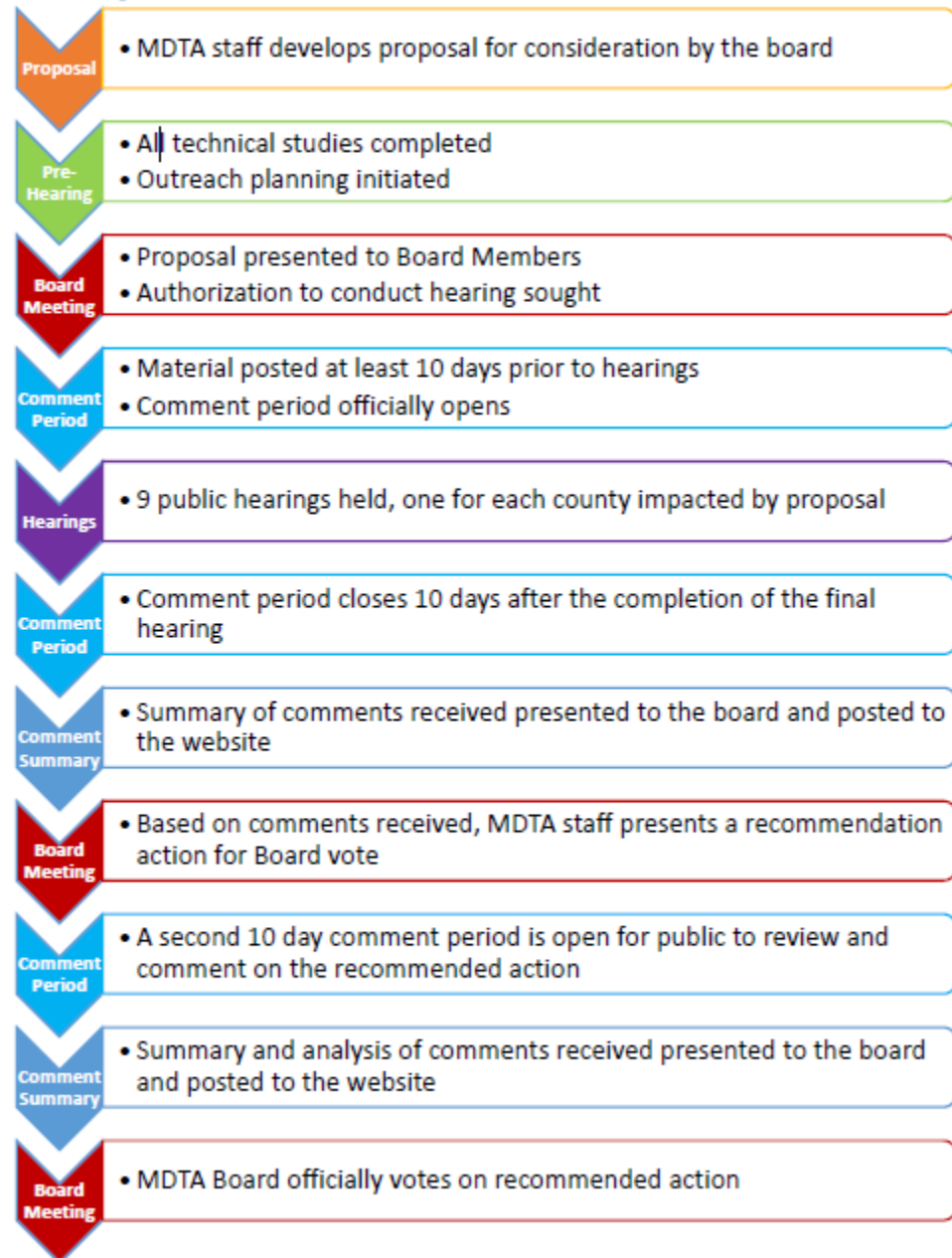
The toll increase process must begin with sufficient time to accomplish the requirements in state law, Transportation Article 4-312, and to allow year end net revenue compared to annual debt service to meet or exceed a factor of 2-times as required by legal covenant (known as 2.0x Debt Service Coverage). Based the current forecast approved by the MDTA Board in November 2024, the toll setting process would likely begin in early calendar year 2027.

The toll setting process is illustrated in the flow chart on the following page.

**J00J00 Maryland Transportation Authority
Fiscal Year 2026 Operating Budget
Response to Department of Legislative Services Analysis**

DLS Budget Analysis Issues (continued)

Toll Setting Flowchart



**J00J00 Maryland Transportation Authority
Fiscal Year 2026 Operating Budget
Response to Department of Legislative Services Analysis**

DLS Budget Analysis Issues (continued)

2. Impacts of the Francis Scott Key Bridge Collapse (Page 25)

MDTA should discuss the anticipated timing of receipt of the funding and if any funds have been received to date.

MDOT Response:

Anticipated funding sources include insurance proceeds, federal emergency relief quick release funds, federal emergency relief funds, toll revenues, and any recoveries from the M/V DALI's owners. On August 5, 2024, the MDTA received \$350 million from its property and business interruption insurance carrier. Insurance proceeds have funded \$25 million of debris removal. A \$10 million emergency relief quick release draw will occur this week. After the initial \$60 million federal emergency relief quick release are utilized, insurance proceeds will be utilized until exhausted, and then federal emergency relief funds will be utilized.

Within the MDTA's financial forecast, future emergency relief funds are assumed to be received one year after the reimbursement request. The twelve-month timeframe is a result of undefined timing by the Federal Highway Administration and federal funding uncertainties, including the timing of semiannual federal appropriation requests.

That said, the State of Maryland is continuing to prosecute its claims against the M/V DALI's owners and operators, the parties solely responsible for the destruction of the Francis Scott Key Bridge and all resulting damages, costs, and losses. It is the State's intention that the DALI's owners and operators will be the primary source to fund the cost to rebuild the Bridge. Other sources of funding to rebuild the Bridge will be accessed if necessary, recognizing that full compensation should be obtained from the DALI's owners, operators, and insurers.

**J00J00 Maryland Transportation Authority
Fiscal Year 2026 Operating Budget
Response to Department of Legislative Services Analysis**

Operating Budget Recommended Actions

1. Nonbudgeted. (Page 27)

MDOT Response:

The Department concurs with the DLS recommendation.

PAYGO Budget Recommended Actions

1. Nonbudgeted. (Page 27)

MDOT Response:

The Department concurs with the DLS recommendation.

TAB 7



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Paul J. Wiedefeld, Chairman

Board Members:

Dontae Carroll	Cynthia D. Penny-Ardinger
Maricela Cordova	Jeffrey S. Rosen
William H. Cox, Jr.	Samuel D. Snead, MCP, MA
Mario J. Gangemi, P.E.	John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Chief Engineer James Harkness, P.E., PTOE
SUBJECT: Quarterly Update on Major Capital Projects valued over \$40 Million
DATE: March 27, 2025

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 March 19, 2025, there are thirteen major projects in the Capital Program. Eleven of the projects are under construction and two are under design. This update includes projects funded for construction in the current Consolidated Transportation Program and includes five projects valued in excess of \$100 million. There are four projects from the \$1.1 billion I-95 ETL Northbound Expansion program.

In this update, there is one project with a construction budget change and one project with a design schedule change. The budget for KB-4903 Francis Scott Key Bridge Replacement – Phase 1 has increased by \$10.6 million due to the procurement and delivery of long lead-time materials for the test pile program. The advertisement schedule for KH-3046 I-95/I-695 Interchange Express Toll Lanes Ramps has changed from April 2025 to June 2025 due to delays in obtaining the environmental permits for the project.

ATTACHMENT

- MDTA Major Capital Projects (>\$40 million) – March 2025 Update

MDTA Major Capital Projects (>\$40 Million) - March 2025 Update

Pin	Contract No.	Description	AD	NTP	Current Budget (Thousands \$)	Anticipated Construction Completion	Construction (C), Procurement (P) or Design (D)
2147	MA-2257	Replace Electronic Toll Collection - 3rd Gen	8/1/16	3/6/18	139,353	Summer 2025	C
2453	KH-3009	I-95 ETL Northbound Extension - Express Toll Lanes to MD 152	8/17/20	5/3/21	237,455	Summer 2025	C
2491	KH-3019	I-95 ETL Northbound Extension - MD 152 Interchange Reconstruction	5/7/21	2/28/22	245,086	Winter 2025	C
2477	KH-3024	I-95/Belvidere Road Interchange	5/18/20	2/25/22	81,529	Summer 2026	C
2317	BB-2726 BB-3017	Eastbound Bay Bridge Deck Replacment - Phase 1	9/6/19	1/9/23	307,780	Spring 2026	C
2306	HT-2709	Envelope and Switchgear Replacements at BHT Ventilation Buildings	1/10/22	2/20/23	80,675	Winter 2027	C
2512	HB-3001	Cleaning and Painting of the Hatem Bridge	8/3/23	1/16/24	65,936	Summer 2026	C
2450	KB-3005	I-695 Subgrade Improvements at Bear Creek	6/6/23	3/25/24	43,983	Fall 2025	C
2655	KB-4903	Francis Scott Key (FSK) Bridge Replacement - Phase 1	5/31/24	9/16/24	83,926*	Fall 2025	C
2492	KH-3020	I-95 ETL Northbound Extension - MD 24 to Bynum Run	2/23/24	11/4/24	66,268	Winter 2028	C
2493	KH-3021	I-95 ETL Northbound Extension - MD 24 Interchange	6/27/24	11/20/24	286,919	Winter 2028	C
2582	KH-3046	I-95/I-695 Interchange Express Toll Lanes Ramps	6/15/2025*	11/1/25	79,000	Winter 2028	D
2500	KH-3025	JFK Maintenance Facility at Raphel Road - Phase 1	11/15/2025	4/2/26	53,000	Winter 2028	D

* Budget or schedule change

TAB 8



Board Members:

MEMORANDUM

TO: MDTA Board
FROM: Director of Information Technology David Goldsborough
SUBJECT: Quarterly Information Technology Update
DATE: March 27, 2025

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) projects and initiatives.

SUMMARY

As of March 27, 2025, DoIT maintains an active portfolio of 21 projects and continued support of the third generation tolling system (3G) program.

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

Project Name	Brief Description	Go-live	Notes
HR Central Conversion	Moving HRC to the new Salesforce lightning platform	3/1/2025	Schedule could be impacted by HRIS feed
Scheduling System Enhancements	<i>E-Z</i> Pass appointment scheduling system	6/1/2025	On schedule
Maximo Spatial	Implementation of Maximo spatial for asset management	6/30/2025	Revised schedule
Dynamics SL Upgrade	Upgrade from version 2015 to 2018	Middle of 4 th quarter 2025	On schedule

Quarterly Information Technology Update
Page Two

Project Name	Brief Description	Go-live	Notes
HRIS	Moving the HRIS system to the cloud	9/2024	Need to re-test interfaces from RPI
Data Center Enhancements Project	Replace power and cooling units in the ICC and JFK data centers.	4/1/2025	Revised schedule
Clearing House tracking for Health and Safety (OESRM)	Tracking of driver information for MDTA drivers that hold a CDL.	1/1/2025	Completed – Monitoring performance and assisting users. Will close out for next report.
Police BWC	MDTA Police body worn cameras	5/30/2025	On schedule
Maximo 9 upgrade	Major upgrade for Maximo to IBM's new architecture	11/30/2025	Planning

TAB 9



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Paul J. Wiedefeld, Chairman

Board Members:

Dontae Carroll
Maricela Cordova
William H. Cox, Jr.
Mario J. Gangemi, P.E.

Cynthia D. Penny-Ardinger
Jeffrey S. Rosen
Samuel D. Snead, MCP, MA
John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Chief Administrative Officer Percy E. Dangerfield, Ph.D.
Director of Civil Rights and Fair Practices Khadriah Ward
PREPARED BY: Compliance Officer Nicholas Lloyd
Civil Rights Program Manager Verlinda Dillard
SUBJECT: Quarterly Update: Socio-economic Programs Status
DATE: March 27, 2025

PURPOSE OF MEMORANDUM

The purpose of this memorandum is to provide the Maryland Transportation Authority (MDTA) Board with an update on the MDTA's progress toward achieving the legislatively mandated socio-economic program goals.

SUMMARY

In accordance with Article II of the MDTA Board Operating Policy, as amended on January 25, 2018, this summary has been prepared and distributed. The Division of Civil Rights and Fair Practices (CRFP) is responsible for developing, overseeing, and administering the MDTA's State and federal socio-economic programs. These programs include the following:

- Disadvantaged Business Enterprise (DBE) Program;
- Minority Business Enterprise (MBE) Program;
- Certified Small Businesses (CSB)/Small Business Reserve (SBR) Program; and
- Veteran-Owned Small Business Enterprise (VSBE) Program.

The following socio-economic programs' performance information presented is based on Quarter 2 of 2025, which covers the performance period of July 1, 2024 to December 31, 2024. This performance period will be referenced as Q2 FY 2025.

Disadvantaged Business Enterprise (DBE) Program

The Francis Scott Key Bridge (FSK) Progressive Design/Build Phase 1 contract for the progressive design phase of the FSK Bridge rebuild was executed on September 16, 2024.

CRFP has been monitoring the Francis Scott Key Bridge (FSK) debris removal, disposal, and cleanup of the bridge allision. Skanska USA Civil Southeast, Inc. mobilized on March 26, 2024. This contract was executed as of April 23, 2024.

CRFP monitors 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 (GEC) for the Nice-Middleton Bridge Replacement 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 comprises five (5) contracts, along with the Francis Scott Key Debris Removal contracts, with an estimated value of \$651 million.

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

Table 1 depicts total DBE payments by contract for the Francis Scott Key Bridge (FSK) Progressive Design/Build Phase 1 Project. The FSK Bridge Debris Removal, Disposal, and Cleanup of the FSK Bridge allision. The Nice-Middleton Bridge Projects, the I-95 Interchange at Belvidere Road, and the Francis Scott Key Bridge Collapse Debris Removal and Cleanup through September 30, 2024. Each contract has a contract-specific commitment to a DBE goal. Table 1 depicts each Contract's DBE utilization in payments project-to-date.

Minority Business Enterprise (MBE) Program

CRFP's Compliance Officers monitor State-funded projects to ensure compliance with Maryland's Minority Business Enterprise (MBE) Program. The MBE Program intends to

increase procurement opportunities for socially and economically disadvantaged small business owners within the State contracting marketplace. Maryland's MBE Program requires State agencies to structure their procurements in a manner that allows 29 percent of the agency's total annual expenditures on procurement contracts to be paid directly or indirectly to certified MBE firms as prime contractors or subcontractors.

Table 2 depicts total MBE participation by Contracting Areas for Q2 FY 2025. MBE firms received \$31.6 million (21.66%) of the \$145.9 million in total contract awards during this period. These amounts represent contract awards in three (3) Procurement Categories: Construction, Architectural & Engineering (A&E), and Information Technology (IT) out of the six (6) Procurement Categories: Construction, Architectural & Engineering (A&E), Maintenance, Information Technology (IT), Services, and Supplies and Equipment.

Table 3 depicts MBE awards by Minority Business Enterprise (MBE) classification and procurement category for Q2 FY 2025. During this period, African American firms received \$7 million (4.86%) of the \$ 145.9 million Prime contract awards. Asian American firms received \$1.2 million (.86%). Women-owned firms received \$22.6 million (15.51%). Hispanic American firms received \$640 thousand (.44%). MBE participation for Q2 FY 2025 is calculated by dividing the total MBE contract award dollars by the total contract award dollars.

Certified Small Businesses (CSBs)/Small Business Reserve (SBR) Program

The Certified Small Businesses (CSBs)/Small Business Reserve (SBR) Program is administered by the Division of Procurement (DOP). CRFP is responsible for reviewing and analyzing State-funded procurements to ensure Maryland's SBR Program compliance. Maryland's SBR Program allows small businesses to participate as prime contractors on State-funded contracts by establishing a unique marketplace where small businesses compete against other small businesses instead of larger, more established companies. The SBR program is a race and gender-neutral program. Minority status is not a criterion for participation in the SBR Program. (See Md. Code Ann., State Fin. & Proc. Art. §14-501.)

On January 6, 2021, Governor Hogan signed Executive Order 01.01.2021.01 to increase small business participation in State procurements. The Executive Order enhances the SBR Program by directing all procurements between \$50,000 and \$500,000 to the SBR Program unless the procurement meets defined exemptions. The State has established a 15% SBR utilization goal. Effective September 2024 the SBR goal was increased to 20% and the SBR awards now include Direct Vouchers and P-Card purchases.

The CSB/SBR firms' participation goal for Q2 FY 2025 is calculated by dividing the total CSB/SBR designated and non-designated awards by the total procurement awards. Utilization is calculated by dividing the total CSB/SBR-designated and non-designated payments by the total payments to all prime vendors.

Table 4 depicts Certified Small Businesses/Small Business Reserve Program utilization for Q2 FY 2025 for Awards. SBR-designated firms received \$1.6 million of the \$148.7 million in procurement awards during this period. Non-SBR-designated awards for this quarter were over

\$2.2 million. MDTA's CSB/SBR awards totaled over \$3.8 million (2.62%) for all SBR awards (designated and non-designated).

Veteran-Owned Small Business Enterprise (VSBE) Program

CRFP's Compliance Officers monitor State-funded projects to ensure compliance with Maryland's Veteran-Owned Small Business Enterprise (VSBE) Program. The VSBE Program provides contracting opportunities for state-funded procurements for qualified veteran-owned small businesses. In accordance with COMAR 21.11.03.01, each State procurement agency is required to structure its procedures for making procurements to achieve an overall minimum goal of one (1) percent of the unit's total dollar value of all procurement contracts made directly or indirectly with veteran-owned small business enterprises. Effective September 2024 the Veteran Small Business Enterprise State goal was increased to three (3) percent.

Table 5 depicts VSBE contract participation by contracting area for Q2 FY 2025. During this period, VSBE firms received \$1.9 million (1.33%) of the over \$145.9 million in contracts awarded by the MDTA. VSBE participation for Q2 FY 2025 is calculated by dividing the total contract award dollars to VSBE firms by all contract awards.

Major Initiatives

CRFP has enacted the following strategies focused on outreach, training, and data analysis to achieve its mission of championing socio-economic programs:

- *PRISM Contract Compliance System:* PRISM is a contract compliance system that supports payment and contract compliance, performance management functionality, and compliance workflow automation for the whole performance management contracting cycle from pre-solicitation to contract closeout. PRISM includes the following capabilities: vendor registration, vendor management, contract management, labor management, outreach management, and dashboard and reporting. The following is an update on the status of the PRISM implementation:
 - Final User Acceptance meetings for implementation have been completed in August 2024.
 - Some State Contracts are currently running parallel in PRISM and iFMIS. CRFP will cease using iFMIS for contract compliance by the end of 2nd Quarter FY 2025.
- *In-person Outreach Events:* Civil Rights and Fair Practices held their third 2024 in-person event titled "Doing Business with the MDTA," on Thursday, September 19, 2024.
 - *The following outreach events have been scheduled for 2025:*
 - *Tuesday, March 25, 2025*
 - *Tuesday, June 17, 2025*
 - *Wednesday, September 17, 2025*

- *Training with the Office of Engineering and Construction (OEC):* CRFP coordinated with OEC to host training sessions for MDTA Project Managers and Project Engineers. These training sessions foster relationships between the CRFP and OEC teams and increase Project Managers' and Project Engineers' awareness and understanding of the MBE, DBE, and VSBE programs and regulatory requirements. Training sessions with Project Managers and Contract Managers in the Construction Unit were completed in December 2022, March 2023, and June 2023.
 - CRFP will begin scheduling OEC, IT, Service, and Maintenance contract training with project managers in April/May 2025.
- *Credit card purchases made with MBE, DBE, VSBE, and SBR vendors:* CRFP is working with the Purchasing Card Program Administrator and the IT Solutions Administrator to develop a way to identify automatically, and track credit card transactions made with MBE, DBE, VSBE, and SBR vendors in the purchasing card system. This option would make compiling and reporting this data more manageable and efficient. This functionality within the purchasing card system would also help CRFP to identify the frequency with which cardholders make purchases using MBE, DBE, VSBE, and SBR vendors – thereby uncovering opportunities for additional training or recognition. CRFP is also working with the DOP to update the "Strive for Five" form to reference MBE and VSBE vendors.
 - Civil Rights and Fair Practices had several meetings with Finance, Procurement, and IT to discuss implementing an interface to the P-Card system from MDOT's MBE Directory and eMaryland Marketplace Advantage (eMMA) that would enable our P-Card system to identify MBEs/VSBE that are utilized on credit card purchases. The P-Card form (Strive for Five) will be updated to remind P-Card users to look for DBEs/MBEs/VSBEs/SBRs that can be utilized when making purchases. We have also met with the Division of Communications (DOC) to have our Small Procurement Training Sessions recorded so that they are available for MDTA staff.
 - CRFP and IT had a Project meeting on May 30th to discuss the interface between MDTA's Maximo System and MDOT-TSO's Office of Minority Business Enterprise MBE Directory Data to identify MBE/DBE firms on credit card purchases. We also discussed the need for an MOU with MDOT. MDTA has sent the MOU to TSO for their review.
- *Identifying additional opportunities for MBE/DBE/VSBE participation:* Evaluating the extra work authorization (EWA) and supplemental agreement (SA) process to ensure maximization of goal attainment is considered with all additional work. We are working internally with our Office of Engineering and Construction to identify these opportunities. In addition, we are reviewing the feasibility of expanding third tier subcontracting more broadly and reducing the standard requirement that Primes self-perform 50% of the contract. Lastly, we will review our task order/open-end contracts to see if we can repackage tasks into contracts with more defined work items more likely to achieve the contract goals.
- *Outstanding MBE/DBE/VSBE Subcontracting Partner Award:* The MDTA is developing the Outstanding Subcontracting Partner Award as an annual recognition of

completed projects with subcontracting goals (or subgoals, if applicable) that achieve the highest MBE, DBE, or VSBE participation. The main purpose of this award is to celebrate success, share lessons learned of best practices, and honor all project stakeholders. This award is for the successful use of certified MBE, DBE, or VSBE firms on an MDTA construction, architectural/engineering, See Table 6 of Corrective Strategies for meeting DBE/MBE/SBR goals. CRFP and the Executive Officer are currently working with the Office of the Attorney General to finalize this process.

ATTACHMENTS

- Table 1: Francis Scott Key Bridge Progressive Design/Build Phase 1, Nice-Middleton Bridge Project, I-95 Interchange at Belvidere Road and the Francis Scott Key Bridge Debris Removal Projects Disadvantaged Business Enterprise (DBE) Program Utilization
- Table 2: Minority Business Enterprise (MBE) Program Contract Awards by Procurement Category
- Table 3: Minority Business Enterprise (MBE) Program Contract Awards by MBE Classification and Procurement Category
- Table 4: Certified Small Businesses (CSBs)/Small Business Reserve (SBR) Program Awards
- Table 5: Veteran-Owned Small Business Enterprise (VSBE) Contract Awards by Procurement Category
- Table 6: Corrective Strategies

ATTACHMENTS

QUARTERLY UPDATE: SOCIO-ECONOMIC PROGRAMS STATUS

Table 1: The Francis Scott Key Bridge Progressive Design/Build Phase 1, The Francis Scott Key Bridge Debris Removal, the Nice-Middleton Bridge Project, and the I-95 Interchange at Belvidere Road Projects Disadvantaged Business Enterprise (DBE) Program Utilization

Utilization Project-To-Date (Period Ending December 31, 2024)						
Contract Number & Contract Value	Contract Description	Committed DBE Goal (%)	Total Payments (\$ to Primes	Total (%) Payments Paid to DBEs	Total Payments to DBEs	Contract Burn Rate (%)
KB-4903-0000 NTP 9/16/2024 \$73,000,000.00	Francis Scott Key Bridge (FSK) Rebuild Progressive Design-Build Phase 1	26.53%	\$10,698,899.61	10.67%	\$1,141,526.74	14.66%
KB-4213-0000 NTP 03/26/2024 \$71,285,000.00	Debris Removal, Disposal and Cleanup of Francis Scott Key Bridge (FSK) Collapse	3.00%	\$66,330,000.00	3.11%	\$2,060,673.07	93.05%
KH-3024-0000 NTP 02/25/22 \$65,620,692.85	I-95 at Belvidere Road Interchange	23.00%	\$20,121,974.14	17.24%	\$3,469,246.31	30.66%
NB-0543-0000 NTP 03/17/20 \$462,957,000.00	Harry W. Nice/Thomas "MAC" Middleton Bridge Replacement	16.14%	\$455,896,193.04	17.64%	\$80,424,532.98	98.47%
NB-3003-0000 NTP 08/28/20 \$28,472,230.19	Nice-Middleton Bridge Campus Improvements	23.86%	\$27,331,871.23	26.15%	\$7,146,887.32	95.99%
AE-3049-0000 NTP 11/14/18 \$15,000,000.00	Nice Bridge Construction Management Inspection (CMI) Services	26.45%	\$10,119,290.32	26.37%	\$2,668,199.06	67.46%
AE-3050-0000 NTP 11/14/18 \$15,000,000.00	Nice Bridge Construction Management Inspection (CMI) Services	26.60%	\$9,754,842.13	25.12%	\$2,450,636.58	65.03%
AE-3051-0000 NTP 11/14/18 \$15,000,000.00	Nice Bridge Construction Management Inspection (CMI) Services	26.00%	\$8,427,408.01	16.54%	\$1,394,303.26	56.18%

Table 2: Minority Business Enterprise (MBE) Program Contract Awards by Procurement Category

Minority Business Enterprise (MBE) Program Contract Awards by Procurement Category FY2025 Quarter 2 Report			
State MBE Program Participation Goal	29%		
MDTA-MBE Program Contract Utilization	21.66%		
Procurement Category	MBE %	MBE Subcontract Awards	Prime Contract Awards
Construction	20.41%	\$ 27,871,187.00	\$ 136,577,436.89
A&E	30.11%	\$ 2,107,500.00	\$ 7,000,000.00
Maintenance	0.00%	\$ -	\$ -
IT	73.22%	\$ 1,626,990.00	\$ 2,221,931.34
Services	0.00%	\$ -	\$ 17,067.12
Supplies/Equipment	0.00%	\$ -	\$ 121,638.00
Total	21.66%	\$31,605,677.00	\$145,938,073.35

Table 3: Minority Business Enterprise (MBE) Program Contract Awards by MBE Classification and Procurement Category

Minority Business Enterprise (MBE) Program Contract Awards by Minority Business Enterprise (MBE) Classification and Procurement Category FY2025 Quarter 2 Report													
Procurement Category	African American (%)	African American (\$)	Hispanic American (%)	Hispanic American (\$)	Asian American (%)	Asian American (\$)	Women (%)	Women (\$)	Native American (%)	Native American (\$)	Disabled (%)	Disabled (\$)	Total Award (\$)
Construction	4.72%	\$ 6,445,500.00	0.41%	\$ 565,750.00	0.84%	\$ 1,148,000.00	14.43%	\$ 19,711,936.57	0.00%	\$ -	0.00%	\$ -	\$ 27,871,186.57
A&E	9.15%	\$ 640,750.00	1.07%	\$ 75,000.00	1.43%	\$ 100,000.00	18.45%	\$ 1,291,750.00	0.00%	\$ -	0.00%	\$ -	\$ 2,107,500.00
Maintenance	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -
IT	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	73.22%	\$ 1,626,989.74	0.00%	\$ -	0.00%	\$ -	\$ 1,626,989.74
Services	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -
Supplies/Equipment	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -
Total Participation	4.86%	\$ 7,086,250.00	0.44%	\$ 640,750.00	0.86%	\$ 1,248,000.00	15.51%	\$ 22,630,676.31	0.00%	\$ -	0.00%	\$ -	\$ 31,605,676.31

Table 4: Certified Small Businesses (CSBs)/Small Business Reserve (SBR) Program Awards

Certified Small Businesses (CSB)/Small Business Reserve (SBR) Program Awards FY2025 Quarter 2							
CSB/SBR State Participation Goal		20%					
MDTA CSB/SBR Awards		2.62%					
Contract Awards	Total Number of Contracts Awarded (#)	Total \$ All Procurement Contracts Awarded	Total # Non-Designated Contracts Awarded to CSBs (SBRs)	Total \$ Non-Designated Contracts Awarded to CSBs (SBRs)	Total # Designated Contracts Awarded to CSBs (SBRs)	Total \$ Designated Contracts Awarded to CSBs (SBRs)	Percentage of CSB (SBRs) Participation
BPO/PO Awards	14	\$145,938,073	2	\$2,123,786	2	\$1,675,299	
Direct Voucher Awards	498	\$1,872,070	9	\$12,252			
P-Card	1,430	\$955,551	78	\$86,935			
Total	1,942	\$148,765,694	89	\$2,222,974	2	\$1,675,299	2.62%
Total Awards							\$3,898,273.02

Table 5: Veteran-Owned Small Business Enterprise (VSBE) Contract Awards by Procurement Category

Veteran-Owned Small Business Enterprise (VSBE) Program Contract Awards FY2025 Quarter 2			
VSBE Participation Goal	3.00%		
MDTA - VSBE Contract Awards	1.33%		
Procurement Category	VSBE %	VSBE Awards \$	Total Awards \$
Construction	1.37%	\$1,874,914.32	\$ 136,577,436.89
A&E	1.00%	\$70,000.00	\$ 7,000,000.00
Maintenance	0.00%	\$0.00	\$ -
IT	0.00%	\$0.00	\$ 2,221,931.34
Services	0.00%	\$0.00	\$ 17,067.12
Supplies/Equipment	0.00%	\$0.00	\$ 121,638.00
Total	1.33%	\$1,944,914.32	\$145,938,073.35

Table 6: Corrective Strategies

Corrective Strategies for Meeting Goals				
Goal Category	Goal Percentage	Reason for Not Meeting Goal	Strategy to Address Issue	Positive Outcome of Implementing Strategy
DBE A/E Contracts (AE-3050 and AE-3051)	26%	Prime had challenges with identifying willing and available staff because of project location.	Working with OEC to see if other MDTA work can be completed using these contracts.	Increase goal attainment on contract.
MBE Awards	29%	The agency often lets contracts that are sole source and single elements of work with no MBE goal. On-call and specialized requirements.	Educating/working closely with OEC and Procurement to look at all possible subcontracting opportunities. Working with DBEs/MBEs/VSBEs through outreach opportunities to become Certified/Registered on eMMA/keep profiles updated/ expansion of services.	Better able to identify subcontracting opportunities which would increase the goal. On-going monitoring to determine impact to overall goal. Increased knowledge of program participation and availability.
CSB/SBR	20%	The current iFMIS database doesn't track SBR information. SBRs respond that they are interested in bidding and meet the qualifications to be a Prime, but they don't bid.	Implementing new Compliance System – PRISM. Working with Maximo Team to create an electronic system to initially capture MBE spending, then in later release, CSB/SBR and VSBE. CRFP Quarterly Outreach events – inform vendors on programs, requirements, register on eMMA and keep profiles updated to increase the pool of potential SBR Primes	Ongoing tracking to determine increase in SBR bidders and SBR awards.

TAB 10

VERBAL

TAB 11

VERBAL

TAB 12

VERBAL