



Maryland Transportation Authority

BOARD MEETING

THURSDAY, APRIL 28, 2022

MARYLAND TRANSPORTATION AUTHORITY
2310 BROENING HIGHWAY
BALTIMORE, MD 21224

IN-PERSON AND LIVESTREAM



MARYLAND TRANSPORTATION AUTHORITY BOARD MEETING

APRIL 28, 2022 9:00 AM

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

NOTES:

- This is an In-Person Open Meeting being conducted via livestreaming.
- The public is welcomed to watch the meeting at the link above.
- *If you wish to comment on an agenda item please email your name, affiliation, and the agenda item to nhenson@mdta.state.md.us no later than 12:00 noon on Tuesday, April 26. You **MUST** pre-register and attend the meeting in person in order to comment.* Once you have pre-registered you will receive an email with all pertinent information.

AGENDA

OPEN SESSION – 9:00 AM

Call Meeting to Order

1. **Approval** – Open Session Meeting Minutes of March 31, 2022 Chairman Ports 5 min.
2. **Approval** – Closed Session Meeting Minutes of March 31, 2022 Chairman Ports 5 min.
3. **Approval** – Contract Awards Donna DiCerbo 10 min.
 - J01B1600006 – MDTA Civil Rights and Compliance Information Management Software Solutions (IMSS)
 - KH-3035-0000R – Off-Site Reforestation, Raphael Road
 - MDTA 2021-01A – Comprehensive Preliminary Engineering and Final Design Services
4. **Update** – Credit Ratings Updates and TIFIA Loan Closing Deb Sharpless 5 min.
5. **Update** – Third Generation Electronic Toll Collection (3G ETC) System – Current Operations Update Greg Jones 15 min.
6. **Update** – Legislative Session – Verbal Bradley Ryon 5 min.
7. **Update** – Executive Director’s Report – Verbal William Pines 10 min.

Vote to go into Closed Session

8. To Discuss Cyber Security David Goldsborough 15 min.
9. To Discuss Public Security Col. Kevin Anderson 15 min.
10. To Discuss Pending Litigation – Update on Status of Pending Litigation Matters Kim Millender, Esq. 15 min.

Vote to go into Open Session

Vote to Adjourn Meeting

TAB 1

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

THURSDAY, MARCH 31, 2022
9:00 A.M.

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

OPEN SESSION

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

MEMBERS ATTENDING:

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

STAFF ATTENDING:

Ruth Carnes	Kimberly Millender, Esq.
Percy Dangerfield	Simon Najjar
Donna DiCerbo	Mary O’Keeffe
Melissa Evans	Will Pines
David Goldsborough	Joseph Quattrone
Chantelle Green	Mike Rice
Jim Harkness	Bradley Ryon
Natalie Henson	Joseph Sagal
Paris Lee	Deb Sharpless
Julissa Marciano	Greer Sisco-Hayes
Selena McKissick	Paul Trentalance

OTHER ATTENDEES:

Leah Biddinger, Sussex Community Association
Ebony Moore, MDOT TSO
Cheryl Randow, WBCM (Contractor)

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

APPROVAL – OPEN SESSION AND CLOSED SESSION MEETING MINUTES OF FEBRUARY 24, 2022

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 February 24, 2022 were unanimously approved.

VOTE TO GO INTO CLOSED SESSION

At 9:05 a.m., upon motion by Member Dontae Carroll and seconded by Member Mario J. Gangemi, the Members voted unanimously to move into Closed Session under the Maryland Open Meetings Act, the MDTA Board will meet in Closed Session under the General Provisions Article, Section 3-305(b)(1) to discuss the specific performance and appointment of an individual to serve as the MDTA Executive Director.

In attendance for Closed Session was Chairman Jim Ports; Acting Chairman Sean Powell; Members Carroll, Cox, Ensor, Gaines (via phone), Gangemi, Penny-Ardinger, Rosen, and von Paris; Natalie Henson and Kim Millender.

VOTE TO ADJOURN CLOSED SESSION

At 9:08 a.m., a motion was made by Member Mario J. Gangemi and seconded by Member Jeffrey S. Rosen which was unanimously approved, to adjourn the Closed Session and return to Open Session.

RATIFICATION TAKEN IN CLOSED SESSION

Upon motion by Member William H. Cox, Jr. and seconded by Member Mario J. Gangemi, the Members ratified their approval of Will Pines as the MDTA Executive Director.

Chairman Ports and the Members congratulated Mr. Pines on becoming the MDTA Executive Director. Mr. Pines thanked everyone for his appointment to MDTA Executive Director and also for their continued support of him and the MDTA.

RESOLUTION – YEARS OF SERVICE RECOGNITION

Mr. Will Pines announced the Years of Service Recognition for retired employee Ms. Frances M. Sudano.

On the occasion of Ms. Sudano's retirement from her distinguished career of service, the Chairman and Members of the Maryland Transportation Authority hereby express to her their most sincere appreciation for her excellence and commitment.

APPROVAL – CONTRACT AWARDS

- **J01P2600123 – Panasonic FZ-55 Laptops**

Ms. Donna DiCerbo requested approval from the MDTA Board to execute Small Business Reserve (SBR) Contract No. J01P2600123 – Panasonic FZ-55 Laptops with USC Canterbury Corp in the bid amount of \$587,235.00.

Ms. DiCerbo explained that this is a one-time purchase to provide the MDTA Office of Information Technology with 150 Panasonic FZ-55 Laptops with extended warranties. These laptops will be used to replace the MDTA Police's Panasonic CF-31 Laptops that have reached the end of their life cycle and are no longer covered under warranty. This will allow for less service calls and repairs.

Upon motion by Member Mario J. Gangemi and seconded by Member John F. von Paris, the Members unanimously gave approval to execute SBR Contract No. J01P2600123 – Panasonic FZ-55 Laptops.

UPDATE – FISCAL YEAR (FY) 2023 DEPARTMENT OF LEGISLATIVE SERVICES BUDGET ANALYSIS

Ms. Chantelle Green provided an overview of the budget issues and recommendations presented by the Department of Legislative Services during the MDTA's Fiscal Year 2023 legislative budget hearing. The overview included a brief recap of the MDTA's responses to the issues raised in the budget analysis document as well as an update on budget bill language adopted by the Maryland House of Delegates.

UPDATE – MDTA'S TRAVEL PLAZAS

Mr. Simon Najar updated the MDTA Board on the progress of operations at the Maryland House and Chesapeake House Travel Plazas.

Mr. Najar explained that in 2012, the Maryland Transportation Authority (MDTA) entered into a Lease and Concession Agreement with Areas USA MDTP, LLC (Areas USA), to undertake the redevelopment (including financing) and long-term operations and maintenance of the travel plazas. Pursuant to the public-private partnership (P3) arrangement, the MDTA retains oversight of the travel plazas for a period of 35 years. The presentation provided a brief overview of the importance of the travel plazas; an update on Calendar Year 2021 and current year operations; recent challenges; and the future outlook.

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

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

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

At 9:59 a.m., upon completion of the update, Mr. Ports invited Ms. Leah Biddenger from the Sussex Community Association to give her public comment on the Customer Assistance Plan. He also apologized to Ms. Biddenger as he had to step out of the meeting to handle a previous commitment. Acting Chairman Sean Powell took his place during his absence. Ms. Biddenger stated that there are several members of her community that are having E-ZPass billing issues and that she doesn't believe our Customer Assistance Plan does enough to help those who are having issues. She stated that since she has limited time to public comment she would welcome having a one-on-one discussion to go into further details.

Chairman Jim Ports returned to the meeting at 10:13 a.m. and continued through the remainder of the agenda.

UPDATE – MAJOR PROJECTS UPDATE

Mr. Jim Harkness updated the MDTA Board on the status of Major Projects in the Capital Program. Mr. Harkness explained that as of March 21, 2022, there are ten Major Projects in the Capital Program. Seven of the projects are under Construction, one is in Procurement, and two are in Design. This update includes projects funded for construction in the current CTP and includes five projects valued in excess of \$100 million. There are three projects from the \$1.1 billion I-95 ETL Northbound Expansion program.

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

Mr. David Goldsborough updated the MDTA Board on the Division of Information Technology (DoIT) major projects. He explained that as of March 31, 2022, the Division of Information Technology maintains an active portfolio of 15 projects with 2 additional projects on hold awaiting resource assignments. Since the last Board meeting, the DoIT has completed the penetration test exercise with Cyber Defense Technologies. The exercise covered internal and external networks, wireless networks, and State issued laptops. The results of the exercise were positive. Post go-live support of the third generation tolling system (3G) continues and will stay in place through systems acceptance.

Mr. Goldsborough also went over some of the significant initiatives that DoIT continues to work on include the following:

- Cybersecurity measures – State DoIT will be conducting vulnerability assessments across several State agencies including MDOT.
- Conversion to the new Salesforce lightening platform.
- We have introduced a project to create a web scheduling system for the customer service centers. This will be completed using the Salesforce platform.
- Post go-live support of 3G.
- E-forms platform.
- We have released a new GIS viewer with data layers that cover electrical, facilities, as well as various other MDTA assets. Other layers are being worked on and will be released as they become available.

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

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

Mr. Dangerfield began the presentation by giving a brief overview of the socioeconomic programs and the introduced Mr. Paris Lee, Acting Director of Civil Rights and Fair Practices.

Mr. Lee then gave a brief update on the performance of each program based on the 2nd Quarter of Fiscal Year 2022, which covers the performance period of July 1, 2021 to December 31, 2021.

The socioeconomic programs that were reported on include the following:

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

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.

UPDATE – AUDIT COMMITTEE

Member William H. Cox, Jr. presented an update on the Audit Committee meeting that took place on March 10, 2022. The Audit Committee Members were given an update on the Fiscal Year 2022 Audit Plan which is currently on track to complete eleven audits with five audits currently completed and three audits in process.

The proposed Fiscal Year (FY) 2023 Audit Plan was presented. This plan includes audits of the Electronic Toll Collection System and the MDTA Customer Service Centers. The Committee discussed and endorsed the proposed FY 2023 Audit Plan.

Two internal audits were presented and the Committee was satisfied with the results of these audits. These audits were: Materials and Supplies Storerooms Audit; Controls Over Lease Management & Revenue Audit; and License Plate Reader (LPR) Compliance Audit.

UPDATE – EXECUTIVE DIRECTOR

Mr. Will Pines gave the Executive Director Update. He began with updates from the Division of Communications. This update included the new e-blast for E-ZPass customers that went out targeting discount and commuter plan uses. The e-blast helped answer frequently asked questions regarding these plans and unused trips and also included a video embedded in the e-blast that expanded on these important topics.

Mr. Pines informed the MDTA Board that we have added additional service windows at the BHT, FMT, and JFK Customer Service Centers. JFK was able to add 2 service windows bringing the total up to 5. BHT and FMT were both able to add 1 additional service window bringing the total up to 5 service windows at each location.

Mr. Pines shared some good news with the MDTA Board regarding our employees and what they have been accomplishing. Thanks to the expertise of the MDTA's Office of Engineering and Construction, the MDTA won the Honor Award for Innovation Excellence in Engineering Design from the American Council of Engineering Companies for our Emergency Reconstruction of the Moravia Road Ramp to Southbound I-95.

MDTA Division of Procurement employee, Ms. Ruth Carnes, who is a Certified Public Purchasing Buyer received the Maryland Public Purchasing Association's Harry W. Bain Distinguished Service Award for her volunteer efforts with the Association and for her care, knowledge, and passion about procurement. Ms. Carnes currently serves as Recognition Chair for the Association. MDTA Director of Procurement, Ms. Donna DiCerbo, gave some further background and congratulations.

Toll Operations Manager Hildanne Ridgell attended one of the very first Town Halls at the Nice/Middleton Bridge and was one of the employees who stated that they would like to get a degree but cited upfront payment as a barrier. Because of her comments, the MDTA researched options and located the Strayer no upfront cost benefit. Since then we have added other institutions to the no upfront cost program. Ms. Ridgell has since received her Associates Degree from the College of Southern Maryland and will complete her Bachelor's Degree in Business Management with Honors from the University of Global Campus this May. She attributes her success to her participation in the MDTA Career Development Program.

Mr. Pines also updated the MDTA Board on the ongoing initiatives that have been undertaken to assist Toll Collectors to transition into other positions. These efforts include career development efforts in the form of internal and external training, formalized higher educational opportunities, short-term job shadowing, longer-term job rotations throughout all of MDOT, individual skills training, newsletters specifically designed for toll staff, and employee “town hall” information sessions. In a new development, Mr. Pines advised the Board that MDTA has hired a Career Counselor to work exclusively with the Toll Collectors.

On March 23rd, Mr. Pines had the honor to attend and speak at the MDTA Police Promotional Ceremony for six sworn law enforcement officers and one civilian employee. He thanked Col. Anderson for his leadership and every MDTA officer for all they do to keep our citizens, families, and fellow MDTA employees safe.

Finally, Mr. Pines reminded the Board that the next quarterly meeting of the Bay Bridge Reconstruction Advisory Group (BBRAG) will be held on Wednesday, April 6 from 6:00 pm – 8:00 pm in person at the Bay Bridge Facility.

VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member Dontae Carroll and seconded by Member John F. von Paris, the Members unanimously voted to adjourn the meeting at 11:10 a.m.

The next MDTA Board Meeting will be held on Thursday, April 28, 2022 at 9:00 a.m. at MDTA, 2310 Broening Highway, Baltimore MD and will be livestreamed on the MDTA Board webpage.

APPROVED AND CONCURRED IN:

James F. Ports, Jr., Chairman

TAB 2

VERBAL

TAB 3



Maryland Transportation Authority

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

Board Members:

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

William Pines, PE, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Director of Procurement Donna DiCerbo, CPPO, CPPB
SUBJECT: J01B1600006 - MDTA Civil Rights and Compliance Information Management Software Solutions (IMSS)
DATE: April 28, 2022

PURPOSE

To seek approval to execute Contract No. J01B1600006 - MDTA Civil Rights and Compliance Information Management Software Solution (IMSS).

SUMMARY

PRiSM was procured as an Intergovernmental Cooperative Purchasing Agreement using the National Association of State Procurement Officials (NASPO) ValuePoint Cloud Solutions Intergovernmental Cooperative Purchasing Contract. The two Master Contractors authorized by Early Morning Software, Inc., the developer (or PRiSM), to supply PRiSM products were requested to submit quotes; one firm responded. The procurement officer performed a price analysis on Insight Public Sector's (Insight) proposal and determined the recommended awardee's price to be fair and reasonable. MDTA's Evaluation Committee reviewed the proposal and determined Insight to be technically capable and susceptible for award.

RECOMMENDATION

To provide approval to execute Contract No. J01B1600006 - MDTA Civil Rights and Compliance Information Management Software Solution (IMSS).

ATTACHMENT

- Project Summary



AUTHORITY BOARD PROJECT SUMMARY

CONTRACT NO. J01B100006 MDTA Civil Rights and Compliance Information Management Software Solution (IMSS)

PIN NUMBER N/A
CONTRACT NUMBER J01B1600006
CONTRACT TITLE MDTA Civil Rights and Compliance Information Management Software Solution (IMSS)

PROJECT SUMMARY PRISM was procured as an Intergovernmental Cooperative Purchasing Agreement using the National Association of State Procurement Officials (NASPO) ValuePoint Cloud Solutions Intergovernmental Cooperative Purchasing Contract. The two Master Contractors authorized by Early Morning Software, Inc., the developer of PRISM, to supply PRISM products were requested to submit quotes; one firm responded. The Procurement Officer performed a price analysis on Insight Public Sector's (Insight) proposal and determined the recommended awardee's price to be fair and reasonable. MDTA's Evaluation Committee reviewed the proposal and determined Insight to be technically capable and susceptible for award.

		MBE PARTICIPATION ADVERTISED GOAL (%)	PROPOSED GOAL (%)
SCHEDULE		MBE PARTICIPATION - OVERALL	
ADVERTISEMENT DATE	8/13/2021	OVERALL MBE	0.00%
ANTICIPATED NTP DATE	6/9/2022 or earlier upon BPW Approval	VSBE	0.00%
	5-year base with 1 ea.		
	2-year renewal		
DURATION/TERM	option.		

BID PROTEST

NO

Not to Exceed Budgeted Amount (\$)
 \$950,000.00

PROPOSER	<u>FINANCIAL PRICE</u>	<u>% VARIANCE TO</u> <u>Budget</u>	<u>PRICE RANK</u>	<u>TECHNICAL RANK</u>	<u>OVERALL RANK</u>
Insight Public Sector. Inc.	\$796,958.42	-16.00%	1	1	1



Maryland
Transportation
Authority

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James F. Ports, Jr., Chairman

Board Members:

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

William Pines, PE, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Director of Procurement Donna DiCerbo, CPPO, CPPB
SUBJECT: KH-3035-0000R – Off-Site Reforestation, Raphel Road
DATE: April 28, 2022

PURPOSE

To seek contingent approval to execute Contract No. KH-3035-0000R – Off-Site Reforestation, Raphel Road.

SUMMARY

The work to be performed under this Contract is at the MDTA property known as the Raphel Road property located in Baltimore County, MD. The scope of work includes tree planting, the installation and removal of tree protection, and maintenance of trees for two years following the Installation Phase acceptance as part of the off-site forest mitigation for the I-95 Express Toll Lanes Northbound Extension.

RECOMMENDATION

To provide contingent approval to execute Contract No. KH-3035-0000R – Off-Site Reforestation, Raphel Road.

ATTACHMENT

- Project Summary



Maryland
Transportation
Authority

AUTHORITY BOARD PROJECT SUMMARY

KH-3035-0000R Off-Site Reforestation, Raphel Road

PIN NUMBER 2533
CONTRACT NUMBER KH-3035-0000R
CONTRACT TITLE Off-Site Reforestation, Raphel Road

PROJECT SUMMARY The work to be performed under this Contract is at the MDTA property known as the Raphel Road Property located in Baltimore County, MD. The scope of work includes tree planting, the installation and removal of tree protection and maintenance of trees for two years following the Installation Phase acceptance as part of the off-site forest mitigation for the I-95 ETL Northbound Extension

SCHEDULE

ADVERTISEMENT DATE 1/10/2022
ANTICIPATED NOTICE TO PROCEED DATE May-22
DURATION (COMPLETION DATE) 12/1/2024

MBE PARTICIPATION

OVERALL MBE
AFRICAN AMERICAN
ASIAN AMERICAN
HISPANIC AMERICAN
WOMEN
NATIVE AMERICAN
VSBE

	(\$) Advertised GOAL (%)	Proposed GOAL (%)
OVERALL MBE	8.00%	8.00%
AFRICAN AMERICAN	-	0.00%
ASIAN AMERICAN	-	0.00%
HISPANIC AMERICAN	-	0.00%
WOMEN	-	8.00%
NATIVE AMERICAN	-	0.00%
VSBE	-	0.00%

ENGINEER'S ESTIMATE (EE) \$867,370.00

BID RESULTS

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

BID PROTEST YES ☐ NO ☒
FUNDING SOURCE 100.00% **TOLL REVENUE**

Ed's Plant World, Inc.	\$566,190.00	-35%
Environmental Quality Resources, LLC	\$588,690.00	-32%
Bry's Lawn Care and Landscaping LLC	\$622,144.25	-28%
Empire Landscape LLC	\$853,843.00	-2%
Concrete General, Inc	\$2,688,060.00	210%



**Maryland
Transportation
Authority**

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

Board Members:

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

William Pines, PE, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Director of Procurement Donna DiCerbo, CPPO, CPPB
SUBJECT: MDTA 2021-01A – Comprehensive Preliminary Engineering and Final Design Services
DATE: April 28, 2022

PURPOSE

To seek contingent approval to execute Contract No. MDTA 2021-01A - Comprehensive Preliminary Engineering and Final Design Services.

SUMMARY

This project involves the award of nine (9) contracts for Comprehensive Preliminary Engineering and Final Design Services for the MDTA. The consultant shall perform preliminary and final design services associated with the preparation of construction contract plans and documents. This work shall include but not be limited to: structural engineering; highway engineering; traffic engineering; ITS & electrical engineering; environmental engineering; compliance and permitting; surveys; right-of-way support; geotechnical engineering; testing and drilling services; various mechanical and electrical engineering services related to bridge, highway and facility (building) projects; condition inspection; project delivery analysis; traffic and revenue analysis; cost estimating; financial and project planning, analysis, and management; public relations support; supplemental staffing as required; planning; construction management and inspections; "Phase V"; comprehensive general engineering consultant (GEC); and program management services.

RECOMMENDATION

To provide contingent approval to execute Contract No. MDTA 2021-01A - Comprehensive Preliminary Engineering and Final Design Services.

ATTACHMENT

- Project Summary



AUTHORITY BOARD PROJECT SUMMARY

Contract No. MDTA 2021-01A Comprehensive Preliminary Engineering and Final Design Services

PIN NUMBER N/A
MDTA PROJECT NUMBER MDTA 2021-01A
CONTRACT TITLE Comprehensive Preliminary Engineering and Final Design Services

PROJECT SUMMARY This project involves the award of nine (9) contracts for Comprehensive Preliminary Engineering and Final Design Services for MDTA. The Consultant shall perform preliminary and final design services associated with the preparation of construction contract plans and documents. This work shall include but not be limited to: structural engineering; highway engineering; traffic engineering, ITS & electrical engineering, environmental engineering, compliance and permitting, surveys; right-of-way support; geotechnical engineering, testing and drilling services; various mechanical and electrical engineering services related to bridge, highway and facility (building) projects; condition inspection; project delivery analysis; traffic and revenue analysis; cost estimating; financial and project planning, analysis and management; public relations support; supplemental staffing as required; planning; construction management and inspections, "Phase V"; comprehensive general engineering consultant (GEC); program management services.

SCHEDULE	ADVERTISMENT DATE	ANTICIPATED NTP DATE	DURATION/TERM	PROTEST	YES	NO	PROPOSER	MDTA CONTRACT NO.	CONTRACT AMOUNT
	February 1, 2021	May, 2022	Five (5) YEARS				RKK	AE 3100	\$12,000,000
							JMT	AE 3101	\$12,000,000
							WRA	AE 3102	\$12,000,000
							WBCM-Dewberry	AE 3103	\$7,250,000
							AECOM-WM	AE 3104	\$7,250,000
							STV-Jacobs	AE 3105	\$7,250,000
							WSP-Prime	AE 3106	\$7,250,000
							KCI-PAI	AE 3107	\$5,000,000
							Stantec-MH-HH	AE 3108	\$5,000,000

FUNDING SOURCE 100% TOLL REVENUE

		MBE PARTICIPATION								
		AE-3100	AE-3101	AE-3102	AE-3103	AE-3104	AE-3105	AE-3106	AE-3107	AE-3108
MBE PARTICIPATION -	ADVERTISED GOAL (%)	PROPOSED GOAL (%)	PROPOSED GOAL (%)	PROPOSED GOAL (%)	PROPOSED GOAL (%)	PROPOSED GOAL (%)	PROPOSED GOAL (%)	PROPOSED GOAL (%)	PROPOSED GOAL (%)	PROPOSED GOAL (%)
	OVERALL MBE	24.00%	27.00%	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%
	AFRICAN AMERICAN	7.00%	7.00%	9.50%	8.00%	9.00%	7.00%	8.00%	7.00%	9.00%
	ASIAN AMERICAN	-								
	HISPANIC AMERICAN	-								
	WOMEN OWNED	10.00%	10.00%	10.00%	10.00%	12.00%	10.00%	10.00%	10.00%	10.00%
	VSBE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

TAB 4



Maryland Transportation Authority

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

Board Members:

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

William Pines, PE, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Executive Director William Pines, PE
Chief Financial Officer Deborah E. Sharpless
PREPARED BY: Director of Treasury & Debt Allen W. Garman
SUBJECT: Credit Ratings and TIFIA Loan Closing Update
DATE: April 28, 2022

PURPOSE OF MEMORANDUM

In accordance with Board Operating Policy Section 6(c), management is required to update the MDTA Board on recent rating agency affirmations of the MDTA's double-A credit ratings with Stable outlooks.

As required by Resolution 21-06, management is required to report on the results of the TIFIA loan closing and rate lock that occurred on April 26, 2022

ANALYSIS

Credit Ratings

Consistent with the Debt Policy and as required by the TIFIA loan terms, the MDTA obtained two credit ratings as part of the closing process. Moody's Investor Service and Fitch Ratings affirmed the MDTA's ratings with Stable outlooks at Aa2 and AA, respectively. Within Moody's U.S. Toll Sector universe of approximately 50 rated credits, the MDTA remains one of only four tolling agencies with a double-A-two (Aa2) rating, which is among the highest for the sector, with only one issuer rated one-notch higher at Aa1.

Key ratings drivers cited by Moody's and Fitch include the MDTA's:

1. Solid Debt Service Coverage (MDTA Board policy 2-times)
2. Strong Liquidity (\$350 million unrestricted cash policy)
3. Critical Transportation Network
4. Prudent Capital Planning
5. Independent Rate Setting Authority
6. Conservative Debt Structure

During the rating agency presentations, the MDTA management and its external Traffic and Revenue consultant CDM Smith provided detailed analysis of the recent traffic and revenues, as well as operating and capital cost projections included in the six-year financial forecast. The credit ratings affirmations demonstrate confidence in the MDTA's financial strength, with foundations in board policies and the Trust Agreement legal covenants.

Loan Closing Report on Results

Board Resolution 21-06 delegated authority to the Executive Director and staff to close the Series 2022 TIFIA¹ loan financing with the USDOT / Build America Bureau. The TIFIA loan closed on April 26 with the execution of the loan agreement and other bond forms. The \$200 million loan draw is scheduled to occur on January 2, 2023.

The new money financing will fund capital spending for the Nice/Middleton Bridge Replacement. Although the loan draw is deferred to January 2, 2023 to coincide with the funding need, the MDTA benefits from an interest rate lock at prevailing Treasury rates on the date of the closing. This rate lock could be greatly beneficial in the rising rate environment.

Loan payments begin 7/1/24 and end 7/1/54. The financing is structured with five loan tranches to take advantage of the lower rates available for shorter terms, though the yield curve flattening has recently diminished this benefit. The interest rates for each tranche were determined by prevailing SLGS² rates on the closing date. Unlike traditional municipal financings, the TIFIA loan is continuously callable, which could provide shorter refinancing opportunities for interest cost savings.

Key Points Series 2022 TIFIA Loan

1. Par / Proceeds	\$200 million
2. Purpose	Nice/Middleton Bridge
3. Callable	Continuously
4. True Interest Cost (CF to maturity)	2.89%
5. Rate Lock	At Closing 4/26/22
6. Loan Draw	1/2/23
7. Final Maturity	7/1/54
8. Debt Service Reserve Funding	Contingently Required ³

¹ TIFIA – Transportation Infrastructure Finance and Innovation Act loans through the Build America Bureau/ USDOT.

² SLGS – State and Local Government Series Securities, align with prevailing U.S. Treasury rates.

³ DSR Funding Requirement – Post loan draw on January 2, 2023, a reserve must be funded if the MDTA provides a reserve for a future financing. Funding requirement equal to Maximum Annual Debt Service, approximately \$12 million.

Compliance with Resolution 21-06

	Resolution Limiting Provisions	Results/Outcome
Par Amount	\$210 million	\$200 million
Closing Date	No later than December 31, 2022	April 26, 2022
Rate of Interest	Rate to be determined by Executive Director with the advice of the CFO, advisors, and the MDTA staff.	Concurrence by advisors, CFO & staff documented throughout the bond sale. Prevailing market rates locked at closing.
Final Maturity	Date of final maturity shall not exceed the useful life of the assets financed.	The bonds will fund the new construction for the Nice/Middleton Bridge resulting in the useful life exceeding the final 31.5-year bond maturity.
Report of Results	Update provided by Executive Director and CFO at first Board meeting after the April 26 closing.	April 28, 2022

ATTACHMENTS

- Moody's Rating Report
- Fitch Rating Report
- Resolution 21-06

Rating Action: Moody's assigns Aa2 to Maryland Transportation Authority's \$200 million Series 2022 TIFIA Loan; outlook stable

14 Apr 2022

New York, April 14, 2022 -- Moody's Investors Service ("Moody's") has assigned a Aa2 rating to approximately \$200 million of Maryland Transportation Authority's ("MDTA" or "the authority") Series 2022 TIFIA Loan. At the same time, Moody's affirmed the Aa2 rating on MDTA's \$2.1 billion outstanding revenue bonds. The outlook is stable.

RATINGS RATIONALE

Maryland Transportation Authority's Aa2 rating reflects the essentiality of the authority's road network, the fundamental strength of the service area and its history of strong financial and operational performance. MDTA's rating also incorporates the authority's financial policies and history of conservative budgeting coupled with track record of exceeding its forecasts. This strong financial policy with a proven track record is one of the main strengths of this credit that somewhat mitigates the projected metrics being lower than peers. Taken together, these factors support the authority's board-approved \$2.8 billion capital expenditure program spanning fiscal 2022 through fiscal 2027, with 65% of the program expected to be funded with pay-go funds and the rest expected to be financed with debt, including the currently proposed \$200 million TIFIA loan.

The continued declining liquidity coupled with the increasing leverage and debt service requirements could place pressure on the authority's current rating should toll revenues not keep pace with growing debt service requirements through either traffic growth or toll rate increases. The rating incorporates our expectation of the authority's willingness to maintain strong financial metrics by increasing toll rates or making other adjustments to preserve its financial position.

The authority expects to possibly refinance its Series 2012 bonds in the short term, depending on market conditions, to get net present value savings with no considerable changes to the debt service profile.

RATING OUTLOOK

The stable outlook reflects our view that the authority will take action as necessary to support cash flows in order to keep strong financial metrics through the implementation of its capital expenditure program.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATINGS

- Continued significant and sustained higher-than-projected traffic levels
- Successful completion of planned capital projects
- Toll revenues that support adjusted debt to operating revenues of less than 3.0x while maintaining strong liquidity could exert upward pressure on the rating

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATINGS

- Lower traffic and revenue levels than assumed in the authority's base case forecast
- Significantly higher debt financing of the capital program than currently envisioned
- A sustained decline in the DSCR below 2.0x
- A sustained increase in leverage resulting in adjusted debt to operating revenue above 4.5x
- Liquidity below 400 days cash on hand

LEGAL SECURITY

The Series 2022 TIFIA Loan is on parity with the authority's outstanding revenue bonds, which are secured by a pledge of revenues from the Transportation Facility Projects and from the General Account Project, which is subject to reallocation at the option of the MDTA. The authority's rate covenant requires net revenues, which include the Transportation Facility Projects, to be at least the sum of 1.2x annual debt service and 100% of the amount required to be deposited in the maintenance and operations reserve account. The additional bonds test requires the rate covenant to be met on a 5-year prospective basis.

The outstanding municipal bonds are also secured by debt service reserve subaccounts sized at the lesser of maximum annual debt service, 125% of average annual debt service or 10% of the proceeds of the principal amount of the bonds funded with surety policies. MDTA decided not to create the Series 2022 TIFIA Loan's debt service reserve subaccount at this point.

USE OF PROCEEDS

The Series 2022 TIFIA Loan will be used to fund the acquisition, construction, improvement, and equipping of the Potomac River (Harry W. Nice/Thomas "Mac" Middleton) Bridge Replacement.

PROFILE

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

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

METHODOLOGY

The principal methodology used in these ratings was Publicly Managed Toll Roads and Parking Facilities published in March 2019 and available at https://www.moody.com/researchdocumentcontentpage.aspx?docid=PBC_1091602. Alternatively, please see the Rating Methodologies page on www.moody.com for a copy of this methodology.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found at: https://www.moody.com/researchdocumentcontentpage.aspx?docid=PBC_79004.

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RATING ACTION COMMENTARY

Fitch Rates Maryland Transportation Authority's TIFIA Loan Series 2022A 'AA'; Outlook Stable

Thu 14 Apr, 2022 - 3:15 PM ET

Fitch Ratings - New York - 14 Apr 2022: Fitch Ratings has assigned a 'AA' rating to Maryland Transportation Authority's (MDTA or the authority) approximately \$200 million Transportation Infrastructure Finance and Innovation Act (TIFIA) loan series 2022A. Fitch has also affirmed the 'AA' rating on the outstanding \$2.1 billion parity transportation facilities project revenue bonds. The Rating Outlook on all of the bonds is Stable.

RATING RATIONALE

The rating reflects MDTA's role as a vital system that provides diverse transportation links in the mid-Atlantic region, demonstrated traffic levels with resilience to economic conditions and a pricing framework that allows for a strong rate-making flexibility. Despite significant pandemic-related traffic declines, MDTA's facilities have seen a steady recovery back to pre-pandemic levels. The rating is supported by robust financial metrics. Under Fitch's rating case scenario, the 10-year average debt service coverage ratio (DSCR) is 2.3x and leverage (net debt over cash flow) is moderate at 5.5x in 2026. MDTA's substantial liquidity position, with approximately 460 days cash on hand (DCOH) as of fiscal 2021, provides additional support to the rating.

KEY RATING DRIVERS

Critical Transportation Network - Revenue Risk (Volume): Stronger

MDTA revenues are derived from a diverse system of seven mature assets and the Inter County Connector (ICC) that provide critical transportation links in an affluent, high-volume market with limited competing facilities. The system's legacy facility transactions have historically experienced low elasticity when numerous significant toll increases have been introduced.

Demonstrated Toll Increases - Revenue Risk (Price): Stronger

The authority has independent rate-setting powers and a demonstrated ability to raise rates to maintain financial flexibility and meet internal policies. There are currently no plans for future toll increases; however, Fitch would expect the authority to implement further increases as necessary to protect its financial profile should the need arise.

Prudent Capital Planning - Infrastructure Development & Renewal: Stronger

The authority's facilities are in overall good condition. The \$2.8 billion 2022-2027 capital program focuses on preservation and also addresses system expansion and congestion relief. In light of the coronavirus pandemic, this program was reduced by \$302 million in fiscal 2021 to lessen cashflow demands in a stressed economic environment. The program is approximately 65% funded as pay-go, with the remaining funded with TIFIA and municipal issuances. In the next 10 years, the authority expects to raise approximately \$1.4 billion of debt. The capital plan includes the Nice Bridge replacement with the remaining project cost estimated at \$372 million and a completion date in fiscal 2023.

Conservative Debt Structure - Debt Structure: Stronger

All of MDTA's debt is senior ranking, fully amortizing and fixed rate supported by an adequate covenant package, which includes surety policy backed debt service reserve funds (DSRFs). The authority operates according to a policy of maintaining a DSCR above 2.0x, unencumbered cash above \$350 million, and a statutory bond cap of \$3.0 billion. Liquidity is strong with approximately 460 DCOH as of fiscal 2021, though balances are expected to be partially spent down as the authority executes its capital program.

FINANCIAL PROFILE

MDTA has a track record of strong financial flexibility evidenced by solid DSCR and moderate leverage. In fiscal 2021, the transition to all electronic tolling significantly increased uncollected toll receivables, temporarily weakening metrics. Fiscal 2021 DSCR and net debt/CFADS were 2.7x and 8.4x, respectively, compared to 3.7x and 3.4x in fiscal 2020. Fitch's 10-year rating case DSCR averages 2.3x and leverage increases to 7.2x by

2031 as the authority is assumed to continue to issue debt annually without increasing tolls.

PEER GROUP

Like MDTA, Florida Turnpike Enterprise (FTE; AA/Stable) and Pennsylvania Turnpike Commission (PTC; A+/Stable senior and A-/Stable subordinate) are essential facilities with strong catchments and limited direct competition. All three have considerable ongoing capital needs. The average rating case DSCRs for MDTA and FTE are comparable, but MDTA's leverage exceeds FTE's as additional debt is expected to be issued over the next 10 years. PTC's higher debt burden than both MDTA and FTE results in higher leverage on both liens, commensurate with PTC's lower ratings.

RATING SENSITIVITIES

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

Under-performance of traffic and revenue from further toll reductions or unwillingness to adjust tolls leading to sustained DSCR at or near 2.0x.

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

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

BEST/WORST CASE RATING SCENARIO

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

TRANSACTION SUMMARY

MDTA expects to issue an approximately \$200 million TIFIA loan, series 2022A. Proceeds will be used to fund the Nice/Middleton Bridge replacement project. The loan will be fixed

rate, on parity with existing transportation facilities project revenue bonds, and reach final maturity in 2054. The loan is expected to close in late April with funds to be drawn in January 2023.

CREDIT UPDATE

Traffic and revenue have recovered significantly since peak pandemic declines in fiscal 2020. Fiscal 2022 YTD (July through January) total system in-lane traffic (traffic counts regardless of collections) has surpassed the same period in 2021 and is tracking close to 2019. Total system traffic in fiscal 2021 (YE June 30) declined by 7% yoy and 19% compared to 2019. In fiscal 2021, legacy facility (excluding the I-95 express toll lanes [ETL] and ICC) passenger traffic reached 86% of fiscal 2019 levels and commercial traffic surpassed fiscal 2019 levels by 6%. Passenger traffic on the new facilities (ICC and ETL) has been slower to recover, reaching 74% of fiscal 2019 levels. These facilities primarily serve as congestion relievers for commuters and many workers continue to telecommute.

In fiscal 2022 YTD, MDTA has recovered approximately 62% of its backlogged tolls associated with the transition to all electronic tolling. On April 29, 2021, the MDTA successfully transitioned to its new toll collection system, the Third Generation Electronic Toll Collection System. Due to the suspension of cash collections and the conversion to all electronic tolling there was a temporarily large increase of more than \$170 million in uncollected toll receivables in fiscal 2021. Toll revenues, prior to toll backlog adjustments, grew by 11% in fiscal 2021, bolstered by strong commercial traffic, which accounted for 39% of fiscal 2021 revenues.

The authority is building a new Nice Bridge north of and parallel to the existing crossing. The new bridge will double the capacity of the existing bridge with two lanes of traffic in each direction. Construction began in fiscal 2020 with completion scheduled for December 2022. The existing bridge will remain open during construction and will be demolished after the new bridge is open to traffic. As such, the MDTA does not expect any revenue loss during construction. The estimated total cost of the project is \$636 million and is partially funded by the series 2022A TIFIA loan.

FINANCIAL ANALYSIS

Fitch's cases reflect recovery from the coronavirus pandemic and include conservative assumptions for new debt issuances over the next 10 years. Fitch's base case assumes full recovery to pre-coronavirus revenues in fiscal 2022 incorporating the collection of outstanding video toll invoices associated with the conversion to all electronic tolling. Toll revenue grows at 1% per year thereafter and operating expenses increase at 4% annually.

In this scenario, the 10-year DSCR from 2022 through 2031 averages 2.4x and year-five leverage (2026) is 5.2x.

The rating case mirrors the base case recovery for fiscals 2022-2023, but applies a hypothetical recession in 2024 with a 4% decline in toll revenues followed by a three-year recovery to base case levels. Operating expenses increase by 4.5% annually. Under these conditions, the 10-year average DSCR is 2.3x and the year-five leverage is 5.5x. Coverage levels dip below 2.0x in outer years of the rating case. However, Fitch expects that the authority would implement a toll increase or pursue cost cutting measures to meet its financial policy of 2.0x debt service coverage were these rating case conditions to occur.

SECURITY

The TIFIA loan and outstanding transportation facilities project revenue bonds are primarily secured by the net revenues of the Transportation Facilities Projects.

ASSET DESCRIPTION

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

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

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

ESG CONSIDERATIONS

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

www.fitchratings.com/esg

RATING ACTIONS

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

[VIEW ADDITIONAL RATING DETAILS](#)

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PARTICIPATION STATUS

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APPLICABLE CRITERIA

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

[Infrastructure and Project Finance Rating Criteria \(pub. 23 Aug 2021\) \(including rating assumption sensitivity\)](#)

APPLICABLE MODELS

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

GIG AST Model, v1.3.1 ([1](#))

ADDITIONAL DISCLOSURES

[Dodd-Frank Rating Information Disclosure Form](#)

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ENDORSEMENT STATUS

Maryland Transportation Authority (MD)

EU Endorsed, UK Endorsed

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Industrials and Transportation US Public Finance Infrastructure and Project Finance

North America United States

**MARYLAND TRANSPORTATION AUTHORITY
RESOLUTION 21-06**

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

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

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

WHEREAS, the MDTA is authorized under Sections 4-101 through 4-405 of the Transportation Article of the Annotated Code of Maryland (2015 Replacement Volume, as supplemented) (the “Act”) to finance “transportation facilities projects” (as defined in the Act), to issue revenue bonds for the purpose of financing the cost of transportation facilities projects, to issue revenue bonds for the purpose of refunding any of its outstanding revenue bonds and to perform any actions necessary or convenient to carry out the powers granted in the Act; and

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

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

WHEREAS, pursuant to the terms of Section 11.01 of the Master Trust Agreement, the MDTA desires to enter into a supplemental trust agreement supplementing the Master Trust

RESOLUTION 21-06

Page Two

Agreement to provide for the issuance of Additional Bonds (the “**TIFIA Bonds**,” as defined herein) to be secured by the Master Trust Agreement and a supplemental trust agreement equally and ratably with any portion of the Outstanding Prior Bonds that may remain outstanding after issuance of the TIFIA Bonds; and

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

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

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

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

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

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

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

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

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

Section 1. The MDTA hereby authorizes the issuance of its Special Obligation Revenue Bonds, Series 2022 (the “**TIFIA Bonds**”), in one or more series as the bond issue may

RESOLUTION 21-06

Page Three

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

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

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

Section 4. The TIFIA Bonds are special obligations of the MDTA payable, as to principal and interest, solely from the revenues and funds pledged thereto under the Master Trust Agreement, as amended and supplemented, and are not and shall not be deemed (i) to be general obligations of the MDTA, (ii) to constitute obligations of the Department of Transportation of Maryland, or (iii) to constitute a debt or a pledge of the faith and credit or the taxing power of the State of Maryland or any political subdivision thereof.

Section 5. The MDTA hereby authorizes its Executive Director to sell the TIFIA Bonds in one or more sales as determined to by the Executive Director, with the advice of the Chief Financial Officer of the MDTA (the "**Chief Financial Officer**"), its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, to be the most advantageous for the MDTA, provided that such sales must occur no later than December 31, 2022, unless a later sale date is approved by future resolution of the MDTA. The Executive Director is authorized to determine, with the advice of the Chief Financial Officer, its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, the rate or rates of interest to be borne by the TIFIA Bonds or the method of determining the rates (such rates of all or a portion of the TIFIA Bonds may be fixed or variable), if all or a portion of the TIFIA Bonds will be sold with taxable or tax-exempt interest, the dates of principal and interest payments and final maturity of the TIFIA Bonds, provided that the date of final maturity of the TIFIA Bonds shall not exceed (i) the useful life of the assets financed with respect to the proceeds used for Nice Bridge Projects and (ii) the final maturity of the Refunded Bonds with respect to proceeds used to refund the Refunded Bonds. The Executive Director and the Chief Financial

RESOLUTION 21-06

Page Four

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

Section 6. The Executive Director is hereby authorized to engage, as appropriate, the services of a trustee, a registrar, a paying agent, an escrow agent, a verification agent, a feasibility consultant, engineers, accountants, printers and such other service providers as the Executive Director deems appropriate from time to time with respect to the TIFIA Bonds.

Section 7. The Chairman and the Executive Director are hereby authorized to specify, prescribe, determine, provide for or approve, all within the limitations of this Resolution and the Act, all other matters, details, forms, documents and procedures pertaining to the sale(s), security, issuance, delivery and payment of or for the TIFIA Bonds, including (without limitation) the execution, acknowledgment, sealing and delivery of Bond Documents by the Chairman, Executive Director or any other duly qualified employee, agent or officer of the MDTA as are or may be necessary or appropriate to consummate the transactions contemplated by this Resolution in accordance with the Act and this Resolution.

Section 8. The MDTA hereby authorizes its Executive Director and all other proper officers of the MDTA to create, supplement, amend, execute, and deliver documents, notices and agreements related to the Bonds and to take such actions or cause to be taken such actions as shall be necessary, proper and convenient for carrying out the purposes of this Resolution, including expending funds and incurring costs.

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

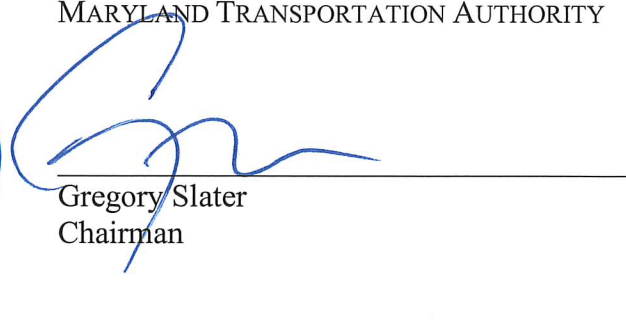
Dated as of: DEC 16TH, 2021

WITNESS:

MARYLAND TRANSPORTATION AUTHORITY

A large, stylized blue ink signature of James F. Ports, Jr. is written over a horizontal line.

James F. Ports, Jr.
Executive Director

A blue ink signature of Gregory Slater is written over a horizontal line.

Gregory Slater
Chairman

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

A blue ink signature of Kimberly A. Millender is written over a horizontal line.

Kimberly A. Millender
Assistant Attorney General

TAB 5



Maryland
Transportation
Authority

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

Board Members:

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

William Pines, PE, Executive Director

MEMORANDUM

TO: MDTA Board
FROM: Electronic Toll Collection Deputy Program Manager Gregory Jones
SUBJECT: Third Generation Electronic Toll Collection (3G ETC) System Current Operations Update
DATE: April 28, 2022

PURPOSE

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

SUMMARY

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

ATTACHMENT

- 3G ETC System Update Presentation

Electronic Tolling

Current Operations Update

MDTA Board Meeting

April 28, 2022

Schedule Update

- The back-office Contractor provided an updated SAT schedule and has stayed on-track, delivering (14) software releases over the last (8) months
 - The final software release required to start SAT was installed on 4/14/22
 - The SAT 30-day evaluation period is scheduled to begin on 4/25/22
 - The Customer Assistance Plan program has been 'live' since 3/23/22 and working as planned
- Negotiating with Contractor to establish clear SAT deadlines ensuring Post-SAT is limited to punch list items
 - Modifications were reviewed by vendors and comments provided back to MDTA
 - Will update MDTA Board, State DOIT and BPW modification updates
 - The schedule portion of the modifications is anticipated to be a non-compensable time extension
 - Revising liquidated damages provisions for the CSC contract to provide accountability to the schedule
 - Will also include updates for COVID backlog, AET revisions, and the Customer Assistance Plan

Key Focus Areas

QA/QC & Lane Maintenance Improvements

- Coordinating the AET conversion for FMT
 - FMT planning is in-progress, tentatively targeting early fall 2022
 - BHT conversion is a few years out
- Accountability for timeliness of resolution for identified issues
- Enforcement of contractual requirements
- Emphasizing a pro-active approach to the maintenance tasks & fine tuning the process

Software Reports & Documentation

- Continue finalizing outstanding reports and documentation

System Acceptance & Key Performance Indicators (KPI)

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

Contract Administration & Operational Functions

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

Post Go-Live Risk Tracking

Call Center

	January	February	March	April (4/1 to 4/13)
Total CSC Agents	118	146	274	274
% Call Out vs. Total Staff	34%	15%	3%	3%
Avg Call Wait Time (hours)	1:05	55:00	07:00	00:35
IVR Call Volume Handled	223,536	234,933	147,883	32,956
Call Volume Queued for CSRs	149,649	174,717	164,943	32,736

- The Customer Assistance Plan is working
- Call wait times are meeting the KPI measurement for April (MTD)
- Call volumes have decreased since the CPW announcement on 2/24/22
- Additional CSC staff is also contributing to lower call wait times
- NOTD's (Notice of Toll Due) is still the #1 reason for customer calls to CSC

Post Go-Live Risk Tracking

Transaction & Backlog Processing

- Transactions released manually based on a pre-defined schedule
 - Tight coordination with MDTA and vendors to maintain processing
 - Actively metering NOTDs at 35,000 envelopes per day with an average of 3-4 transactions per envelope
- Escalations as of 4/13/22
 - Approximately 52 million video transactions posted to customer accounts
 - Several notices sent to alert customers to proactively pay electronically to receive early payment discounts
 - Proactive mailer to customers with more than 25 transactions is complete
 - 29.2 million NOTD transactions have been mailed, since resuming
 - Image certifications and citations fully resumed

Backlog Status

- Update reported this month with the financial forecast

QA/QC

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

TAB 6

VERBAL

TAB 7

VERBAL

TAB 8

CLOSED SESSION

TAB 9

CLOSED SESSION

TAB 10

CLOSED SESSION