



Maryland Transportation Authority

BOARD MEETING

THURSDAY, OCTOBER 30, 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

OCTOBER 30, 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 Tuesday, October 28. 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 September 25, 2025</u> | Chair | 5 min. |
| 2. <u>Approval</u> – <u>Contract Award</u> <ul style="list-style-type: none">• MDTA 2022-04B – Operational Asset Management and Support Services – SBR• J01B4600044 – Citilog Incident Detection System Software Maintenance and Service Plan• MT-00211281 – Weigh Station Scale Maintenance | Jeffrey Davis | 15 min. |
| 3. <u>Approval</u> – <u>Restrictive Covenants</u> – Frankinville Tier II Mitigation Site (MC #25-7053) | John Wedemeyer | 10 min. |
| 4. <u>Approval</u> – <u>Debt Policy</u> – Update the MDTA’s Debt Policy which Establishes the Guidelines for the Financing Program | Allen Garman | 10 min. |
| 5. <u>Approval</u> – <u>Trust Agreement Changes</u> – Proposed Changes to the MDTA’s Trust Agreement with its Bondholders | Allen Garman | 10 min. |
| 6. <u>Update</u> – <u>CTP Process/Additions</u> | Jennifer Stump | 10 min. |
| 7. <u>Update</u> – <u>Key Bridge Rebuild</u> – Update on the Progress of Design and Reconstruction Efforts for the Francis Scott Key (FSK) Bridge | James Harkness | 10 min. |
| 8. <u>Update</u> – <u>Legislative Reports Submitted to the Legislature</u> <ul style="list-style-type: none">• Francis Scott Key Bridge Reconstruction• Collecting Tolls from Out-of-State Motorists | James Harkness
Chantelle Green | 10 min.
10 min. |
| 9. <u>Update</u> – <u>MDTA Police Public Security</u> – Verbal | Lt. Col. Corey McKenzie | 10 min. |
| 10. <u>Update</u> – <u>Executive Director’s Report</u> – Verbal | Bruce Gartner | 10 min. |

**MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
OCTOBER 30, 2025 9:00 AM**

**AGENDA
PAGE 2**

CLOSED SESSION – Expected Time 10:50 AM

- | | | |
|--|--|---------|
| 11. To Discuss Cybersecurity | David Goldsborough
Charles Markakis | 10 min. |
| 12. To Discuss Public Security | Lt. Col. Corey McKenzie | 10 min. |
| 13. To Discuss Pending Litigation – Update on Status of Pending Litigation Matters | Megan Mohan, Esq. | 10 min. |

Vote to Adjourn Meeting

TAB 1

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

THURSDAY, SEPTEMBER 25, 2025
9:00 A.M.

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

OPEN SESSION

Samantha J. Biddle, Chair

MEMBERS ATTENDING:

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

STAFF ATTENDING:

Jeffrey Brown
Percy Dangerfield
Jeffrey P. Davis
Bruce Gartner
David Goldsborough
Chantelle Green
James Harkness
Pilar Helm
Natalie Henson
Cheryl Lewis-Orr
Kimberly Millender, Esq.
Megan Mohan
Mary O'Keeffe
Col. Joseph Scott
Deb Sharpless
Jennifer Stump
Bradley Tanner
Sharita Thomas
Paul Trentalance
Khadriah Ward

OTHERS ATTENDING:

Jaclyn Hartman, Assistant Secretary, MDOT

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

APPROVAL – OPEN SESSION MEETING MINUTES OF AUGUST 28, 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 August 28, 2025 were unanimously approved.

APPROVAL – CONTRACT AWARDS

- **MT-00211411 – Security Systems Maintenance and Service**

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Contract No. MT-00211411 – Security Systems Maintenance and Service with ARK Systems, Inc. in the amount of \$1,173,542.50.

Mr. Davis explained that this contract provides periodic preventative maintenance, inspection, testing, and on-call emergency and non-emergency repair services for MDTA security systems. As this contract exceeds the MDTA's delegated authority, the award of this contract would be pending approval at the next available Maryland Board of Public Works (BPW) meeting.

Upon motion by Member John F. von Paris and seconded by Member Maricela Cordova, the Members unanimously approved Contract No. MT-00211411 – Security Systems Maintenance and Service.

****** Please note that Member William H. Cox, Jr refrained from participating in the discussion of and voting on the next item – Approval – Canton Railroad. ******

APPROVAL – CANTON RAILROAD

Ms. Deborah Sharpless requested approval from the Maryland Transportation Authority (MDTA) Board of the proposed Canton Development Corporation, Inc. (Canton) Board of Directors and designation of the Chief Financial Officer or designee as proxy to attend the annual stockholders meeting on October 29, 2025, to vote to approve the election of the Canton Board of Directors and Chairman.

Ms. Sharpless explained that the MDTA is the sole stockholder of Canton. The day-to-day operations of Canton are managed by Mr. Tyler Horner, the President and CEO, with the oversight of a Board of Directors. Per the By-Laws of Canton, the stockholders are to gather annually and elect the members of the Board of Directors.

Mr. Horner has provided MDTA with proper notice of the upcoming Annual Meeting of stockholders to be held on October 29, 2025. Per the By-Laws, the only matter in which the stockholders have authority to vote on is the election of the members to Canton's Board of Directors. Additionally, the By-Laws of Canton permit the stockholders to be represented by a proxy.

Ms. Sharpless further explained that as the sole stockholder of Canton, the MDTA must vote on the election of members of the Canton's Board of Directors at Canton's Annual Meeting and the selection of the Chairman. The Canton Board, generally, comprises six Directors, including a MDTA Board member who serves in an ex officio capacity. The Directors serve three-year terms, and the terms are staggered, resulting in the election of two (2) Directors each year. At times, a seventh Director has been approved when an individual with outstanding qualifications and interest is identified.

The MDTA recommends the reappointment of Mr. Stephen P. Kauffman and Ms. Sarah Klein. Additionally, the MDTA recommends Director Kaufman continue his roles and responsibilities as Chairman.

Upon motion by Member Jeffrey S. Rosen and seconded by Member Mario J. Gangemi, the Members unanimously approved the proposed Canton Development Corporation, Inc. (Canton) Board of Directors and designation of the Chief Financial Officer or designee as proxy to attend the annual stockholders meeting on October 29, 2025, to vote to approve the election of the Canton Board of Directors and Chairman.

****** Please note that Member William H. Cox, Jr refrained from participating in the discussion of and voting on the last item – Approval – Canton Railroad. ******

APPROVAL – FISCAL YEAR 2026 BUDGET AMENDMENT

Mr. Jeffrey Brown requested approval from the MDTA Board of an amendment to increase the Fiscal Year (FY) 2026 Operating Budget by \$1.1 million to purchase thirteen (13) MDTA Police pool vehicles. The purchases are in accordance with the collective bargaining agreement with the Fraternal Order of Police (FOP) Lodge #34. According to Section 6.17 of the Trust Agreement, the budget may be amended at any time during the current fiscal year.

Mr. Brown explained that as a result of collective bargaining, thirteen (13) additional police pool vehicles must be purchased in FY 2026. The FY 2026 Amended Operating Budget totals \$462.2 million. This represents an increase of \$1.1 million, or 0.2%, above the previous FY 2026 budget.

Upon motion by Member John F. von Paris and seconded by Member Maricela Cordova, the Members unanimously gave approval to increase the Fiscal Year (FY) 2026 Operating Budget by \$1.1 million to purchase thirteen (13) MDTA Police pool vehicles.

UPDATE – FISCAL YEAR (FY) 2025 OPERATING BUDGET COMPARISON

Mr. Jeffrey Brown updated the MDTA Board on actual versus projected year-to-date spending against the Fiscal Year (FY) 2025 Amended Final Operating Budget. As of June 30, 2025, 95% of the budget was spent compared to a target of 100%. Except for fixed charges, all Object Codes were within or below budget spending levels.

UPDATE – FISCAL YEAR (FY) 2025 CAPITAL BUDGET COMPARISON

Ms. Jennifer Stump updated the MDTA Board on the status of actual Fiscal Year (FY) 2025 capital spending against the FY 2025 capital budget in the FY 2025-2030 Draft Consolidated Transportation Program (CTP). She explained that as of June 30, 2025, 65% of the FY 2025 budget was spent as compared to the targeted spending level of 100%. The total budget for FY 2025 was \$809.8 million. The actual spending through the fourth quarter was \$525.3 million.

UPDATE – QUARTERLY UPDATE ON TRAFFIC AND REVENUE

Ms. Cheryl Lewis-Orr gave an update to the MDTA Board with a quarterly and year-to-date update regarding traffic and toll revenue trends compared to the previous year and the forecast.

Ms. Lewis-Orr explained this 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 for the period ended June 30, 2025, actual revenue was above forecast by \$35.1 million. The variance between forecasted and actual performance was mainly due to higher than projected video toll and civil penalty fee collections, which was partially offset by an underperformance in *E-ZPass*® revenue.

UPDATE – MAJOR PROJECTS UPDATE

Mr. James Harkness updated the MDTA Board on the status of Major Projects in the Capital Program.

Mr. Harkness explained that as of September 12, 2025, there are thirteen (13) major projects in the Capital Program. Eight (8) of the projects are under construction, and four (4) are under design. This update includes projects funded for construction in the current Consolidated Transportation Program (CTP) and includes five (5) projects valued in excess of \$100 million. There are two (2) projects from the \$1.1 billion I-95 ETL Northbound Expansion program.

He further explained that there is one (1) project with a construction budget change in this update. The budget for KB-4903-0000 – Francis Scott Key Bridge Replacement – Phase 1 has increased by \$55 million to continue the Phase 1 services to the 70% design stage. All work will be performed under negotiated work orders.

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. As of September 25th, 2025, the DoIT maintains an active portfolio of twenty one (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:

- HR Central Conversion
- Maximo Spatial
- Dynamics SL Upgrade
- HRIS
- Data Center Enhancements Project
- Police BWC
- Maximo 9 Upgrade
- Procurement Milestone Tracking (PMR)

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

Ms. Khadriah Ward updated the MDTA Board on MDTA's progress toward achieving the legislatively mandated socioeconomic program goals for Quarter 4 of 2025, which covers the performance period from July 1, 2024, to June 30, 2025.

These programs include the following:

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

UPDATE – AUDIT COMMITTEE

Member William H. Cox, Jr. presented an update on the Audit Committee meeting that took place on September 9, 2025. The Office of Audits is on track to complete the twelve (12) audits in the Fiscal Year (FY) 2026 Audit Plan. Currently one (1) audit is complete.

Three (3) internal audit reports were presented. The Committee discussed the auditor's findings and were satisfied with the results of these audits.

The Committee also requested regular updates on the status of the actions being taken to address the findings from the Cybersecurity and Data Privacy Follow-Up Audit.

UPDATE - EXECUTIVE DIRECTOR'S REPORT

Mr. Bruce Gartner updated the Board on an overview of the Bay Bridge summer traffic numbers; the September 20th Susquehanna River Running Festival; the September 24th Doing Business with the MDTA event; the new text alert subscription for the Key Bridge Rebuild; and the upcoming October 1st Bay Bridge Reconstruction Advisory Group Meeting.

Mr. Gartner also commented on the USDOT Duffy letter to Governor Moore regarding the Francis Scott Key Bridge and the images circulating on social media regarding the Bay Bridge. Mr. Gartner assured everyone the bridge is safe and has had no movement.

In addition, Mr. Gartner and Chair Samantha J. Biddle, discussed the annual City/Counties CTP Tour and thanked everyone who plays a part in making these meetings successful.

Mr. Gartner also recognized that this was MDTA's Principal Council Kimberly Millender last Board Meeting as she will be retiring at the end of September. He acknowledged her hard work and dedication and wished her the best in her retirement.

VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member Mario J. Gangemi and seconded by Member Jeffrey S. Rosen, the Members unanimously voted to adjourn the meeting at 10:28 a.m.

The next MDTA Board Meeting will be held on Thursday, October 30, 2025 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:

Samantha J. Biddle, Chair

TAB 2



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Samantha J. Biddle, Chair

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: Contract No. MDTA 2022-04B – Small Business Reserve (SBR) Comprehensive Operational Asset Management and Support Services
DATE: October 30, 2025

PURPOSE OF MEMORANDUM

To seek approval from the MDTA Board to execute Contract No. MDTA 2022-04B, Small Business Reserve (SBR) Comprehensive Operational Asset Management and Support Services.

SUMMARY

The consultants shall provide support for MDTA's Asset Management initiatives such as assisting with TSO Asset Management plans and directives such as enhancing the capabilities of the Enterprise Asset Management database known as MAXIMO, enhancing preventative maintenance and warranty programs and acting as subject matter experts (SMEs) for various operational systems such as HVAC, fire alarm/fire suppression, elevator, plumbing, roofing, and other transportation asset systems.

Six (6) proposals were received; one (1) proposal was withdrawn at the request of the firm. Arya Consultants, Inc. is being recommended for the award of this contract. As this contract exceeds the MDTA's delegated authority, the award of this contract would be pending approval at the next available BPW meeting.

RECOMMENDATION

To approve Contract No. MDTA 2022-04B, SBR Comprehensive Operational Asset Management and Support Services.

ATTACHMENT

- Authority Project Summary



AUTHORITY PROJECT SUMMARY

Contract No. MDTA 2022-04B COMPREHENSIVE OPERATIONAL ASSET MANAGEMENT AND SUPPORT SERVICES

PIN NUMBER N/A
CONTRACT NUMBER MDTA 2022-04B/AE-3130-0000
CONTRACT TITLE COMPREHENSIVE OPERATIONAL ASSET MANAGEMENT AND SUPPORT SERVICES -SBR

PROJECT SUMMARY The Consultants shall provide support for MDTA's Asset Management initiatives such as assisting with TSO Asset Management plans and directives such as: enhancing the capabilities of the Enterprise Asset Management database known as MAXIMO, enhancing preventative maintenance and warranty programs and acting as subject matter experts (SMEs) for various operational systems such as HVAC, fire alarm/fire suppression, elevator, plumbing, roofing and other transportation asset systems.

SCHEDULE		PROPOSER		CONTRACT AMOUNT
ADVERTISEMENT DATE	June 5, 2024	Arya Consulting	AE-3130	\$2,000,000.00
ANTICIPATED NTP DATE	December 15, 2025	Wilson T. Ballard	N/A	N/A
DURATION/TERM	FIVE (5) YEARS	Dhillon Engineering	N/A	N/A
		Jeezny Sourcing	N/A	N/A
		Transtech Engineering	N/A	N/A
PROTEST	YES	NO		
		✓		

MBE PARTICIPATION

		Arya Consulting AE-3130 PROPOSED GOAL	
		ADVERTISED GOAL (%)	(%)
MBE PARTICIPATION - OVERALL			
OVERALL MBE		29.00%	29.00%
AFRICAN AMERICAN		7.00%	7.00%
ASIAN AMERICAN		-	5.00%
HISPANIC AMERICAN		-	-
WOMEN OWNED		10.00%	17.00%
OTHER			-
VSBE		1.00%	1.00%



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Samantha J. Biddle, Chair

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: Contract No. J01B4600044, Citilog Incident Detection System Software Maintenance and Service Plan
DATE: October 30, 2025

PURPOSE OF MEMORANDUM

To seek approval from the MDTA Board to execute Contract No. J01B4600044, Citilog Incident Detection System Software Maintenance and Service Plan.

SUMMARY

This sole-source contract is to provide a full-service software maintenance and service plan (including repairs) for Citilog IDS software. The Citilog IDS software detects stopped vehicles inside the tunnels, bridges, and roadways using video images from CCTV cameras. A sole-sourced procurement is required because Sensys Network, Inc is the developer of the proprietary Citilog IDS software and only technicians from Sensys Network can provide maintenance and upkeep of the system. The total amount for this contract is \$431,850.00 for a term of five (5) years. As this contract exceeds the MDTA's delegated authority, the award of this contract would be pending approval at the next available BPW meeting.

RECOMMENDATION

To approve Contract No. J01B4600044, Citilog Incident Detection System Software Maintenance and Service Plan.

ATTACHMENT

- Authority Project Summary



AUTHORITY PROJECT SUMMARY

PIN NUMBER TBD
CONTRACT NUMBER J01B4600044
CONTRACT TITLE Citilog Incident Detection system (IDS) Maintenance and Service Plan

PROJECT SUMMARY This sole-source contract is to provide a full-service software maintenance and service plan (including repairs) for Citilog IDS software. The Citilog IDS software detects stopped vehicles inside the tunnels, bridges, and roadways using video images from CCTV cameras. A sole-sourced procurement is required because Sensys Network, Inc is the developer of the proprietary Citilog IDS software and only technicians from Sensys Network can provide maintenance and upkeep of the system.

SCHEDULE		MBE PARTICIPATION		ADVERTISED GOAL (%)	PROPOSED GOAL (%)
ADVERTISEMENT DATE	8/29/2025	OVERALL MBE		0.00%	0.00%
ANTICIPATED NTP DATE	11/15/2025	AFRICAN AMERICAN		0.00%	0.00%
DURATION (CALENDER DAYS)	1825	ASIAN AMERICAN		0.00%	0.00%
		VSBE		0.00%	0.00%
		BID RESULTS		BID AMOUNT (\$)	% VARIANCE TO EE
ENGINEER'S ESTIMATE (EE)	(\$) \$447,371.00	Sensys Networks, Inc		\$431,850.00	-3.47%
		No other bidders - Sole Source			
		BID PROTEST		YES ☐ Check	NO ☒ Check



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Samantha J. Biddle, Chair

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: Director of Procurement, Jeffrey Davis, NIGP-CPP, CMPO
SUBJECT: Contract MT-00211281, Weigh Station Scale Maintenance
DATE: October 30, 2025

PURPOSE OF MEMORANDUM

To seek approval from the MDTA Board to execute Contract No. MT-00211281, Weigh Station Scale Maintenance.

SUMMARY

The purpose of the project is to retain the services of Mettler-Toledo, LLC (Mettler-Toledo) for weigh station scale maintenance at I-95 Northbound and Southbound JFK Toll Facility, US40 Eastbound and Westbound at Hatem Bridge, and at US 50/301 Eastbound and Westbound locations at the Bay Bridge. Mettler-Toledo shall furnish all personnel, maintenance services, training materials, and program oversight necessary to support MDTA's weigh scale maintenance program. As this contract exceeds the MDTA's delegated authority, the award of this contract would be pending approval at the next available BPW meeting.

While preparing for this agenda, the Division of Procurement noticed an error in the contract total presented at the Finance and Administrations Committee meeting on October 9, 2025. The contract total was presented as \$957,934.00. The presenter also discussed an additional \$100,000.00 extra work allowance. This allowance is in addition to the base-bid amount of \$957,934.00 and the total contract value should have been presented as \$1,057,934.00. This is in alignment with the contract amount provided to Mettler-Toledo and is the amount being presented at the October 30, 2025, MDTA Board Meeting and at a future BPW meeting.

RECOMMENDATIONS

To approve Contract No. MT-00211281, Weigh Station Scale Maintenance.

ATTACHMENT

- Authority Project Summary



AUTHORITY PROJECT SUMMARY
Contract No. MT-00211281 Weigh Station Scale Maintenance

PIN NUMBER N/A
CONTRACT NUMBER MT-00211281
CONTRACT TITLE Weigh Station Scale Maintenance

PROJECT SUMMARY The purpose of this sole source procurement is to retain the services of Mettler-Toledo, LLC to provide weigh station scale maintenance services. The Provider will furnish all personnel, consultation access, training materials, and program oversight necessary to support MDTAP weigh station scales.

		MBE PARTICIPATION (N/A)		
SCHEDULE		MBE PARTICIPATION - OVERALL	ADVERTISED GOAL (%)	PROPOSED GOAL (%)
		OVERALL MBE	0.00%	0.00%
		VSBE	0.00%	0.00%
		BID PROTEST	YES	NO
				✓
SOLE SOURCE VENDOR	BID AMOUNT(S)	Incumbent		
Mettler-Toledo, LLC	\$ 1,057,934.00	Yes		

TAB 3



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Samantha J. Biddle, Chair

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 Planning and Program Development Melissa Williams
(MDTA's Modal Clearance Representative)
SUBJECT: Restrictive Covenants on a Conservation Area - Franklinville Tier II Mitigation
Site (MC #25-7053)
DATE: October 30, 2025

PURPOSE OF MEMORANDUM

Seek recommended approval from the Maryland Transportation Authority to place restrictive covenants on the subject property containing 15.208 acres, plus or minus, in order to meet environmental obligations. This item was presented to the Capital Committee at the October 2, 2025, meeting and was recommended for approval by the full MDTA Board.

SUMMARY

As compensatory mitigation for Tier II impacts as stipulated in the Tier II Social and Economic Justification Form for the I-95 Express Toll Lanes Northbound Extension Project dated November 2023, and approved under State of Maryland (State) law through permit No. 19-NT-0150/201960846 issued by the Maryland Department of the Environment ("MDE"), to include any successor agency, both documents of which are incorporated by reference in the DRC document, and in recognition of the continuing benefit to the Property, and for the protection of forest and waters of the State of Maryland and scenic, resource, environmental, and general property values, Declarant has agreed to execute and record the Declaration of Restrictive Covenants ("Declaration") placing certain restrictive covenants on a Conservation Area equaling the entirety of the Property, in order that the Conservation Area shall remain substantially in its natural condition forever; and the Conservation Area may contain land, functions, values, and services that serve as mitigation for impacts within the Otter Point Creek 1 Tier II catchment that were permitted by MDE; and, MDE is a third-party beneficiary under the Declaration.

ANALYSIS

The recommended course of action would be to seek the approval of the BPW to place restrictive covenants on the conservation area.

ATTACHMENTS

- Declaration of Extra Land Memorandum (DELP)
- Salient Fact Sheet
- Aerial Map
- Location Map
- Tax Maps
- Plat 62531



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Samantha J. Biddle, Chair

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: Executive Director Bruce Gartner
FROM: Director of Planning and Program Development Melissa Williams
(MDTA's Modal Clearance Representative)
SUBJECT: Declaration of Extra Land Memorandum (DELM)
Restrictive Covenants on a Conservation Area - Franklinville Tier II Mitigation
Site (MC #25-7053)
DATE: October 30, 2025

PURPOSE OF MEMORANDUM

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

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

SUMMARY

MDTA is required to place restrictive covenants on the subject property containing 15.208 acres, plus or minus, in order to meet environmental obligations. It will classify as a Tier II Mitigation property which was required in order for MDTA to obtain the necessary MDE permit for the I-95 ETL, NB Extension, Section 200 project.

As compensatory mitigation for Tier II impacts as stipulated in the Tier II Social and Economic Justification Form for the I-95 Express Toll Lanes Northbound Extension Project dated November 2023, and approved under State of Maryland (State) law through permit No. 19-NT-0150/201960846 issued by the Maryland Department of the Environment ("MDE"), to include any successor agency, both documents of which are incorporated by reference in the DRC document, and in recognition of the continuing benefit to the Property, and for the protection of

forest and waters of the State of Maryland and scenic, resource, environmental, and general property values, Declarant has agreed to execute and record the Declaration of Restrictive Covenants ("Declaration") placing certain restrictive covenants on a Conservation Area equaling the entirety of the Property, in order that the Conservation Area shall remain substantially in its natural condition forever; and the Conservation Area may contain land, functions, values, and services that serve as mitigation for impacts within the Otter Point Creek 1 Tier II catchment that were permitted by MDE; and, MDE is a third-party beneficiary under the Declaration.

A request was made to the other divisions within MDTA to determine if there were any current or future needs for the subject property. It was determined and confirmed that there were no needs for this property.

ANALYSIS

The recommended course of action would be to seek the approval of the BPW to place restrictive covenants on the conservation area.

NEXT STEP

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

RECOMMENDATION

APPROVED:

Bruce Gartner, Executive Director

Date

DISAPPROVED:

Bruce Gartner, Executive Director

Date

ATTACHMENTS

- Salient Fact Sheet
- Aerial Map
- Location Map
- Tax Maps
- Plat 62531

Salient Fact Sheet
Declaration of Restrictive Covenant
Maryland Transportation Authority
Division of Planning and Program Development

Date of Preparation: August 26, 2025

Refer to: MC # 25-7053

Property Name: Franklinville Tier II Mitigation Site- DRC

Property Item #: N/A

Internal Clearance Date: September 5, 2025

Modal Plat No: 62531

Dated: May 15, 2025

Location: Formerly Estate of Jesse H. Clawson- 2507 Franklinville Road, Joppa, MD 21085

SDAT Property Tax Information:

County:	Harford	Tax Map #:	0061	Parcel:	0380
Grid:	0004A	Block:		Account #	023918

Location: Formerly Father Ivan Dornic- 2707 Mountain Road, Joppa, MD 21085

SDAT Property Tax Information:

County:	Harford	Tax Map #:	0061	Parcel:	0116
Grid:	0004B	Block:		Account #	048856

Type of Transaction: Declaration of Restrictive Covenant

Acreage: 15.208 acres, plus or minus (662,480 sq. ft.)

Improved: N/A

Description of Improvements: N/A

Appraised As Of: N/A **Appraised Value:** N/A

Additional Notes/Info: As compensatory mitigation for Tier II impacts as stipulated in the Tier II Social and Economic Justification Form for the I-95 Express Toll Lanes Northbound Extension Project dated November 2023, and approved under State of Maryland (State) law through permit No. 19-NT-0150/201960846 issued by the Maryland Department of the Environment ("MDE"), to include any successor agency, both documents of which are incorporated by reference in the DRC document, and in recognition of the continuing benefit to the Property, and for the protection of forest and waters of the State of Maryland and scenic, resource, environmental, and general property values, Declarant has agreed to execute and record the Declaration of Restrictive Covenants ("Declaration") placing certain restrictive covenants on a Conservation Area equaling the entirety of the Property, in order that the Conservation Area shall remain substantially in its natural condition forever; and the Conservation Area may contain land, functions, values, and services that serve as mitigation for impacts within the Otter Point Creek 1 Tier II catchment that were permitted by MDE; and, MDE is a third-party beneficiary under the Declaration.

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

Assumed Zoning: N/A

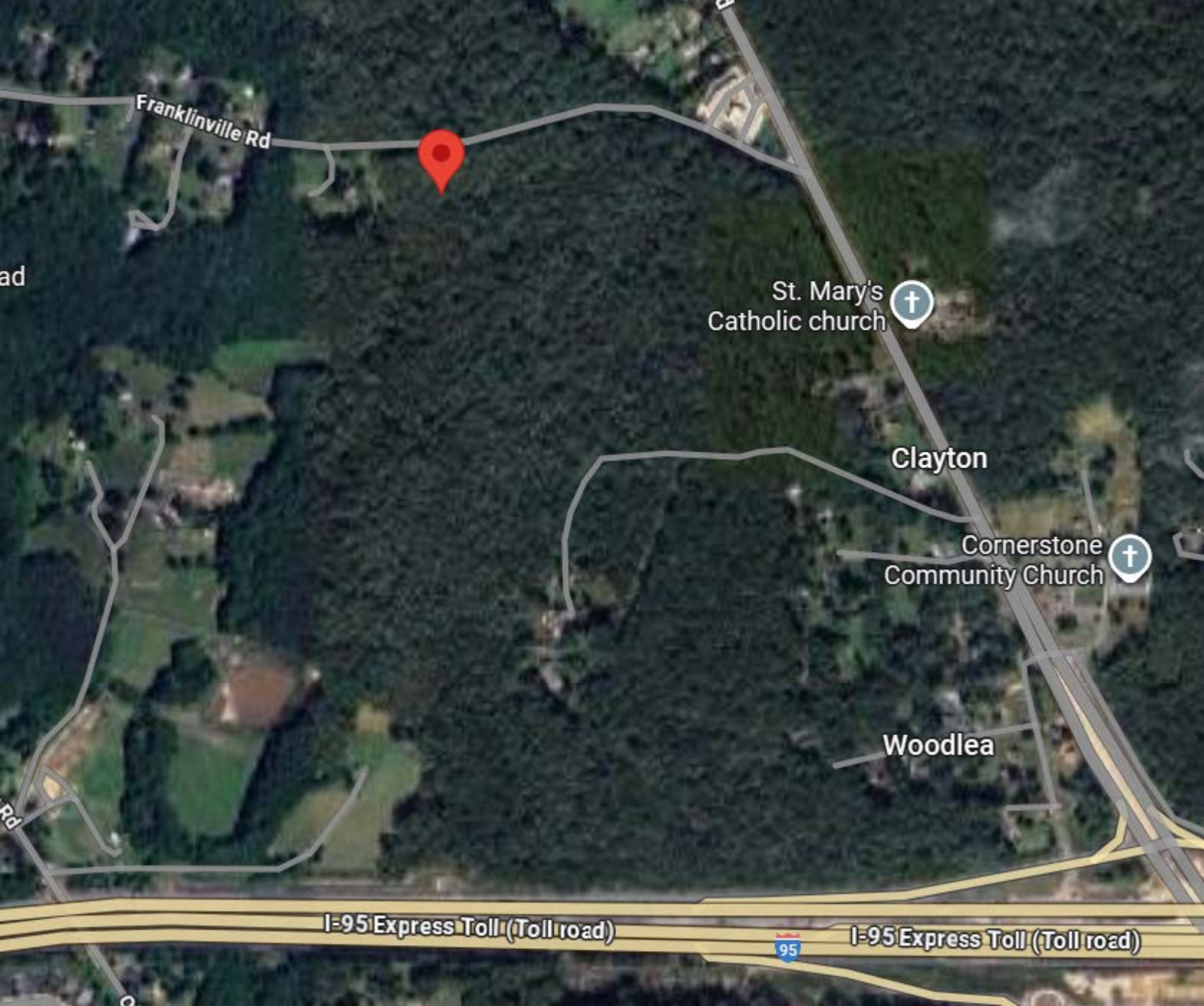
Utilities Available: N/A

Estimated Market Value: N/A

Prepared by:

Bethany Howard
Real Property Specialist III, Division of Planning and Program Development
Maryland Department of Transportation (MDTA)
2310 Broening Highway
Baltimore, MD 21224

Phone: 410.537.7898
Fax: 410.537.7899
email: bhoward@mdta.state.md.us



Franklinville Rd

St. Mary's
Catholic church

Clayton

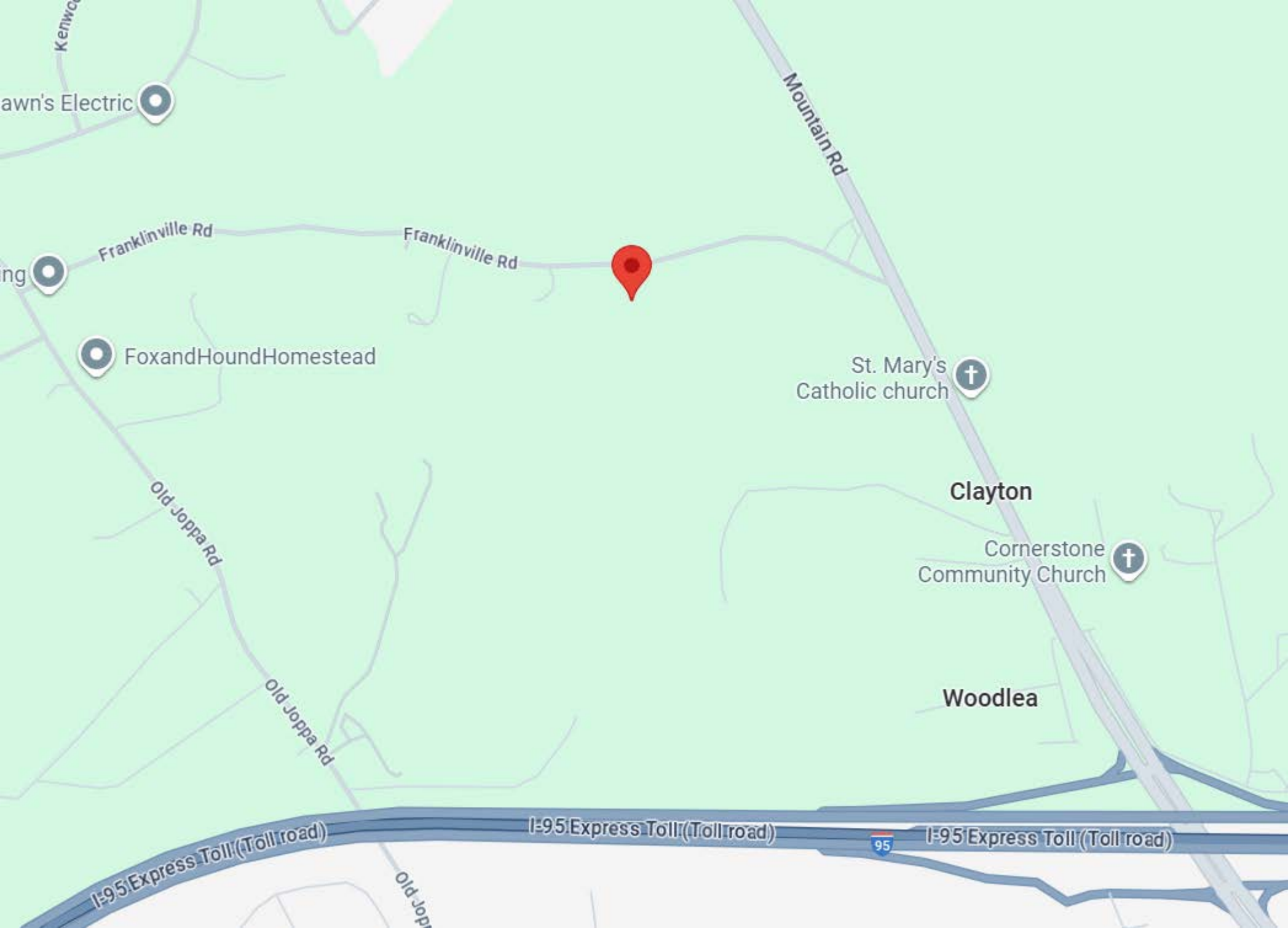
Cornerstone
Community Church

Woodlea

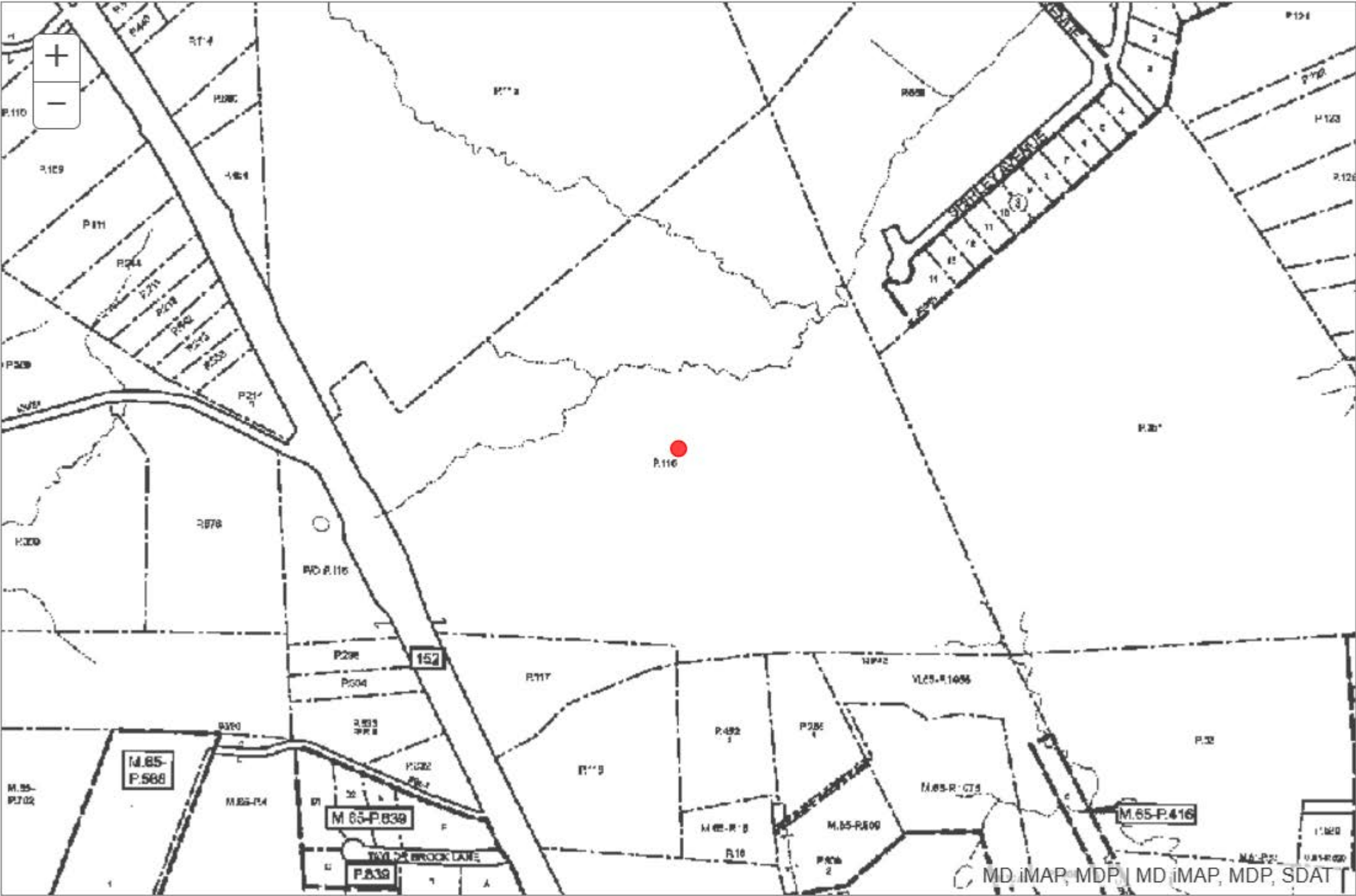
I-95 Express Toll (Toll road)

95

I-95 Express Toll (Toll road)

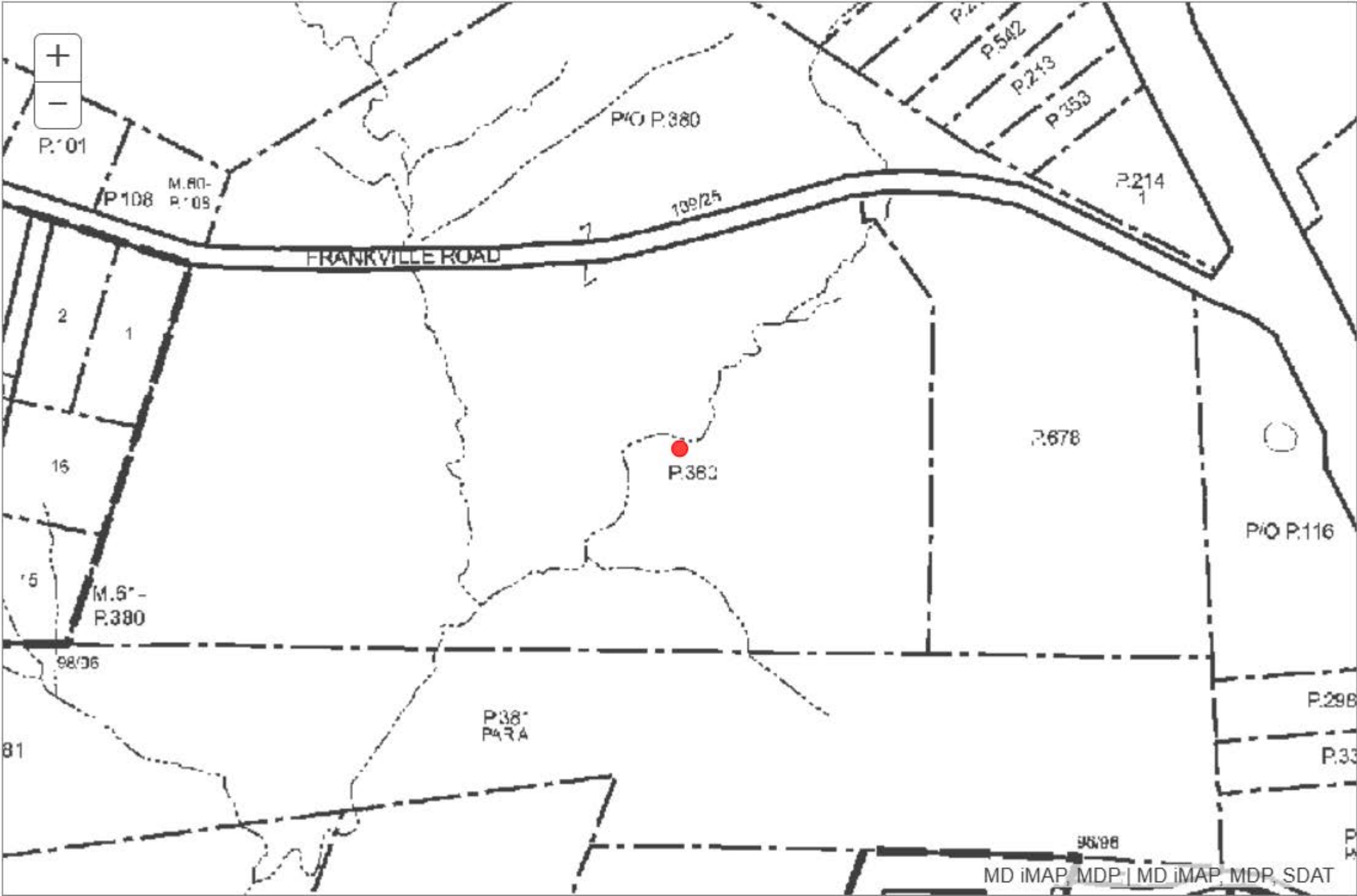


District: 01 Account Number: 048856



Harford County

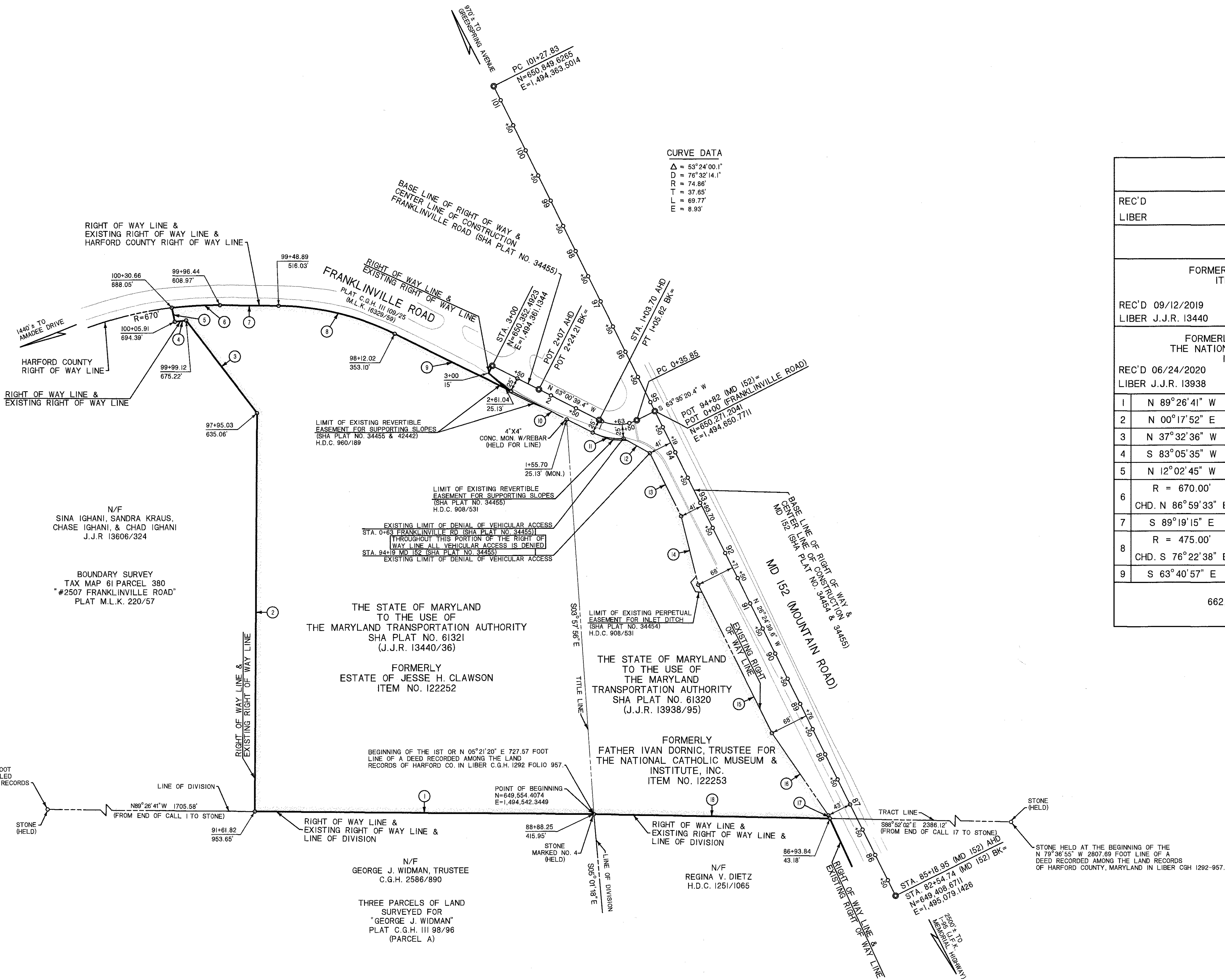
District: 01 Account Number: 023918



MARYLAND COORDINATE SYSTEM

NAD 83/2011

CURVE DATA
Δ = 53°24'00.1"
D = 76°32'14.1"
R = 74.86'
T = 37.85'
L = 69.77'
E = 8.93'



COVENANT AREA

REC'D
LIBER

FOLIO

ACQUISITION RECORDINGS

FORMERLY ESTATE OF JESSE H. CLAWSON
ITEM NO. 122252 PLAT NO. 61321

REC'D 09/12/2019
LIBER J.J.R. 13440

FOLIO 36

FORMERLY FATHER IVAN DORNIC, TRUSTEE FOR
THE NATIONAL CATHOLIC MUSEUM & INSTITUTE, INC.
ITEM NO. 122253 PLAT NO. 61320

REC'D 06/24/2020
LIBER J.J.R. 13938

FOLIO 95

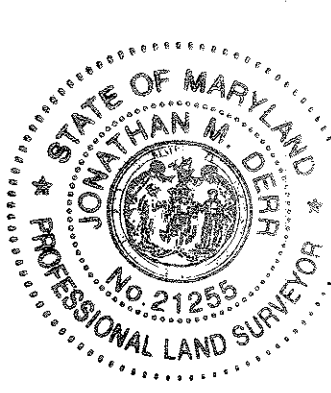
1	N 89°26'41" W	603.30'	10	S 63°00'39" E	163.51'
2	N 00°17'52" E	708.84'	11	R = 99.86'	L=56.85'
3	N 37°32'36" W	208.00'		CHD. S 79°19'16" E	56.09'
4	S 83°05'35" W	20.34'	12	S 60°38'43" E	53.82'
5	N 12°02'45" W	25.55'	13	S 26°24'40" E	125.30'
6	R = 670.00'	L=86.23'	14	S 14°00'03" E	125.64'
	CHD. N 86°59'33" E	86.17'	15	S 26°24'40" E	295.00'
7	S 89°19'15" E	104.40'	16	S 34°29'44" E	177.77'
8	R = 475.00'	L=214.61'	17	S 24°41'33" E	6.17'
	CHD. S 76°22'38" E	212.79'	18	N 88°52'02" W	420.41'
9	S 63°40'57" E	230.50'			

COVENANT AREA

662,480 SQ. FT. OR 15.208 ACRES±

SHOWN THUS:

SURVEYOR'S CERTIFICATION
THE RIGHT OF WAY LINES AND LINES OF DIVISION SHOWN HEREON WERE ESTABLISHED FROM DEEDS AND PLATS OF RECORD AND FIELD SURVEYS. THE UNDERSIGNED WAS IN RESPONSIBLE CHARGE OF THE PREPARATION OF THIS PLAT AND THE SURVEYING WORK REFLECTED ON IT. THIS PLAT WAS DEVELOPED IN COMPLIANCE WITH THE REQUIREMENTS SET FORTH IN COMAR REGULATION 09.13.06.
JONATHAN DERR
PROFESSIONAL LAND SURVEYOR
MD REG. NO. 21255
EXP. DATE 6/20/2027
DATE 5/14/25



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

SENT TO RECORD OFFICE _____ 20
APPROVED BY: STATE ROADS COMMISSION CHAIRMAN _____ 20
NO. DATE REVISION

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COORDINATES AND BEARINGS SHOWN HEREON ARE IN REFERENCE TO THE MARYLAND STATE PLANE COORDINATE SYSTEM, AS DEFINED BY THE NORTH AMERICAN DATUM OF 1983, ADJUSTED IN 2011 (NAD83/2011) AND ARE BASED ON THE FOLLOWING GEODETIC CONTROL STATIONS PUBLISHED BY THE NATIONAL GEODETIC SURVEY (NGS):			
DESIGNATION	PID	NORTH(FT)	EAST (FT)
MAGNOLIA 2	JV7307	643,670.40	1,500,368.00
GIS 24	AC7707	638,588.12	1,488,114.47
BOOKS	PART OF PLATS		
18427 BL 21395 M&B 23990 M&B	28975 34454 34455 36315 36317 42442 42803 43805 45795 61320 61321		
LOCATED IN		HARFORD COUNTY	
PREPARED BY:		JOHNSON, MIRMIRAN & THOMPSON	
ADDRESS:		40 WIGHT AVENUE HUNT VALLEY MD, 21030	
CONSTRUCTION PROJECT:		I-95 ETL SECTION 200 NB EXTENSION - MD 152 INTERCHANGE	
CONSTRUCTION PROJECT NO:		KH-3019-000	

MARYLAND TRANSPORTATION AUTHORITY			
STATE OF MARYLAND			
DEPARTMENT OF TRANSPORTATION			
STATE HIGHWAY ADMINISTRATION			
STATE ROADS COMMISSION			
RIGHT OF WAY PROJECT:		I-95 ETL SECTION 200 NB EXTENSION - MD 152 INTERCHANGE MA232M8U	
RIGHT OF WAY PROJECT NO. ISSUED May 15, 2025		FEDERAL AID PROJECT NO. SCALE: 1"=100'	
CHIEF, PLATS & SURVEYS DIVISION		PLAT No. 62531	
COVENANT			

TAB 4



MEMORANDUM

TO: MDTA Board
FROM: Deputy Director Finance Allen W. Garman
SUBJECT: Debt Policy – Annual Review
DATE: October 30, 2025

PURPOSE OF MEMORANDUM

To complete the required annual review of the Debt Policy. Following a review by the Finance and Administration Committee at the October 9 meeting, the Debt Policy was recommended to move forward to the full Board for approval.

SUMMARY

Following the annual review by internal staff and an external municipal advisory firm, no changes to the Debt Policy are currently recommended.

The Debt Policy includes legal requirements within Maryland State Law and the Trust Agreement, as well as Board directives to ensure financial strength. These guidelines and mandates support credit quality and access to the capital markets at the lowest possible financing rates. The following table highlights key sections.

Key Elements	Section
State Law References	1
Unrestricted Cash Target	5
Debt Limit	9
Debt Service Coverage Target	10
Level Debt Service Goal	15
Capitalization of Interest	17
Variable Rate Debt	18
Credit Ratings Goal	33
Annual Policy Review Required	36

RECOMMENDATION

Management requests MDTA Board approval of the Debt Policy.

ATTACHMENT

- Debt Policy

Policy No.: MDTA 7009

Effective Date: August 16, 2005

Original Date: August 16, 2005

Revised: ~~October 30, 2025~~ ~~November 21, 2024~~

Approved by: _____
Approval Signature

Date: _____

Approved by: _____
Form and Legal Sufficiency Review, Office of Attorney General

Date: _____

Debt Management

Purpose

The purpose of this Policy is to establish guidelines for the process by which the Maryland Transportation Authority (MDTA) issues and manages debt, and provides guidance to the MDTA Board and staff to ensure that a sound debt position and strong credit quality are maintained.

References

- Title 4 of the Transportation Article, Annotated Code of Maryland (Repl. Vol. 2008, as amended)
- §5-7B-02 of the State Finance and Procurement Article, Annotated Code of Maryland (Repl. Vol. 2009, as amended)
- Second Amended and Restated Trust Agreement between the Maryland Transportation Authority and The Bank of New York Mellon, as Trustee, dated as of September 1, 2007, as amended (2007 Trust Agreement)
- Code of Maryland Regulations (COMAR 11.07.09.09, Vehicle Parking Facilities)
- Governor's Executive Order 01.01.1998.07
- Budget Committee Narrative Fiscal 2023
- Securities and Exchange Commission (SEC)
- Municipal Securities Rulemaking Board (MSRB)
- Federal Tax Code and Regulations
- MDTA Board Policy: Investment Management
- MDTA Board Policy: Preparation of Financial Forecasts

Scope:

This Policy is applicable to MDTA Finance Division staff.

Responsible Party:

Implementation of the procedures is the responsibility of the CFO and MDTA Division of Finance staff. Any deviation from the procedures must be promptly reported to the MDTA Finance Committee and the MDTA Board.

Division of Finance to approve document change.

Debt Management

I. Purpose and Uses of Debt

- a. **Policy Statement 1.** In accordance with Title 4 of the Transportation Article of

the Annotated Code of Maryland, MDTA may issue revenue bonds, notes, or other evidences of obligation to finance the cost of:

- i. Transportation facilities projects as defined in said Article;
 - ii. A vehicle parking facility located in a priority funding area as defined in §5-7B-02 of the State Finance and Procurement Article;
 - iii. Any other project for transportation facilities that the MDTA Board authorizes to be acquired or constructed; and
 - iv. Any additions, improvements, or enlargements to any of these projects, whenever authorized by the MDTA Board.
- b. **Policy Statement 2.** Debt will be used only to finance capital projects (including land) and capital equipment that are reasonably necessary for governmental purposes.
- c. **Policy Statement 3.** The MDTA will finance its projects with a prudent issuance of debt through the sale of revenue bonds, notes, or other evidences of indebtedness within the constraints of the MDTA Financial Forecast Policy.
- d. **Policy Statement 4.** Capital financing proposals received by MDTA that involve a pledge or extension of credit through sale of securities, loans or leases, shall be referred to the Division of Finance for review.
- e. **Policy Statement 5.** The MDTA Consolidated Transportation Program (CTP) will be funded through a combination of cash reserves, revenues and appropriate levels of debt in accordance with affordability guidelines.
- i. To provide adequate liquidity, MDTA will maintain unrestricted cash balances at the end of each fiscal year of at least \$400 million.
 - ii. Unrestricted cash shall include funds on deposit in the following MDTA trust accounts: Operating (reserve portion), Capital (cash funded), General, and the Maintenance and Operating (M&O) Reserve.
- f. **Policy Statement 6.** The Chief Financial Officer (CFO), under the direction of the Executive Director, has the responsibility to oversee and coordinate the sale and issuance of MDTA debt.
- i. The CFO shall make recommendations to the Executive Director and MDTA Board regarding necessary actions related thereto.
 - ii. The CFO and Executive Director shall obtain MDTA Board approval thereof as evidenced by authorizing MDTA Board Resolutions.
- g. **Policy Statement 7.** The MDTA shall endeavor to finance a portion of the CTP on a “pay-as-you-go” basis.
- h. **Policy Statement 8.** Debt financings will be limited to capital projects included in the CTP.

II. Limitations on Indebtedness

- a. **Policy Statement 9.** The statutory ceiling on the level of outstanding toll revenue bond debt shall not exceed \$4,000,000,000 on June 30 of any year.
- b. **Policy Statement 10.** The amount of planned MDTA debt will be limited by affordability guidelines relating to debt service coverage, the rate covenant set forth below, and as further determined by the Executive Director and CFO in consultation with the municipal advisors. The amount of planned toll revenue-backed debt will be shown in the Financial Forecasts that are prepared at least twice per year.
 - i. The 2007 Trust Agreement requires that in each Bond Year (July 1 – June 30, as defined in the Trust Agreement) net revenues (revenues less operating expenditures) must cover 120% of debt service requirements

- and 100% of the amount annually budgeted for deposit to the M&O Reserve Account.
- ii. The MDTA will maintain a minimum annual debt service coverage level of 200% of debt service for planning purposes.
 - iii. The MDTA will allow at least \$100 million in programmed bonding capacity in reserve for contingencies during Years 3 through 6 of the Financial Forecast planning period.
 - iv. Planned debt issuances will be based on reasonable estimates of future toll adjustments and capital funding requirements.
 - v. The period of planned debt issuances will coincide with the 6-year CTP, and may be done for additional (e.g., 10 years) for longer range strategic planning.
- c. **Policy Statement 11.** Debt service coverage for non-recourse debt (not backed by MDTA toll revenue) will be determined on a case by case basis for projects where MDTA is a non-recourse debt issuer.
- i. Non-recourse financings shall generally have minimum debt service coverage requirements of 120% of debt service.
 - ii. An exception to this minimum for non-recourse financings may occur if there is a debt service “guarantee” from a rated municipality, authority, or entity with investment grade ratings.
 - iii. Non-recourse financings shall not pledge MDTA’s toll revenues.
 - iv. The MDTA has a self-imposed outstanding debt limit on non-recourse financings of \$700 million, excluding GARVEE bonds (hereinafter defined).
- d. **Policy Statement 12.** Pursuant to §4-320 of the Transportation Article, and the statutory limits set forth therein, the aggregate principal amount of debt issued and secured by a pledge of future federal aid known as Grant and Revenue Anticipation (GARVEE) bonds will not exceed \$750 million, and the maturity date for such debt may not be later than 12 years after the date of issuance.
- e. **Policy Statement 13.** The MDTA must adhere to the Governor’s Executive Order 01.01.1998.07 (Executive Order) which requires annual review and approval of planned State agency debt by the Department of Budget and Management (DBM) and the Governor. The Budget Committee Narrative of fiscal 2023 also requests that any rating agency reports associated with a financing be forwarded to the State Treasurer’s Office in advance of the sale or concurrently. For clarification, credit ratings are not required for all financings.
- i. Notice must be given to DBM at least 30 days in advance of any bond issuance of \$25 million or greater.
 - ii. The MDTA will comply with the annual reporting requirements as set forth in the Executive Order and the Budget Committee Narrative for rating reports if applicable/available as part of a financing.

III. Debt Structural Features

- a. **Policy Statement 14.** The weighted average maturity (WAM) of the tax-exempt debt issued by MDTA cannot exceed the weighted average life of the improvements for any project.
- i. The MDTA debt must not exceed a term of 40 years per Maryland law, §4-302(b) of the Transportation Article.
- b. **Policy Statement 15.** Debt will generally be structured to achieve the lowest possible net financing costs pursuant to MDTA’s policies and objectives.

- i. Whenever feasible, structuring debt with level debt service costs over the life of the issue is preferred.
 - ii. Backloading will be considered in order to match debt service requirements with project revenues during the early years of the project's operation.
 - iii. At the CFO's discretion, certain issuance costs and fees (e.g. underwriter's discount, bond counsel, municipal advisors, rating agencies, feasibility consultants, Trustees, printers, auditors, etc.) may be paid from unrestricted cash instead of bond proceeds.
 - iv. In accordance with the Code of Maryland Regulations 11.07.09.09, MDTA may charge an application fee or other fees reasonably related to the expenses it incurs in processing a financing proposal or issuing debt in connection with a Vehicle Parking Facility.
 - v. As a non-recourse issuer, MDTA may charge the obligor an annual administrative fee to recapture its costs incurred over the life of the bonds.
 - 1. Examples of such costs include, but are not limited to, arbitrage rebate calculations, trustee fees and auditor expenses.
- c. **Policy Statement 16.** Optional redemption provisions will generally be included in MDTA bond issues upon the recommendation of the Executive Director, CFO and municipal advisors.
 - i. Depending upon market conditions, call provisions will be evaluated for each bond issue.
- d. **Policy Statement 17.** Capitalization of interest (borrowing funds to pay interest on a debt obligation) will generally be limited to the interest due on debt during construction of the facilities.
 - i. When deemed appropriate by the Executive Director, CFO and municipal advisors, capitalized interest may extend beyond the construction period, but in no event, will it extend beyond one year after project completion in accordance with Maryland law, §4-101(c) of the Transportation Article.
- e. **Policy Statement 18.** MDTA may issue variable rate securities with interest rates tied to an index according to a predetermined formula or based upon the results from a periodic remarketing of securities for toll revenue-backed or non-recourse debt.
 - i. The decision to issue variable rate debt must be approved by the MDTA Board upon the recommendation of the Executive Director, CFO and municipal advisors.
 - ii. MDTA has a self-imposed limit that at time of issuance, no more than 15% of its toll revenue-backed debt will be in variable rate mode.
 - iii. Limits on variable rate non-recourse debt will be determined on a case by case basis taking into consideration debt service coverage and obligor cash reserves.
- f. **Policy Statement 19.** Upon the approval of the MDTA Board, MDTA may enter into financing agreements involving interest rate swaps, floating/fixed rate auction securities, or other forms of debt bearing synthetically determined interest rates.
 - i. MDTA will consider the use of such financing agreements on a case by case basis and any use shall be consistent with the Trust Agreement, State policy and financial prudence.
- g. **Policy Statement 20.** When it is determined to be prudent by the Executive Director, CFO and municipal advisors, and subject to approval of the MDTA

Board, MDTA may issue bond anticipation notes or other short-term indebtedness, in accordance with applicable statutory law and trust agreements, as a source of interim construction financing.

IV. Method of Sale

- a. **Policy Statement 21.** The MDTA shall sell and issue debt, subject to MDTA Board approval, either through a competitive bidding process or by a negotiated sale (including a direct bank loan). A competitive bond sale is the preferred method unless it is determined by the Executive Director, CFO, the municipal advisors and legal counsel that this method is unlikely to produce the best sale results. Factors to consider in selecting the sale method include, but are not limited to, bond issue size and related issuance costs, repayment terms, market conditions, credit history and the timing of the need for funds.
 - i. Competitive sales will be awarded to qualified bidder(s) based upon the lowest true interest cost method, with additional consideration of the probable call of the premium coupon securities through the lowest call option adjusted True Interest Cost Plus (TIC Plus) methodology.
 - ii. In the event of a negotiated sale, the underwriting team for the negotiated sale will be selected through a competitive solicitation process and approved by the MDTA Board.
 - iii. In the event of a direct bank loan, a competitive solicitation will be conducted and the bonds will be awarded based upon lowest true interest cost or TIC Plus unless the Executive Director and CFO determine that it is in the best interest of the MDTA to accept an alternative bid with more favorable terms and conditions.
- b. **Policy Statement 22.** Documentation of MDTA bond sales and closings will be prepared by bond counsel, municipal advisors, the MDTA Office of the Attorney General, the MDTA Division of Finance, and other applicable parties for approval by the MDTA Board, and in the case of non-recourse debt, the State Board of Public Works or other appropriate officials, as required.

V. Refundings

- a. **Policy Statement 23.** The CFO and municipal advisors will periodically review MDTA outstanding debt to identify refunding opportunities. Refunding will be considered when there is net economic benefit or the refunding is advisable to modernize bond trust covenants essential to operations and management. The CFO, the Executive Director and staff from MDTA's Division of Finance shall consider additional factors that they deem appropriate in determining specific bonds that shall be refunded.
 - i. In general, refunding for economic savings will be considered when net present value (NPV) savings may be achieved. Projected NPV savings shall be discounted at the All-In True Interest Cost. Alternately, NPV savings may be calculated using discount factors from the funding yield curve for each individual maturity.
 - ii. In concert with NPV savings analysis, Refunding Efficiency shall be calculated for each individual maturity. Refunding Efficiency measures the percentage of the call option value captured through present value cash flow savings. Maturity refundings that are projected to capture more than 85% of the option value may be viewed favorably and worthy of

consideration, though a calculated efficiency below 95% suggests that greater savings may be achieved by delaying the financing.

- iii. A refunding is subject to MDTA Board approval, either for economic reasons or when existing bond trust covenants or other factors impinge on prudent and sound financial management, and such a restructuring is in MDTA's overall best financial interests.

VI. Disclosure/Arbitrage Compliance

- a. **Policy Statement 24.** The MDTA is committed to full and complete financial disclosure, and will abide by the provisions of SEC Rule 15c2-12 concerning primary and secondary market disclosure.
 - i. The MDTA Division of Finance, with the MDTA Office of the Attorney General and bond counsel, will determine the appropriate primary market disclosure that is required in connection with the offer and sale of bonds.
 - ii. The CFO and the MDTA Division of Finance shall establish and maintain written procedures to follow for the collection, review and public dissemination of secondary market disclosure.
 - iii. At a minimum, such disclosure procedures shall address responsibility for:
 - 1. Maintaining a record of all Continuing Disclosure Agreements and the requirements set forth therein;
 - 2. Assigning staff to collect information and determine the method of disclosure, i.e. inclusion in the MDTA Financial Statements or by a separate posting to disseminate information, using the Electronic Municipal Market Access System (EMMA), or to such other approved national repository; and
 - 3. Setting guidelines to determine when a voluntary or significant event has occurred that warrants posting to EMMA, or to such other approved national repository.
- b. **Policy Statement 25.** The MDTA is committed to compliance with Federal arbitrage tax law and regulations which govern the issuance and management of tax exempt debt.
 - i. The MDTA Division of Finance is responsible for the system of record keeping and reporting necessary to meet the arbitrage rebate compliance requirements of the Federal tax code.

VII. Investment of Bond Proceeds

- a. **Policy Statement 26.** Bond proceeds shall be invested in accordance with provisions of the applicable Trust Agreement and MDTA's Investment Management Policy.

VIII. Consultant Selection

- a. **Policy Statement 27.** The MDTA will retain municipal advisors who are registered with the SEC, to be selected for a term of up to six years through a competitive process administered by the MDTA Division of Finance and the Division of Procurement.
 - i. The Executive Director and CFO shall determine on a case by case basis, and pursuant to an applicable municipal advisory services contract, when to use the services of the municipal advisors for bond sales or other

- financial matters and related advice.
 - ii. To ensure independence and to avoid any potential conflicts of interest, when the MDTA engages the services of the municipal advisors for bond sales, it shall be with the understanding that neither the municipal advisors, their firms, or affiliates, will bid on or underwrite any MDTA debt issue, or perform any other services relating to the sale or issuance of such debt, unless specifically disclosed to the MDTA and authorized by the Executive Director and CFO upon approval by the MDTA Board.
 - iii. When the MDTA engages with services of the municipal advisors for general advice and work, including but not limited to, investments, cash modeling, forecasts, rating agency surveillance, legislative and regulatory updates and analyses, it shall be with the understanding that the municipal advisors, their firms or affiliates will provide the MDTA with written confirmation of their compliance with, and disclosure relating to, the fiduciary duties and standards imposed by the Dodd-Frank Act, and specifically the Municipal Advisor Rule (Release No. 34-70462) issued by the SEC and Rule G-42 issued by the MSRB.
- b. **Policy Statement 28.** The MDTA and the Maryland Attorney General will retain qualified bond counsel as required for debt issues. Bond counsel will issue an opinion as to the legality of the debt issuance and the tax-exempt status of any such obligations.
- i. The Principal Counsel of the MDTA Office of the Attorney General (MDTA Principal Counsel) shall act as procurement officer on behalf of the Maryland Office of the Attorney General and procure competitive proposals from outside law firms.
 - ii. If necessary, the MDTA Principal Counsel shall form a review committee to evaluate written proposals and to conduct oral interviews of the proposers.
 - iii. After the review committee completes its evaluation, the MDTA Principal Counsel shall make recommendations to the Maryland Attorney General regarding the selection of one of more firms to serve as bond counsel.
 - iv. The solicitation and selection process for such services will be accomplished according to the legally appropriate procurement process utilized by the Maryland Attorney General. The Maryland Attorney General's Office shall make such selection, and the MDTA Principal Counsel shall notify the MDTA Board of the selection. The contract(s) shall be awarded, subject to available funding for the contract(s).
- c. **Policy Statement 29.** The MDTA Division of Finance shall be responsible for qualifying underwriting firms to provide services for debt issued in a negotiated sale.
- i. Underwriters will be required to demonstrate sufficient capitalization, experience, and competitive pricing in order to qualify to underwrite debt.
 - ii. A review committee will be formed to evaluate written proposals and to conduct oral interviews if necessary.
 - iii. The formal selection of the qualified underwriting firms for all negotiated bond sales (except direct bank loans) will be presented to the MDTA Board for approval upon recommendation by the review committee.
- d. **Policy Statement 30.** The MDTA Division of Finance, in conjunction with the MDTA Office of the Attorney General, will approve the selection of the underwriter's counsel, in the event of a negotiated bond sale. The cost of the

underwriter's counsel will be payable from bond proceeds of each specific issue and allocated to underwriter's costs.

- e. **Policy Statement 31.** The CFO shall have the authority to periodically select other service providers (e.g., trustees, arbitrage consultants, etc.) as necessary to meet legal requirements and to minimize net debt costs.
- f. **Policy Statement 32.** Compensation for bond counsel, underwriter's counsel, municipal advisors, and other financial services will be as low as possible (through the competitive and any legally required procurement process), given desired qualification levels, and consistent with industry standards.

IX. Credit Ratings

- a. **Policy Statement 33.** The MDTA seeks to maintain the highest possible investment grade credit ratings for revenue bonds, notes and other evidences of indebtedness issued under the provisions of Title 4 of the Transportation Article, consistent with this policy and other Department guidelines.
 - i. For issues secured by toll revenues, MDTA will request ratings prior to the sale of securities from at least two of the three major rating agencies for municipal bond issues: Moody's Investors Service, S&P Global, and Fitch Ratings.
 - ii. For non-recourse financing issues, the decision to request underlying credit ratings will be on a case by case basis as determined by the Executive Director, CFO, the municipal advisors, the obligor and the underwriter for the bonds in the case of a negotiated sale.
 - iii. The MDTA may provide written and/or oral presentations to the rating agencies to assist the agency credit analysts.
- b. **Policy Statement 34.** MDTA shall consider the use of credit enhancements such as debt service reserves, bond insurance, letters of credit, and surety bonds when such credit enhancement proves cost-effective.
 - i. The net debt service on the bonds should be reduced by more than the net carrying costs of the enhancement. A credit enhancement should result in lower net financing costs and may result in higher credit ratings.
- c. **Policy Statement 35.** The Executive Director, CFO and the municipal advisors are responsible for maintaining relationships with the rating agencies. This effort includes providing periodic updates on MDTA's general financial condition along with meetings and presentations in conjunction with a new debt issuance.

X. Annual Review

- a. **Policy Statement 36.** This Debt Policy is to be reviewed by the MDTA Finance Committee at least annually.

XI. Definitions

- a. None

XII. Authorized/Supporting Documents

XIII. Policy History

- a. Approved 8.16. 2005
- b. Reviewed 8.10. 2006
- c. Amended 8.9.2007 as of 9.20.2007

- d. Amended 9.11.2008
- e. Amended 8.25.2009
- f. Amended 11.24.2010
- g. Reviewed 9.22.2011
- h. Amended 9.27.2012
- i. Amended 8.22.2013
- j. Amended 8.28.2014
- k. Amended 8.27.2015
- l. Amended 8.25.2016
- m. Amended 9.7.2017
- n. Amended 8.30.2018
- o. Amended 8.29.2019
- p. Amended 8.27.20
- q. Amended 8.26.21
- r. Amended 8.25.22
- s. Amended 8.31.23
- t. Amended 11.29.23
- u. Amended 11.21.24
- ~~u.~~v. Amended 10.30.25

TAB 5



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Samantha J. Biddle, Chair

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: Deputy Director Finance Allen W. Garman
SUBJECT: Trust Agreement Amendments
DATE: October 30, 2025

PURPOSE OF MEMORANDUM

Explain the rationale for the proposed changes to the Master Trust Agreement to be executed through a springing amendment process. Following a review by the Finance and Administration Committee at the October 9 meeting, the amendment was recommended to move forward to the full Board for approval.

SUMMARY

Sections 11.1 and 11.02 of the Master Trust Agreement permit amendments. Amendments without bondholder consent are limited to actions that may include curing ambiguities and adding protective covenants, adding conditions, covenants, and restrictions to be observed by MDTA, while amendments requiring bondholder consent relate to modifications or alterations to the terms or conditions.

An amendment requiring bondholder consent may be accomplished through a Springing Amendment process, whereby newly issued bonds effectively vote for the changes during the underwriting process and the amendment will spring into effect when new bonds voting for the amendment exceed the outstanding bonds. With approximately \$2.1 billion of debt outstanding and the prospect of large new issues over the next four years, this is a rare, near-term, and fleeting opportunity to improve and modernize the Trust Agreement.

As the MDTA has grown and matured into a large multi-asset system and rating agency and market expectations have evolved, it is prudent to periodically update and modernize Trust Agreement provisions to reduce costs and increase financial and operational flexibility, without diminishing bondholder protections or credit ratings that influence the cost of financing. The proposed changes increase debt service coverage resiliency, financial flexibility, and may result in cost savings as a function of insurance premiums relative to the *Net Carrying Cost*¹ of

¹ Net Carrying Cost – Indirect financing cost minus investment earnings.

reserves. Additional refinements to the Trust Agreement may be recommended with future financings.

ANALYSIS

Rapidly rising insurance premiums nationally as a function of increasing natural disaster loss activity, as well as the MDTA's recent business interruption experience, necessitated a close examination of Trust Agreement provisions for insurance reserves and the legal treatment of reserve releases to ensure stable Debt Service Coverage².

Management recognizes that both the rising industry insurance premiums and the prudent goal of maintaining revenue and Debt Service Coverage stability warrants amendments to the Master Trust Agreement. The inadequacy of the current Trust Agreement legal provisions is the inability to self-fund a business interruption insurance reserve and treat the releases from the reserve as Net Revenues for purposes of supporting the annual Rate Covenant or Debt Service Coverage ratios.

Drivers for Prudent Trust Agreement Amendments

1. Rising insurance premiums industrywide.
2. Revenue and Debt Service Coverage stability during business interruption.

Benefits

1. Financial flexibility to self-insure with cash reserves.
2. Lower insurance costs.
3. Support healthy Debt Service Coverage in stress scenarios.
4. Eliminate counterparty risk.

Cost Considerations

Annual insurance premiums should be considered relative to the Net Carrying Cost of a cash funded reserve. The annual cost of a reserve is a function of the MDTA's indirect financing costs, net of investment earnings. For perspective, Net Revenues ultimately flow to the Capital Program and any funds diverted to a self-insurance reserve have an associated cost equal to the additional financing costs to support capital spending. A decision rule follows; if the annual Net Carrying Cost of a cash reserve is less than the annual cost of insurance premiums, then self-funding would be more economic.

Real Option

Management gains a valuable *Real Option* with the ability to make economic choices between purchased insurance policies and cash funding an insurance reserve. Changing interest rate environments and insurance market premiums provide the opportunity to consider alternatives. The MDTA undertakes a similar approach when determining to cash-fund or purchase a Surety Policy for bond financings with Debt Service Reserves.

² Debt Service Coverage – annual Net Revenues divided by annual Debt Service.

Conceptional Changes

The MDTA's external Bond Counsel is in the process of drafting changes to various sections and definitions within the Trust Agreement to accomplish the self-insurance goals. The specific changes will be made in a Supplemental Trust Agreement and incorporated in the next bond sale. The following tables help illustrate how a self-insurance reserve may be structured from both a cash flow and Debt Service Coverage perspective.

- Initial funding and replenishment of a reserve will count in the denominator of the Rate Covenant (Debt Service Coverage) calculation and lessen coverage, releases from the reserve will be included in the numerator and help support revenues/coverage in a stress scenario.

Rate Covenant Cash Flows Example

Rate Covenant = Net Revenues / M&O Budgeted Deposit + (1.2 x Debt Service)

(millions)

Current M&O Reserve Funding	50
Potential Additional Funding	20
Future M&O Reserve Level	70

M&O Reserve Activity/Funding

Years	1	2	3	4	5	6	7
Beginning Reserve	50	60	70	70	70	52	61
Budgeted Deposit Reserve Increase	10	10	0	0	0		
Budgeted Deposit Reserve Replenishment						9	9
Use of Funds for Business Interruption*					(18)		
Ending Reserve	60	70	70	70	52	61	70

* Loss of one month's revenue during modeled Susquehanna River Bridge closure.

Rate Covenant Implications

Years	1	2	3	4	5	6	7
Net Revenues	461.0	461.0	461.0	461.0	443.0	461.0	461.0
M&O Reserve Withdrawal	-	-	-	-	18.0	-	-
Net Revenues + Reserve Transfer	461.0	461.0	461.0	461.0	461.0	461.0	461.0
M&O Budgeted Deposit	10.0	10.0	-	-	-	9.0	9.0
120% Debt Service	138.0	138.0	138.0	138.0	138.0	138.0	138.0
Numerator	461.0	461.0	461.0	461.0	461.0	461.0	461.0
Denominator	148.0	148.0	138.0	138.0	138.0	147.0	147.0
Rate Covenant Coverage	3.1	3.1	3.3	3.3	3.3	3.1	3.1

- Coverage is diminished when the M&O Reserve target balance is increased in Years 1 and 2 and when replenished in Years 6 and 7.
- Coverage is supported through reserve release when Business Interruption results in an \$18 million loss of toll revenues in Year 5.

RECOMMENDATION

Approve the proposed conceptual changes to the Trust Agreement.

ATTACHMENT

- Relevant Trust Agreement Sections and Definitions that Bond Counsel will review for amendments.

Relevant Trust Agreement Sections and Definitions

The MDTA is not permitted to self-insure for business interruption per Section 6.06(a) of the Trust Agreement. However, business interruption insurance proceeds from an insurance company would count as Net Revenues for purposes of meeting the rate covenant. The MDTA must obtain insurance for the following categories of risks:

1. Damage or destruction to Transportation Facilities Projects
2. Use and occupancy covering loss of revenues
3. Comprehensive public liability insurance for bodily injury and property damage (may self-insure for these risks)

Section 6.06. Insurance.

(a) General.

The Authority covenants that it will maintain a practical insurance program, with such reasonable terms, conditions, provisions and costs that the Authority in its sole discretion determines will afford adequate insurance protection. The Authority shall provide insurance against loss caused by damage to or destruction of all or any part of any of the Transportation Facilities Projects; use and occupancy insurance covering loss of revenues; comprehensive public liability insurance for bodily injury and property damage and such other insurance as the Authority in its sole discretion may determine. All such insurance policies shall be carried in a responsible insurance company or companies authorized and qualified to assume the risks thereof; provided that the Authority may self-insure against public liability for bodily injury and property damage and other risks not enumerated herein in accordance with and as permitted by law.

Section 6.14. Covenants as to Rates, Etc.

The Authority covenants, subject to any lawful regulation by the United States of America, that it will fix, revise, charge and collect rentals, rates, fees, tolls and other charges and revenues for the use or services of the Transportation Facilities Projects in order to produce Net Revenues in each Bond Year in an amount not less than the sum of (a) one hundred twenty percent (120%) of the amount of the Debt Service Requirements for such Bond Year on account of the Bonds of all Series and any Parity Indebtedness then outstanding and (b) 100% of the amount set forth in the Annual Budget to be deposited to the credit of the Maintenance and Operations Reserve Account.

“Net Revenues” for any particular period shall mean the amount of the excess of the revenues of the Transportation Facilities Projects deposited to the credit of the Operating Account pursuant to the provisions of Sections 4.05, 6.06 and 6.12, over the Current Expenses during such period, but shall not include any moneys deposited or transferred to the credit of the Operating Account pursuant to the provisions of Sections 4.08, 4.09, 4.10 and 4.11 and shall not include moneys derived from the ownership or operation of any General Account Project and deposited to the Operating Account pursuant to Section 4.05.

Section 6.06 Insurance (b) Disposition of Insurance Proceeds

The Authority shall deposit the proceeds of physical loss insurance to the credit of the Capital Account or the Maintenance and Operations Reserve Account and the proceeds of use and occupancy insurance to the credit of the Operating Account immediately upon receipt. Once so deposited, such proceeds shall be used for the purposes permitted for moneys in such accounts.

Section 4.08. Use of Maintenance and Operations Reserve Account.

(a) General.

Except as hereinafter provided in this Section, moneys held for the credit of the Maintenance and Operations Reserve Account shall be disbursed by the Authority or, to the extent provided in clause (iv) below, set aside in reserve, for the purpose of paying the cost of:

- (i) unusual or extraordinary maintenance or repairs, maintenance or repairs not recurring annually, and renewals and replacements, including major items of equipment;
- (ii) repairs or replacements resulting from an emergency caused by some extraordinary occurrence when the moneys in the Operating Account and insurance proceeds, if any, available therefor are insufficient to meet such emergency;
- (iii) engineering expenses incurred under the provisions of this Section; and
- (iv) extraordinary premiums on purchased insurance carried, or payments to be set aside in reserve for self-insurance maintained, under the provisions of this Trust Agreement.

Such disbursements by the Authority shall be made in accordance with the provisions of Section 4.05 for payments from the Operating Account to the extent that such provisions may be applicable.

(b) Transfers from Maintenance and Operations Reserve Account.

If the moneys held for the credit of the Bond Service Subaccount and the Reserve Subaccount shall be insufficient to pay the principal of and interest on all outstanding Bonds and Parity Indebtedness at the time such interest and principal becomes due and payable, then the Authority may transfer from any moneys held for the credit of the Maintenance and Operations Reserve Account to the Trustee for deposit to the credit of the Bond Service Subaccount an amount sufficient to make up any such deficiency. Any moneys so transferred from the Maintenance and Operations Reserve Account shall be restored from available moneys in the Operating Account, subject to the same conditions as are prescribed for deposits to the credit of the Maintenance and Operations Reserve Account under the provisions of Section 4.06.

The Authority may from time to time transfer any moneys from the Maintenance and Operations Reserve Account to the Operating Account or the Capital Account as the Authority may determine by resolution filed with the Trustee and stating that the amount so to be transferred is not required for the purposes for which the Maintenance and Operations Reserve Account has been created. The Authority shall from time to time deposit to the credit of the Maintenance and Operations Reserve Account any moneys received pursuant to Section 6.06.

TAB 6



Board Members:

MEMORANDUM

TO: MDTA Board
FROM: Assistant Capital Program Manager Jennifer Stump
SUBJECT: Consolidated Transportation Program (CTP) Process/Additions
DATE: October 30, 2025

PURPOSE OF MEMORANDUM

The purpose of the memorandum is to provide the MDTA Board with an overview of the MDTA Consolidated Transportation Program (CTP) Process and an update on the additions to the capital program. This information was also presented to the MDTA Capital Committee on October 02, 2025 and to the Finance and Administration Committee on October 09, 2025.

SUMMARY

Every year the Maryland Transportation Authority (MDTA) releases the CTP, presenting MDTA's ongoing and new capital projects for a six-year period (the current year, the upcoming budget year, and the four succeeding planning years) for all MDTA facilities.

After approval by the MDTA Board, the Draft CTP is presented to local elected officials and citizens in September through November throughout Maryland for review and comment. It is then revised and submitted, after MDTA Board approval, as the Final CTP as part of the Governor's budget to the Maryland General Assembly in January. This process is required by statute and applies to MDTA as well as the Maryland Department of Transportation (MDOT) business units.

The CTP is separated into three parts, (1) Construction Program - Major projects, (2) Development and Evaluation (D&E) Program - Major projects, and (3) System Preservation - Minor Projects. Major capital projects are listed individually; minor projects are grouped and shown by category of work (e.g., environmental, highway preservation, safety improvements).

The Construction Program – Major Projects and System Preservation – Minor Projects programs include ongoing projects and those projects scheduled to begin construction within the six-year period.

The D&E Program contains those major projects which are being prepared for possible future addition to the Construction Program. Projects are moved from the D&E Program to the Construction Program as funds and resources become available, based on the merits of the projects.

PROJECT SELECTION

MDTA's capital projects originate from a variety of sources.

- Long Range Capital Needs (LRCN) – includes planned rehabilitation or replacement projects based on life cycle. The expected useful life of a component does not provide an exact rehabilitation or replacement date but gives an idea of when the MDTA should begin planning and budgeting to address it.
- Inspection findings - used in tandem with life cycle estimates to confirm rehabilitation or replacement is necessary as scheduled or to expedite a project when it is needed ahead of schedule.
- Regulatory compliance - includes projects for EPA-mandated storm water management.
- Increased capacity needs - based on traffic forecast recommendations.
- Local Priority Letters/Legislative Requests - established each year as counties and Baltimore City are asked to submit a list of priorities for the state transportation system. Generally, these priority letters include the concurrence signatures of the legislative delegation representing that county.

Once identified, projects are prioritized based on customer needs for safety and security, or increased capacity through improvements, or system preservation.

Funding availability to budget for identified projects is based on the MDTA's six-year financial forecast, which considers estimates of traffic and revenue (prepared annually), the operating budget and capital budget, debt service payments, the potential need for future bond sales and toll increases, and compliance with financial standards (Trust Agreement covenant, debt service coverage, unrestricted cash balance).

The FY 2026-2031 Final CTP, to be presented at a future meeting, includes four new projects, which are detailed in Attachment A.

ATTACHMENT

- Attachment A - New Projects Added to the FY 2026-2031 MDTA Capital Program

New Projects Added to the FY 2026-2031 MDTA Capital Program

Chesapeake Bay Water Quality Restoration

Multi-Area (Pin 2676)

\$2,000,000 (Planning)

Retrofitting and new construction to meet Chesapeake Bay TMDL Goals set by MDE Phase II MS4 Permit. MDE has alerted permittees to prepare for treatment of 10% of baseline impervious area within MDTA Right of Way (ROW).

FMT Utility Rooms Electrical & Structural Rehabilitation

I-95 Fort McHenry Tunnel (Pin 2682)

\$400,000 (Engineering)

This project involves the inspection, assessment, and rehabilitation of electrical and structural components within the utility rooms of the Fort McHenry Tunnel (FMT). Work includes identifying deficiencies, addressing drainage issues above electrical equipment, evaluating code compliance, and preparing recommendations for long-term preservation and safety improvements.

NetApp Unified Storage Hardware Replacement

Multi-Area (Pin 2684)

\$4,000,000 (Construction)

This project is for the replacement of NetApp Unified Storage hardware located at the ICC and JFK Data Centers.

Bay Bridge Suspension Span Anchorage Concrete and Navigation Lighting Rehabilitation

US 50/301 William Preston Lane Jr. Memorial (Bay) Bridge (PIN 2685)

\$400,000 (Engineering)

This project is for anchorage piers concrete repairs and navigational lighting replacement for both EB and WB Bay Bridges.

TAB 7



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Samantha J. Biddle, Chair

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 Engineer, Jim Harkness, PE, PTOE
SUBJECT: Key Bridge Rebuild Update
DATE: October 21, 2025

PURPOSE OF MEMORANDUM

To update the MDTA Board on the progress of design and reconstruction efforts for the Francis Scott Key (FSK) Bridge.

SUMMARY

Notice-to-Proceed to the Kiewit progressive design-build (PDB) team was issued in September 2024. The PDB team and MDTA's project team have been working collaboratively to advance the design of the complex bridge structure. The Proof of Concept (15% design) for the cable-stayed bridge design was submitted in January 2025, establishing the bridge type, overall span layout, and aesthetic direction for the new bridge. The design progressed to 30% level in March 2025. Over the summer months design progressed through 50% with 70% design scheduled to be completed by mid-November 2025.

Pre-construction efforts have also progressed in the field, with soil investigations on land and in the Patapsco River. The geotechnical efforts allow designers to characterize the foundation conditions which informs pile design and test pile program development.

Mechanical demolition began on July 7 with the saw cutting and removal of deck and parapet sections of the existing bridge with all concrete superstructure removed from both bridge approaches as of October 1, 2025. The contractor is currently cutting and lifting the steel girders. Once complete, the contractor will remove the remaining land-based piers and abutments. This work is expected to continue through Quarter 1 of 2026.

The test pile program is underway at the project site. The first six test piles were delivered to the site on September 21, 2025, with a second barge load of six piles arriving on October 22. Test pile installation started on October 1 with load testing anticipated in early November. Final design and early material procurement are underway for the construction trestle, production pile template, and pylon and vessel protection foundation piles.

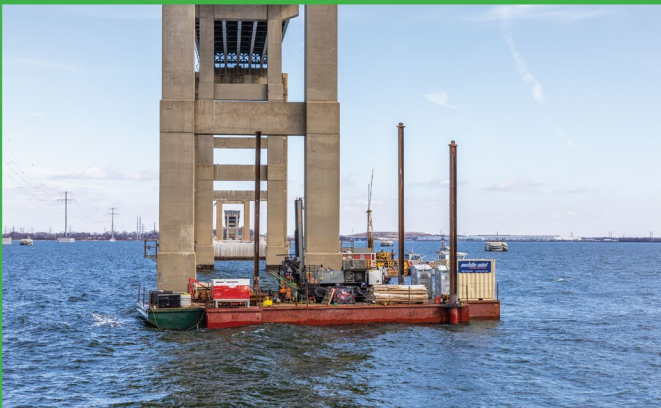
Community Engagement



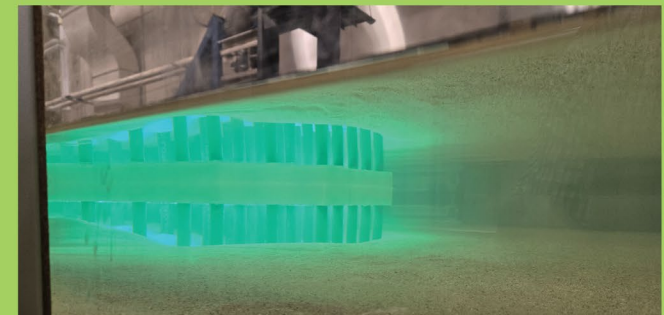
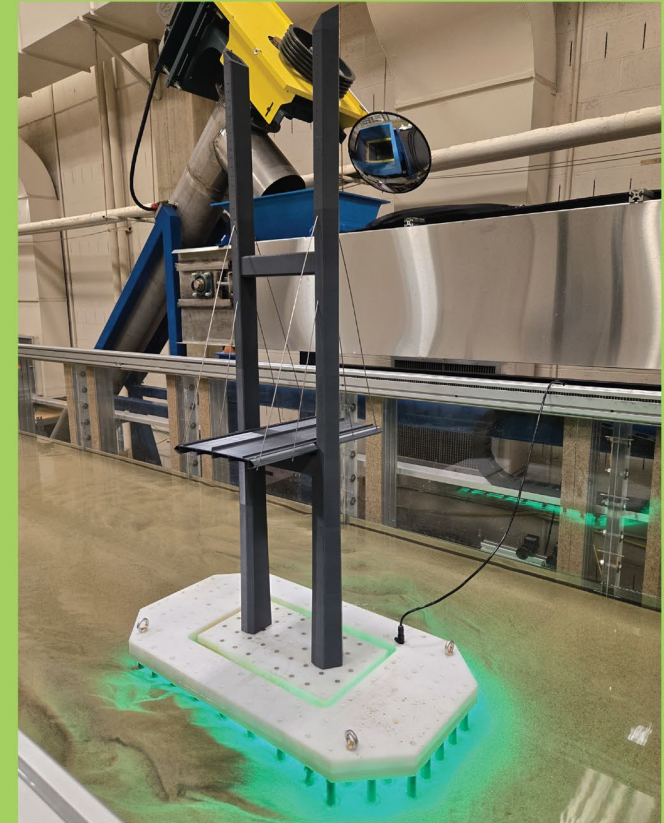
Renderings



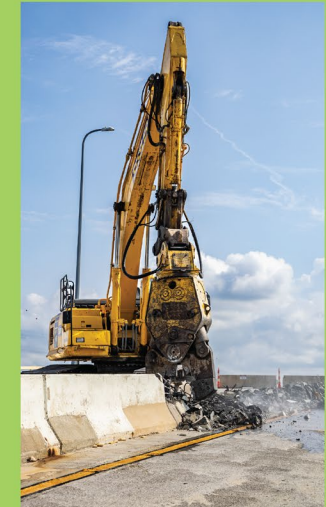
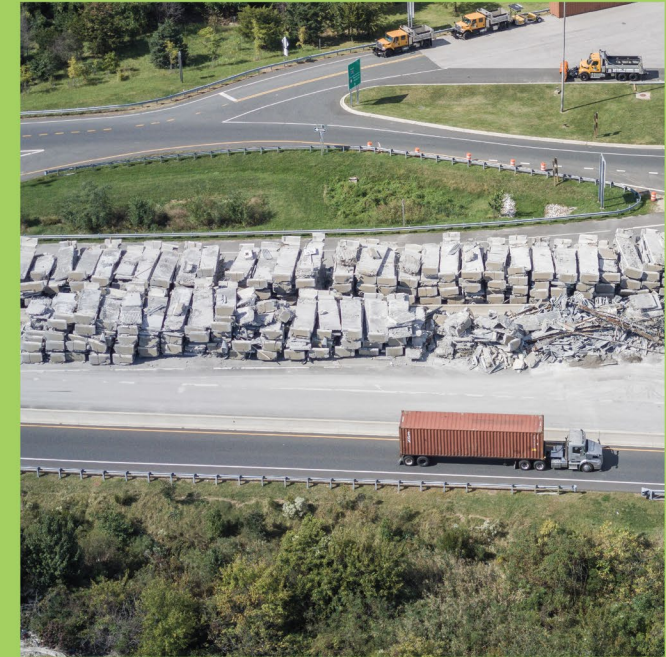
Geotechnical Exploration



Modeling



Mechanical Demolition



Test Pile Program



TAB 8



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Samantha J. Biddle, Chair

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, Jim Harkness, PE, PTOE
SUBJECT: Joint Chairmen's Report (JCR) Francis Scott Key Bridge Reconstruction
DATE: October 21, 2025

PURPOSE OF MEMORANDUM

To update the MDTA Board on the response to the Joint Chairmen's Report (JCR) which requested quarterly updates on the progress of the reconstruction efforts for the Francis Scott Key (FSK) Bridge.

BACKGROUND

During the 2025 Legislative Session, committee narrative was adopted by the budget committees that required the Maryland Transportation Authority (MDTA) to prepare a JCR that provides a status update on the progress of the reconstruction efforts for the Francis Scott Key (FSK) Bridge. The language stated the Senate Budget and Taxation Committee and House Appropriations Committee are interested in receiving quarterly updates on the progress of the reconstruction of the FSK Bridge. Specifically, the JCR is to provide updates on engineering and design, federal permitting, preconstruction efforts and construction activities. The Committees also requested updates on running totals of expenditures, availability of and projected timeframes for federal reimbursements, and any material changes to cost or schedule.

SUMMARY

The first quarterly JCR was due July 1, 2025, and the second quarterly JCR was due October 1, 2025. Future quarterly updates are due January 1, 2026 and April 1, 2026. MDTA's JCR report provided detailed updates on the status of engineering efforts, permitting coordination with federal and state agencies, and preconstruction activities such as surveys and geotechnical investigations. Expenditures as of June 2025 were also provided along with an explanation of federal reimbursements. Changes to the Phase 1 contract include extending the contract to reach 70% design completion prior to estimating and negotiating the binding price proposal.

ATTACHMENT

- Joint Chairmen's Report - Francis Scott Key Bridge Reconstruction

**Francis Scott Key Bridge Reconstruction
(2025 JCR. P.121)**

October 2025
Maryland Transportation Authority

The Maryland Transportation Authority (MDTA) prepared this report in Response to the committee narrative contained in the 2025 *Joint Chairman's Report* (JCR). The Language states:

“Francis Scott Key Bridge Reconstruction: The committees are interested in the progress being made on the reconstruction of the Francis Scott Key Bridge and request that the Maryland Transportation Authority (MDTA) provide four quarterly updates on the status of the project. The reports shall provide:

- *the current status of design, engineering, federal permitting, preconstruction, and construction activities including completion percentages for each project category.*
- *the running total amount expended for the project.*
- *the current availability and projected timeline for seeking federal reimbursement for the project, including the total amount of federal funds that have been received; and*
- *any material changes to the project schedule or cost.*

Introduction

The Francis Scott Key (FSK) Bridge is located in Baltimore County, City of Baltimore, and Anne Arundel County, Maryland, on MD 695 spanning the navigable Patapsco River. MD 695 was a fully access controlled highway, forming the southeastern section of the beltway loop around Baltimore City. The FSK Bridge was a divided four-lane typical section with two lanes in each direction and was on the National Highway System (NHS). In the early morning hours of March 26, 2024, the container ship M/V Dali struck Pier 17 of the FSK Bridge causing several spans to collapse into the Patapsco River.

The Key Bridge Rebuild Project will replace the collapsed bridge and restore a critical connection to the Port of Baltimore. The replacement bridge will be designed to meet current interstate standards, carrying four 12-foot travel lanes, 10-foot outside shoulders and 4-foot inside shoulders. The minimum vertical clearance for the replacement bridge will be 230 feet over the 800-foot federally authorized Fort McHenry Navigation Channel, as documented in the United States Coast Guard (USCG) Preliminary Navigation Clearance Determination (PNCD) and reflected in the USCG issued Bridge Permit.

Design and Engineering

Progressive Design-Build Procurement:

On May 31, 2024, MDTA advertised a Request for Proposals for Contract KB-4903-0000 as a Progressive Design-Build Procurement. MDTA received proposals from three responsive Offerors. On August 30, 2024, MDTA issued Notice of Award to Kiewit Infrastructure Corporation whom they determined to have submitted the proposal that was most advantageous to the State. MDTA issued Notice to Proceed with Phase 1 Project Development Services to Kiewit on September 16, 2024.

Design and Engineering:

MDTA and the Design-Builder began work on the design and preliminary engineering for all elements of the project in September 2024. In December 2024, the Design-Builder submitted Proof-of-Concept plans to MDTA (approximately 15% level of design completion) to validate key design assumptions made during the Federal Highway Administration (FHWA) National Environmental Policy Act (NEPA) Categorical Exclusion determination. In March 2025, the Design-Builder conducted the first of two phases of wind tunnel testing on the proposed cable stayed bridge design to evaluate its aerodynamic behaviour under high wind conditions. In late April 2025, the Design Builder submitted plans to MDTA for review at 50% level of design completion. Design is currently progressing to 70% level of design completion with a target for submission at the end of November 2025.

The main bridge span over the navigation channel will be a 1,665-foot cable-stayed span between the main bridge piers with 850-foot back spans. In compliance with the USCG PNCD, the horizontal clearance between the pier protection that will surround the new main span piers will be no less than 1,100 feet. The main H-shaped towers supporting the cable stayed bridge will rise to a height of approximately 600 feet above the Patapsco River. The remaining bridge spans will include piers both in the Patapsco River and on both the approaches over land. Both the bridge and the bridge pier protection are being designed in accordance with the American Association of State Highway and Transportation Officials (AASHTO) Specifications.

The major construction elements of the project include:

- Removal of the existing bridge piers and a portion of the approach roadway from the north and south sides of the river,
- Construction of the replacement bridge,
- Construction of pier protection,
- Reconstruction of the portions of the existing roadway at the north and south approaches, storm drain improvements, including new inlets, storm drain piping, and stormwater management facilities, including wet swales, grass swales, bioswales, micro-bioretenment, and submerged gravel wetlands to meet Maryland Department of the Environment (MDE) and Chesapeake Bay Critical Area Commission requirements,
- Bridge roadway and aesthetic lighting, and
- Intelligent Transportation System (ITS), including virtual weigh stations, roadway weather information system, fog warning system and CCTV cameras.

In January 2025, the Design-Builder began subsurface geotechnical investigations in the river and on land. The information gathered from these efforts allows the Design-Builder to understand the subsurface conditions within the Patapsco River along the bridge alignment. Supplemental geotechnical investigations were performed starting in July 2025 to gather additional information. As part of these investigation efforts, a pile load test program will be conducted at both main span pier foundations beginning in September 2025. The load test program will verify the load bearing capacity and behavior of the foundation piles which support the cable stayed bridge structure. To better understand and estimate the potential scour at the proposed bridge foundations, FHWA's Turner- Fairbank Highway Research Center, in cooperation with MDTA and Maryland State Highway Administration (SHA), is performing tests using physical and mathematical models of the proposed bridge at their Turner-Fairbanks Laboratory in Virginia.

The efforts described above are used to develop the Opinion of Probable Construction Cost (OPCC) and Binding Price Proposal (BPP). MDTA has procured the services of an Independent Cost Estimating Firm (ICE) to perform estimates of the project for comparison and BPP negotiations with the Design-Builder. Cost savings workshops are being conducted to identify design elements and construction means and methods that will help manage the project cost. In addition, MDTA and the Design-Builder are developing a joint project risk register to identify major project risks and to determine mitigation strategies.

Permitting

Coordination with federal and state agencies is ongoing and will continue throughout the duration of the project. MDTA and the agencies meet regularly to collaborate on the best path forward to streamline the permitting process. The majority of state and federal permits for the project have been acquired, which authorize Design-Builder activities that include geotechnical investigations necessary to support engineering/design, demolition of the remaining structural components of the existing bridge, and construction of the new bridge.

A Categorical Exclusion was prepared for the project in compliance with the NEPA and was signed by FHWA on July 23, 2024. In accordance with NEPA, re-evaluations have been prepared for various changes to the Project. On August 7, 2025, FHWA concurred that the approved Categorical Exclusion and subsequent environmental documentation Environmental Documentation remains valid, and preparation of additional environmental analysis is not warranted. Federal permits were obtained in compliance with Section 404 of the Clean Water Act (US Army Corps of Engineers Regulatory), Section 408 of the Rivers and Harbors Appropriation Act (US Army Corps of Engineers Navigation), Section 401 of the Clean Water Act (Environmental Protection Agency's Water Quality Certification issued by MDE through delegated authority), Section 7 of the Endangered Species Act (US Fish and Wildlife Service), as well as Section 9 of the Rivers and Harbors Act (USCG 5th District Bridge Program). In addition, consultation with the National Oceanic and Atmospheric Administration's National Marine Fisheries Service (NOAA Fisheries) has occurred for potential impacts to essential fish habitat, marine mammals, and endangered species.

A Biological Assessment is being prepared under emergency consultation procedures with NOAA Fisheries for the Atlantic and Shortnose sturgeon and is to be submitted post- construction. In accordance with the Marine Mammal Protection Act, MDTA and FHWA coordinated with NOAA Fisheries' Incidental Take Program due to seasonal presence of bottlenose dolphins. An Exposure Analysis for Bottlenose Dolphins was prepared for the 2025 Test Pile Program to determine if an Incidental Harassment Authorization (IHA) would be required due to underwater noise and vibration associated with driving of the test piles. On July 2, 2025, NOAA Fisheries concurred that an IHA would not be required for the Test Pile Program. However, based on the number, size, and type of piles supporting the foundations and pier protection systems, the anticipated underwater noise and vibration to be generated by pile driving activities will likely require an IHA for the Project in 2026 and 2027.

Permits have been issued (or are in the process of being issued) by the State of Maryland including Tidal Wetland Licenses from the Board of Public Works, a Letter of Authorization for nontidal wetland impacts from MDE Wetlands and Waterways Program, approval of Stormwater Management and Erosion and Sediment and Erosion Control Plans from MDE's Sediment and Stormwater Plan Review Division (SSPRD), National Pollutant Discharge Elimination System (NPDES) Permit for Stormwater Associated with Construction Activity from MDE's Wastewater Pollution Prevention and Reclamation Program, a Memorandum of Understanding with the Maryland Department of Natural Resources (MDNR) Critical Area Commission, and Reforestation Law approval from MDNR's Forest Service (in progress).

MDTA's proposed approach to fulfil mitigation requirements for unavoidable impacts to resources regulated at the federal and state level has been submitted and is under agency review. Modifications to federal and state permits will continue to be sought, as needed, to address changes in activities and/or impacts to regulated resources as the project progresses through design and construction.

Preconstruction

The Design-Builder has performed the following pre-construction activities:

Vibration Analysis:

- Completed Vibration Estimates and Impact Analysis to estimate vibration levels and effects from driving proposed steel pipe piles, the potential for other pile sizes, and blasting demolition activities that will be transmitting vibration to adjacent structures and utilities of concern.

Preconstruction Survey:

- Completed pre-construction surveys of adjacent properties and structures within a one-mile radius of the project site to document their pre-construction condition. More than 1,100 structures were identified and surveyed on the exterior. A total of 57 property owners requested the inspection team to perform a survey of the inside of the structures.
- Roadway geometry survey work
- Identified Right-of-Way (ROW)
- Identified terrestrial features (storm drain and above ground utilities) and conducted aerial LiDAR scans for survey
- Performed high-resolution geophysical survey to provide information on location of marine utilities and debris within the riverbed
- Performed bathymetric survey of the river bottom within project limits to generate a terrain model of the river bottom surface
- Installed monitors for baseline noise and vibration levels
- Probing for subsurface obstructions

Geotechnical Investigations:

- Ongoing land and marine soil borings for subsurface geotechnical investigations
- Ongoing soil samples and performed laboratory testing to determine the characteristics of the soil, for use in the design of the bridge foundations.
- Began mobilization for installation and testing of test piles at main span bridge foundations.

Utility Coordination:

- Located all ground level and above ground level utility infrastructure including wire line and pole heights.
- Ongoing coordination meetings with Baltimore City's Department of Public Works and the project design team to determine and mitigate impacts to the existing 72" water line that is adjacent to the project
- Ongoing coordination meetings with Baltimore Gas and Electric and the project design team to determine and mitigate impacts to the existing gas line that is adjacent to the project

Construction

Demolition of the Existing Bridge

On July 7, 2025, the Design-Builder began removing the land spans and decks over the marine spans of the existing bridge. This work is being performed under the First Amendment to the Contract, Early Work Package No. 1.

Procurement of Main Span foundation piles

On July 10, 2025, the Design-Builder began procurement of 96-inch diameter steel pipe piles for the Main Span foundations. This work is being performed under the First Amendment to the Contract, Early Work Package No. 2.

MDTA and the Design-Builder are negotiating costs for installation of the 96-inch diameter piles for the Main span foundations, procurement of material and installation of the temporary work trestle.

Amount Expended for the Project

The project has expended \$147.9 million in State Funds as of June 2025 (prior to fiscal year close-out) of which approximately \$25 million is ineligible for federal reimbursement. This includes costs incurred by both MDTA and SHA for the initial salvage and debris removal efforts, as well as for the permanent rebuilding of the Key

Bridge. These costs are expected to be covered by insurance proceeds, offsetting revenue (material recycling) or federal funds, except for certain ineligible main channel debris removal costs. For federally eligible project costs that will ultimately be paid for with federal funds, non-federal funding sources, such as insurance proceeds, recycling revenues, and MDTA toll revenues, may be used to initially fund project expenses and manage cash flow requirements in the short-term until federal reimbursement for those costs is received.

Current and Projected Seeking Federal Reimbursement	Cost Component	Spent to Date	Availability Timeline for
	Salvage & Debris Removal	\$ 77,424,449	
	PDB Contract - Phase I	\$ 58,106,386	
	General Engineering Consultant	\$ 10,586,737	
	Other Consultant & State Costs	\$ 891,343	
	MDTA & SHA Staffing Costs	\$ 843,030	
	Total	\$ 147,851,946	

The American Relief Act (P.L. 118-158) authorized more than \$8 billion for the Emergency Relief Program authorized under 23 U.S.C. § 125 and provides that the federal share for Emergency Relief funds for responding to the Dali's destruction of the Francis Scott Key Bridge will be 100%. MDTA is grateful for the federal government's commitment to funding this project so the State of Maryland and the larger Northeast and Mid-Atlantic regions can continue building critical infrastructure projects that move people and commerce safely.

To minimize burdens on federal taxpayers, and consistent with the American Relief Act, the State of Maryland is pursuing the DALI's owner and manager for all the damages caused by their negligence and incompetence – including the cost to reconstruct the Francis Scott Key Bridge. Any funds recovered in the lawsuit will be used upon receipt to reduce liability on the bridge's reconstruction from the emergency fund (not to exceed the total amount of liability for the bridge's reconstruction from the emergency fund)

To date, a total of \$60 million in FHWA Quick Release Emergency Relief (ER) funds have been made available to the project, of which \$20,698,899.59 has been used to reimburse project costs. The remaining \$39,301,100.41 of Quick Release funds are anticipated to be reimbursed over the next three months.

Congress annually appropriates funds for the FHWA's Emergency Relief Program. The FHWA then allocates those funds to active projects. Allocations to states are based on available balances of ER funds as well as information submitted to FHWA by state DOTs. About every six months, MDTA is required to submit to FHWA-MD Division office a Detailed Damage Inspection Report (DDIR) to consistently provide updates for funding needs. The most recent version of the DDIR was submitted to the FHWA Maryland Division office in June 2025, which requested Congress allocate \$739,433,686.00 of federal ER funds to the project. This request is based on the estimated project cash flow over the next 18 months. It is expected that these funds will be made available to the project this fall.

The next version of the DDIR, which may request additional funding, is scheduled to be submitted to FHWA in October 2025.

Material Changes to the Project Schedule and Cost

The lifecycle of a major highway bridge project begins with planning, environmental reviews and permitting followed by preliminary engineering. Risk-based cost estimation is performed during this preliminary design phase, and it typically utilizes FHWA's Cost and Schedule Risk Assessment process. This process incorporates probabilistic methods to establish cost confidence levels. Throughout the project lifecycle – from preliminary

engineering to construction – cost, schedule, financial plans and project management plans guide project delivery, with continuous refinement and oversight.

Phase 1:

Phase 1 services include development of preliminary plans, design reports, performance requirements for Final Design, specifications for construction, development of inspection and maintenance procedures of the unique and complex bridge features, perform community outreach and solicit public input, complete necessary field explorations, surveys, and subsurface investigations, OPCC and BPP cost estimates, and establish parameters for the Phase 2 packages. Scope of Work for Phase I did not include pile load tests, since design information required for estimating the cost for this work was not available at the time of the proposal for Phase 1.

MDTA added additional funding authority to the Phase 1 contract to conduct static and lateral load testing for the bridge foundation which will use 96-inch diameter steel pipe piles for the main cable-stayed span foundations. Performing the pile load test to determine the axial and lateral load capacities for these piles allows MDTA to determine the optimum pile lengths and will add certainty to development of the overall cost for the Project. The additional cost for this work is \$42,956,739.84.

MDTA determined extending the Phase 1 design stage to 70% will allow detailed design and minimize contingency for risk in the BPP. MDTA has added additional funding of \$55,000,000 for this added work.

With the additional scope of work, the total Phase 1 contract value was increased from \$73,000,000 to \$160,956,739.84. At this time, MDTA has extended the Phase 1 contract duration to June 30, 2026.

Phase 2:

MDTA and the Design-Builder are currently working to identify Phase 2 Early Work Packages (EWP) to advance the project work and schedule. These EWPs include demolition of remaining portions of the work, procurement and installation of piles for the cable-stay span foundations, procurement and installation of temporary access trestle, foundation footing procurement and installation, environmental mitigation, leasing properties to support the construction work, materials testing, environmental mitigation, and formwork for the cable-stay span foundations and towers.

On June 4, 2025, MDTA and the Design-Builder executed the First Amendment to the Contract with a not-to-exceed amount of \$250,000,000 to perform work under the Early Work Packages.

MDTA continues to work through the cost estimation process for a design that incorporates current federal standards for marine shipping and roadways, as well as specific needs of the state.

Recent pre-construction activity and updated datapoints are being utilized to provide a better understanding of the cost and schedule estimates for the project at 50-70% design. MDTA remains committed to delivering the Key Bridge Rebuild with safety, economic vitality, and sound stewardship of taxpayer dollars being top of mind.



Maryland Transportation Authority

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MEMORANDUM

TO: MDTA Board
FROM: Director of Finance Chantelle Green
SUBJECT: Joint Chairmen's Report on Collecting Outstanding Tolls from Out-of-State Motorists
DATE: October 30, 2025

PURPOSE OF MEMORANDUM

To update the MDTA Board on the response to the Joint Chairmen's Report (JCR), including ongoing efforts for collection of outstanding tolls from out-of-state motorists.

BACKGROUND

During the 2025 Legislative Session, budgetary language was adopted that required the Maryland Transportation Authority (MDTA) to prepare a JCR that addresses the collection of outstanding tolls from out-of-state motorists. The budget language stated that the Senate Budget and Taxation Committee and House Appropriations Committee are interested in continuing to monitor the MDTA's efforts to collect outstanding tolls incurred at Maryland's toll facilities, given the potential for significant impacts that outstanding tolls may have on MDTA's revenues. The Committees requested details on the (1) amount of uncollected tolls and civil penalties outstanding; (2) amount of outstanding tolls collected in fiscal 2025; (4) geographic breakdown by state; (5) age ranges of uncollected tolls; and (6) timeframe and procedures for referring unpaid toll debt to the Motor Vehicle Administration (MVA) for the purposes of flagging of a vehicle owner's registration for suspension or non-renewal. Additionally, the JCR asks the MDTA to provide an update on the status of establishing a reciprocity agreement with Pennsylvania and other neighboring states as well as the feasibility of utilizing collections agencies.

SUMMARY

As mentioned in the January 2025 JCR on *Collecting Outstanding Tolls from Out-of-State Motorists*, the MDTA acknowledged out-of-state reciprocity agreements and collection contracts are good tools to encourage payment and provided the financial data requested. The MDTA also acknowledged its focus has been on expanding registered account strategies such as expanding

Joint Chairmen's Report on Collecting Outstanding Tolls from Out of State Motorists
Page Two

E-ZPass® and other similar interoperability programs across the country. The remainder of the report addresses the continued value associated with prioritizing interoperability over reciprocity agreements and out-of-state collection agencies. Future actions will include pursuing reciprocity agreements and the use of a professional debt collections agency for out-of-state collections along with other toll collection initiatives that are highlighted at the conclusion of the report.

ATTACHMENT

- Joint Chairmen's Report - Collecting Outstanding Tolls from Out-of-State Motorists

**Collecting Outstanding Tolls from Out-of-State
Motorists
(2025 JCR, p. 122)**

October 2025

Maryland Department of Transportation
Maryland Transportation Authority

The Maryland Transportation Authority (MDTA) prepared this report in response to committee narrative contained in the 2025 *Joint Chairmen's Report* (JCR). The language states:

“Collecting Outstanding Tolls from Out-of-state Motorists: The committees are interested in continuing to monitor the Maryland Transportation Authority’s (MDTA) efforts to collect outstanding tolls incurred at MDTA facilities, given the potential for significant impacts that outstanding tolls may have on MDTA’s revenues. The committees therefore request that MDTA submit a report by September 1, 2025, including:

- *the current amounts of outstanding tolls and related fines, fees, and interest owed from in-state and out-of-state motorists, delineated by motorists’ state of residence, and a breakdown of the portion of that total that has been outstanding for six months or less, six months to one year, one to three years, and three years or more;*
- *the amount of outstanding tolls that MDTA was successful in collecting during fiscal 2025, delineated by motorists’ state of residence;*
- *updates on the status of the establishment of a reciprocity agreement with Pennsylvania, as well as reciprocity agreements with all other neighboring states, and the use of collection agencies to collect tolls from out-of-state motorists; and*
- *the length of time elapsed after which outstanding unpaid toll debt information is reported to the Motor Vehicle Administration (MVA) for the purposes of placing a flag on the driver’s license of an in-State motorist with unpaid toll debt, and the procedures and timeliness that MDTA follows for reporting this data to MVA.*

Introduction

In recent years, the MDTA has been primarily focused on transitioning to a new tolling system and enhancing the customer experience. After having made significant strides in these areas, the MDTA continues to prioritize its toll collection efforts, which include, but are not limited to, pursuing toll enforcement agreements with other tolling agencies and contracting with a third-party vendor to pursue toll collections from out-of-state motorists.

The JCR asks the MDTA to specifically address establishing reciprocity agreements with Pennsylvania and other neighboring states, the use of professional collections agencies to collect toll debt from out-of-state motorists, and MVA flagging for in-state motorists. In addition to answering these questions, MDTA’s response provides a more holistic view of out-of-state collections. As mentioned in the January 2025 JCR on *Collecting Outstanding Tolls from Out-of-State Motorists* (January 2025 Report), while reciprocity agreements and out-of-state collections agencies are good tools to encourage payment, the MDTA’s first priority, to improve collections, has rested with expanding registered account strategies such as expanding *E-ZPass*® and other similar interoperability programs across the country. The remainder of the report addresses the continued value associated with prioritizing interoperability over reciprocity agreements and out-of-state collection agencies. Future actions will include pursuing reciprocity agreements and the use of a professional debt collections agency for out-of-state collections along with other toll collection initiatives, several of which are highlighted at the conclusion of this report.

Tolls & Related Fees

Over the last 12 fiscal years (2014-2025), toll revenue (cash, *E-ZPass*, Pay-by-Plate, and video tolls) totaled \$8.3 billion. Of this amount, \$7.9 billion, or 95.4%, has been collected, leaving \$383.2 million, or 4.6%, uncollected as of June 30, 2025. As the more recent tolls are subject to additional collection efforts, the MDTA estimates that the overall collection rate will increase. During this same time period, the MDTA collected video toll civil penalty fees totaling \$365.5 million. While recognizing the importance of assessing a civil penalty as a deterrent for toll evaders, the MDTA's primary objective has, and continues to be, the collection of the outstanding toll amount due from unregistered motorists (video toll customers). The one-time \$25 civil penalty fee is intended to offset the video tolls that are uncollected and advance collection costs (*e.g.*, civil penalties, court, MVA flag referrals, and State Central Collection Unit referrals). As video toll and civil penalty collection outcomes improve, there may be an opportunity to lower the civil penalty fee.

Based on the last 12 fiscal years (2014-2025), the cumulative amount of unpaid tolls and civil penalties associated with unregistered video tolls for in-state and out-of-state motorists represents 16.5% of the total revenue billed over that time period. This totals \$383.2 million in toll dollars and \$1.3 billion in fees (*i.e.*, civil penalties). Of this amount, \$907.4 million, or 54%, is comprised of outstanding toll and civil penalty debt from in-state motorists and \$730.5 million, or 46%, is comprised of toll and civil penalty debt from out-of-state motorists. This averages to approximately \$75.6 million annually in tolls and civil penalties for in-state motorists and \$60.9 million annually in tolls and civil penalties for out-of-state motorists.

The table below shows the 10 states with the highest amount of unpaid tolls and civil penalties owed as of June 30, 2025. (See Appendix 1 for a full listing of tolls and civil penalties owed by out-of-state motorists).

Highest Amount of Toll & Civil Penalty Debt Owed by Out-of-State Motorists

State	Tolls Due	Civil Penalty Fees Due	Total Due	%
VA	\$ 45,045,968	\$ 156,972,681	\$ 202,018,648	27.7%
PA	23,383,725	64,089,231	87,472,956	12.0%
NJ	23,427,598	48,536,261	71,963,859	9.9%
FL	22,370,230	34,602,470	56,972,700	7.8%
NC	17,651,613	36,639,768	54,291,381	7.4%
DE	13,259,794	37,792,140	51,051,934	7.0%
DC	4,497,776	24,728,329	29,226,105	4.0%
TX	10,429,493	17,054,633	27,484,126	3.8%
NY	6,396,860	18,883,581	25,280,441	3.5%
GA	6,656,492	14,469,494	21,125,987	2.9%
Other	<u>33,559,740</u>	<u>70,087,363</u>	<u>103,647,103</u>	<u>14.2%</u>
Total	\$ 206,679,289	\$ 523,855,950	\$ 730,535,239	100.0%

Strategies to Reduce Unpaid Video Tolls

The MDTA is in the process of deploying multiple strategies to collect tolls from in-state and out-of-state motorists. The foremost strategy, which enables the agency to successfully and efficiently collect tolls from in-state and out-of-state motorists involves *E-ZPass* growth and expansion. Other strategies to help reduce unpaid tolls from out-of-state motorists include the execution of reciprocity agreements and utilizing a collections agency. The MDTA's primary enforcement mechanism to collect tolls from in-state motorists involves authorizing the flagging of a vehicle owner's registration for suspension or non-renewal.

E-ZPass Growth and Expansion – In-State and Out-of-State Motorists

During the fiscal year (FY) 2022-2025 timeframe, the MDTA's collected toll revenue (*E-ZPass*, video tolls, and Pay-by-Plate) totaled \$2.9 billion. Of this amount, 50% comprised of revenue from in-state motorists and 50% comprised of revenue from out-of-state motorists. Approximately 86% of this revenue was collected via the *E-ZPass* and Pay-by-Plate payment methods. The remaining 14% was collected by invoicing unregistered motorists. Approximately \$767.5 million was collected in toll revenue (*E-ZPass*, video tolls, and Pay-by-Plate) during FY 2025. Of this amount, approximately \$350.8 million was collected from out-of-state motorists. (See Appendix 2 for the amount of tolls and penalty revenue collected during FY 2025 delineated by motorists' state of residence). *E-ZPass* and Pay-by-Plate are the preferred payment methods with the highest probability of collection (typically 100%).

The *E-ZPass* Program is the largest, most successful interoperable toll collection program network in the world. As such, national interoperability continues to be one of the most effective and cost-efficient tools for collecting out-of-state debt. The growth in national interoperability associated with the expansion (new *E-ZPass* Group member agencies) and increase in registered *E-ZPass* accountholders has made *E-ZPass* the most financially beneficial option for collecting out-of-state debt. The MDTA has, and continues, to leverage its membership in the *E-ZPass* Group to further its toll collection efforts.

Growth in E-ZPass Transactions

As more agencies convert to all-electronic tolling (AET) and introduce new tolling facilities, *E-ZPass* transactions will continue to grow and membership in the *E-ZPass* Group is likely to continue to increase. The number of registered *E-ZPass* accounts are on the rise resulting in *E-ZPass* transaction growth exceeding normal traffic growth (shift in payment method). Toll agencies are experiencing a growing trend where former occasional cash and video toll customers are now *E-ZPass* customers with the highest probability of collection. As discussed in the January 2025 Report, the MDTA experienced sizeable growth in *E-ZPass* transactions during the 2022-2023 timeframe. This increase was accompanied by a corresponding reduction in video toll transactions. The MDTA experienced similar trends during the 2024- 2025 timeframe.

As the cash and video toll compliant customers convert to *E-ZPass*, the group of customers with the most egregious toll evasion are the video toll customers. While the *E-ZPass* penetration rate increases, the overall collection rate for video tolls decreases. Despite the decline in the video toll

collection rate, the MDTA's overall collection rate does increase when considering all payment methods. Maryland's experience with video toll collections is not unique. MDTA's independent traffic and revenue consultant has reported the MDTA's experience to be a national trend.

Expansion of National Interoperability

The MDTA is currently working toward being interoperable with a hub/region outside of the *E-ZPass* network. Each hub uses different transponder protocols that previously prevented the MDTA's tolling system from recognizing the other hubs/region's transponders (similar to each protocol being written in a different language). The MDTA recently installed tri-protocol readers that enable the agency to read the three most prevalent protocols in the nation. The MDTA now has the capacity to accept transponder transactions from other hubs/regions. The next priority for the MDTA is becoming interoperable with the Central Hub which includes Texas, Oklahoma, Kansas, and Colorado. Establishing this type of direct connection to tolling agencies outside of the *E-ZPass* network is another method of enhancing out-of-state toll collections. Particularly with states such as Texas which is noted as one of the states with the highest percentages of unpaid tolls owed to the MDTA. Also, the MDTA is focused on establishing a direct relationship/connection with the Southeast Hub which manages all Florida accounts. This connection will preserve the MDTA's ability to collect Florida's mini-SunPass (sticker) program.

Reciprocity Agreements & Collections Agencies – Out-of-State Motorists

The MDTA has initiated collaborative peer agency discussions with several neighboring and regional tolling agencies regarding the feasibility of entering into a multi-jurisdictional reciprocity agreement. Entering into a reciprocal toll enforcement agreement can be challenging given that the agreements are executed on a peer agency-to-peer agency basis (as opposed to state-to-state) coupled with the notable differences in toll enforcement actions and financial penalties in each state. Furthermore, each jurisdiction has unique statutes and regulations governing toll collection that will have to be evaluated and possibly aligned before reaching a final agreement.

As mentioned in the January 2025 Report, the Pennsylvania Turnpike Commission (PTC) is deemed an ideal tolling agency for the MDTA's inaugural reciprocal toll enforcement agreement for two primary reasons (1) PTC's toll enforcement actions and penalties for non-compliant motorists are similar to the MDTA's; and (2) PTC's level of customer service is commensurate with the State of Maryland's customer service efforts that include adequate investments in automation facilitating the prompt release of a department of motor vehicle flag when customers pay their past due tolls. As such, the MDTA and the MVA have jointly initiated discussions with the PTC and the Pennsylvania Department of Transportation Department of Motor Vehicles (PennDOT) about establishing a reciprocal toll enforcement agreement. Collaboratively, all four agencies have held face-to-face meetings and are currently engaged in examining the regulatory, operational, and technical framework of each jurisdiction's toll enforcement program to identify potential impediments to the successful implementation of a reciprocal toll enforcement program. Both jurisdictions have designated a team of key individuals to assist with the development of a comprehensive program plan and the implementation of reciprocal toll collection enforcement measures that will result in heightened program compliance and increased revenue recoveries. The

MDTA remains optimistic about the possibility of entering into its first reciprocal toll enforcement agreement with the PTC.

While the MDTA began preliminary discussions with New York and Virginia regarding the feasibility of entering into a reciprocal toll enforcement agreement, administrative and customer service challenges remain. These challenges include entering into reciprocal toll enforcement agreements with multiple unique tolling entities throughout the State, the ability to provide a commensurate level of customer service to nonresidents (*e.g.*, the timeliness of releasing motor vehicle registration holds), and varying financial policies for unpaid tolls (*e.g.*, civil penalties assessed for unpaid tolls that proceed to court in Virginia range from \$50 for a first offense to \$500 for four or more offenses within a specified timeframe as compared to a \$25 civil penalty for each offense in Maryland). Despite these challenges, the MDTA will continue to seek a path forward with tolling entities located in New York and Virginia in an effort to facilitate the implementation of reciprocal toll enforcement agreements.

To help facilitate the collection of overdue video tolls and associated penalties from nonresidents, the MDTA also began developing the contractual requirements and specifications to acquire professional debt collection agency services. The MDTA anticipates utilizing a competitively sealed bidding process to issue a multi-award contract in which the collections agency retains a percentage of what is collected in tolls and civil penalties from nonresident motorists.

MVA Flagging for Suspension or Non-Renewal – In-State Motorists

In-State motorists that traverse a MDTA toll facility without a valid *E-ZPass* account will receive a Notice of Toll Due (NOTD). If the motorist (the registered owner) fails to pay the NOTD within the allotted timeframe, a citation with a \$25 civil penalty is issued. At this stage, the motorist has the option to pay the citation and civil penalty within 30 days or contest the case in the District Court. If the motorist fails to pay the citation or is found guilty in District Court, a final notice is issued. At this stage, the motorist has 15 days to pay the toll and civil penalty before the license plate associated with the vehicle is referred to the Maryland Motor Vehicle Administration (MVA) and is flagged for suspension or non-renewal. A vehicle's registration is flagged for non-renewal when the vehicle license plate has less than \$1,000 in unpaid tolls and penalties. A vehicle's registration is suspended when the vehicle license plate has \$1,000 or more in unpaid tolls and penalties. In some cases, it can take up to three years for a motorist to address a MVA flag based on their vehicle registration renewal cycle. To facilitate timely MVA flagging, files are automatically generated and sent to MVA daily, Monday through Saturday. Accounts with continued unpaid tolls and/or civil penalties with vehicle registration flags are referred to the State of Maryland's Central Collections Unit (CCU) 60-days after the vehicle registration hold date has passed. If the vehicle registration has been suspended, the account is referred to CCU 30-days following the suspension. As with other State agencies, upon referral, the CCU pursues the collection of unpaid debt on behalf of the MDTA. Pursuant to State law, CCU charges a 17% collection fee for administrative expenses on all accounts referred for collection (excluding accounts referred to the CCU solely for collection under the tax intercept program). With very limited exceptions, State agencies are unable to reclaim debt once it has been referred to the CCU for collection. Given the volume of transactions and amount of uncollected debt currently with the

CCU, MDTA continues to meet with the CCU on regular basis regarding the status of collections and to respond to any customer questions or concerns. (See Appendix 3 for an outline of the Video Toll Process)

Other Toll Collection Initiatives

In recent years, the MDTA has observed a decline in its overall video toll collection rate. In response to the trend, the MDTA formed an internal multi-disciplinary working group charged with identifying strategic initiatives that will increase the MDTA's toll collection rate for both in-state and out-of-state customers. Currently, there are over a dozen strategic initiatives underway. Each initiative has a designated team of subject matter experts (from the MDTA's Division of Operations, Division of Finance, and Office of Communications & Marketing) that work collaboratively to ensure the successful evaluation, development, and implementation of each initiative. Several examples of the initiatives are noted below.

- *Placing QR Codes on Notices of Toll Due (NOTDs):* A successful initiative that was implemented in November 2024 included adding QR codes to the MDTA's NOTDs. As a result of this initiative, it is now easier and more convenient for customers to pay their tolls by simply scanning the QR code with a mobile device. Upon scanning the QR code, customers are taken directly to the "Pay My Tolls" portal.
- *Expanded Use of QR Codes:* The MDTA is launching the use of QR codes in all of its outreach materials to help drive digital engagement with its customers. By embedding QR codes onto physical signage and MDTA correspondence, customers are more readily able to access secure online resources and self-service options.
- *Second Payment Warning Notice:* The MDTA is in the process of developing a second payment warning notice to be mailed before a toll becomes past due. Regarded as a proactive action that will increase toll collections, customer goodwill, and customer service, the courtesy reminder notice is designed to encourage timely payment to help customers avoid incurring late payment penalties.
- *Redesigning the MDTA's Envelopes:* Based on customer experience insights, the MDTA is in the process of redesigning the envelopes that are used to mail NOTDs and citations. The newly designed envelopes will increase customer awareness that the enclosed information is important and should not be regarded as junk mail.
- *Altering the Bundling Requirement for NOTD Mailings:* Currently, video toll transactions are accumulated over a three- week period and "bundled" together and sent in a single mailing. Using data analytics, the MDTA learned that the higher the average number of transactions per NOTD mailing, the lower the customer payment rate. That is, the MDTA's customer payment rate increased with fewer transactions per NOTD mailing. In response to this information, the MDTA is currently modifying its toll notice mailings process to bundle notices more frequently (approximately every 7 days instead of 14 days).

Conclusion

In conclusion, the MDTA will continue to leverage the benefits associated with *E-ZPass* growth and expansion and national interoperability to enhance overall toll collections. To enhance out-of-state collections, the MDTA will continue to pursue toll enforcement agreements with neighboring jurisdictions that have similar toll enforcement actions and penalties for non-compliant motorists such as Pennsylvania. Additionally, the MDTA will continue to develop the contractual requirements and specifications necessary to acquire the services of a professional debt collections agency. Lastly, the MDTA continues to utilize the efforts of its internal multi-disciplinary working group charged with identifying strategic initiatives aimed at increasing the overall toll collection rate for in-state and out-of-state motorists (*e.g.*, expanding the use of QR codes, second payment warning notice, and evaluating the feasibility of joining the SE Hub).

APPENDIX 1

Toll Debt Owed by State

<u>State</u>	<u>< 6 Mos.</u>	<u>6 Mos. - 1 Yr.</u>	<u>1 - 3 Yrs.</u>	<u>3+ Yrs.</u>	<u>Total</u>
AK	\$ 10,218	\$ 7,160	\$ 48,345	\$ 30,523	\$ 96,247
AL	93,511	70,938	432,511	316,627	913,587
AR	24,921	18,797	125,082	74,659	243,459
AZ	80,336	61,180	330,392	282,300	754,208
CA	109,663	129,269	811,283	1,227,796	2,278,011
CO	45,510	34,534	204,238	136,580	420,862
CT	-	-	294,360	-	294,360
DC	447,713	417,784	2,093,643	1,538,636	4,497,776
DE	1,449,539	1,358,757	5,459,863	4,991,635	13,259,794
FL	2,372,086	1,993,701	10,430,450	7,573,993	22,370,230
GA	598,180	517,227	3,216,123	2,324,962	6,656,492
HI	-	-	12,931	-	12,931
IA	28,419	19,686	18,672	126,920	193,697
ID	12,220	9,065	45,870	34,254	101,409
IL	599,844	483,829	569,402	1,548,039	3,201,114
IN	372,386	171,582	1,149,528	750,665	2,444,161
KS	26,973	19,021	99,295	71,353	216,643
KY	59,566	35,957	184,065	160,777	440,366
LA	39,157	38,023	273,344	166,966	517,491
MA	255,927	174,775	916,454	720,081	2,067,237
MD	22,423,331	17,333,656	72,839,206	63,932,384	176,528,576
ME	68,809	39,829	347,629	160,160	616,427
MI	105,004	73,340	368,802	271,139	818,286
MN	76,827	89,422	441,847	276,058	884,154
MO	53,735	35,930	266,777	164,747	521,189
MS	60,876	42,872	244,996	178,803	527,548
MT	22,367	17,012	45,684	52,236	137,299
NC	1,642,387	1,456,944	8,568,045	5,984,236	17,651,613
ND	5,036	5,410	47,990	33,078	91,513
NE	31,916	26,217	86,353	77,519	222,005
NH	40,696	22,508	9,214	97,218	169,636
NJ	2,803,441	2,556,990	9,532,967	8,534,200	23,427,598
NM	15,660	13,630	47,882	49,893	127,066
NV	12,579	10,523	83,409	37,245	143,756
NY	797,616	674,145	2,395,575	2,529,524	6,396,860
OH	493,203	435,238	1,161,505	1,239,744	3,329,690
OK	62,087	54,564	249,503	162,111	528,265
OR	576	-	239,440	34,683	274,699
PA	2,907,477	2,517,252	8,987,655	8,971,341	23,383,725
RI	71,734	67,666	123,215	187,976	450,592
SC	474,639	390,784	2,128,935	1,690,059	4,684,417
SD	8,474	8,510	56,431	39,767	113,182
TN	400,337	354,715	1,192,109	1,339,912	3,287,074
TX	938,538	961,742	4,780,458	3,748,755	10,429,493
UT	-	-	42,171	6,015	48,186
VA	6,765,042	5,775,646	13,393,044	19,112,236	45,045,968
VT	30,764	22,042	104,332	97,042	254,180
WA	46,279	40,567	212,562	154,459	453,868
WI	63,003	30,880	119,801	111,813	325,497
WV	182,361	122,249	577,802	430,650	1,313,063
WY	4,538	3,968	23,055	10,805	42,367
Total	\$47,235,502	\$38,745,538	\$155,434,248	\$ 141,792,577	\$383,207,865

Note: For the 1-3 yrs. and 3+ yrs. categories, the table above has been adjusted from the January 2025 Report to correct the data allocation in these categories

Civil Penalty Debt Owed by State

<u>State</u>	<u>< 6 Mos.</u>	<u>6 Mos. - 1 Yr.</u>	<u>1 - 3 Yrs.</u>	<u>3+ Yrs.</u>	<u>Total</u>
AK	\$ 17,625	\$ 28,144	\$ 202,010	\$ 105,145	\$ 352,924
AL	102,932	202,862	1,360,902	822,894	2,489,590
AR	28,875	50,031	380,057	172,495	631,458
AZ	71,627	147,812	928,525	716,953	1,864,917
CA	43,464	129,675	1,929,815	1,815,577	3,918,532
CO	65,200	122,350	683,366	448,275	1,319,192
CT	-	-	1,559,138	-	1,559,138
DC	1,062,184	1,929,021	14,957,464	6,779,660	24,728,329
DE	2,349,262	3,799,901	17,943,835	13,699,142	37,792,140
FL	1,794,566	3,144,367	18,591,667	11,071,871	34,602,470
GA	666,073	1,242,137	7,568,400	4,992,884	14,469,494
HI	-	-	69,296	-	69,296
IA	20,325	37,325	100	42,120	99,870
ID	9,250	15,025	98,904	52,336	175,515
IL	281,875	421,644	1,008,611	1,413,803	3,125,934
IN	153,347	248,453	1,501,898	932,933	2,836,631
KS	27,175	47,975	245,510	174,522	495,181
KY	49,975	93,456	587,321	400,074	1,130,826
LA	55,900	114,370	842,142	419,065	1,431,477
MA	305,962	488,282	3,384,267	1,835,116	6,013,627
MD	46,220,176	70,394,915	367,764,696	246,494,928	730,874,716
ME	70,450	90,428	473,697	401,098	1,035,674
MI	93,169	152,932	1,269,888	600,328	2,116,317
MN	53,125	100,910	653,174	339,967	1,147,176
MO	40,306	86,183	706,921	353,639	1,187,050
MS	60,700	89,248	712,229	387,981	1,250,158
MT	25,725	45,405	173,169	144,531	388,830
NC	1,753,307	3,154,377	19,683,231	12,048,853	36,639,768
ND	8,550	16,600	96,361	64,277	185,788
NE	14,882	32,200	161,975	112,948	322,005
NH	52,034	68,436	27,272	300,191	447,934
NJ	2,951,475	5,017,664	23,796,077	16,771,044	48,536,261
NM	20,725	39,740	149,489	131,363	341,317
NV	13,424	38,850	276,372	130,380	459,026
NY	1,018,811	1,769,715	9,187,998	6,907,058	18,883,581
OH	347,325	657,983	2,924,393	2,026,451	5,956,152
OK	66,350	120,071	634,830	350,602	1,171,853
OR	-	-	452,157	82,786	534,943
PA	3,832,614	6,519,725	30,439,274	23,297,617	64,089,231
RI	76,810	122,065	299,076	380,273	878,224
SC	521,206	998,119	5,720,081	3,903,036	11,142,442
SD	13,277	26,569	266,773	118,057	424,675
TN	299,670	606,291	2,736,934	2,121,178	5,764,073
TX	830,975	1,572,339	8,821,789	5,829,530	17,054,633
UT	-	-	149,692	13,169	162,861
VA	13,194,846	20,812,817	56,638,791	66,326,226	156,972,681
VT	40,250	64,787	365,605	293,351	763,993
WA	44,650	96,749	745,522	346,455	1,233,376
WI	35,200	58,960	355,520	203,753	653,433
WV	231,894	408,851	2,793,581	1,483,309	4,917,636
WY	7,050	10,800	39,594	30,875	88,319
Total	\$79,044,592	\$ 125,436,560	\$612,359,394	\$437,890,120	\$1,254,730,666

Toll & Civil Penalty Debt Owed by State

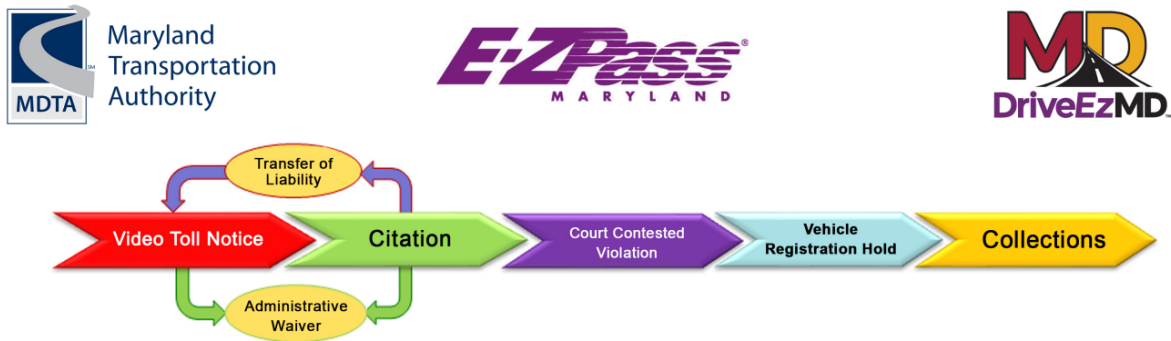
State	< 6 Mos.	6 Mos. - 1 Yr.	1 - 3 Yrs.	3+ Yrs.	Total
AK	\$ 27,843	\$ 35,304	\$ 250,355	\$ 135,668	\$ 449,171
AL	196,443	273,800	1,793,413	1,139,521	3,403,177
AR	53,796	68,828	505,139	247,153	874,916
AZ	151,963	208,992	1,258,917	999,253	2,619,124
CA	153,127	258,944	2,741,099	3,043,374	6,196,543
CO	110,710	156,884	887,604	584,855	1,740,053
CT	-	-	1,853,498	-	1,853,498
DC	1,509,897	2,346,805	17,051,107	8,318,296	29,226,105
DE	3,798,800	5,158,658	23,403,698	18,690,777	51,051,934
FL	4,166,652	5,138,068	29,022,117	18,645,864	56,972,700
GA	1,264,253	1,759,364	10,784,523	7,317,846	21,125,987
HI	-	-	82,227	-	82,227
IA	48,744	57,011	18,772	169,040	293,567
ID	21,470	24,090	144,774	86,590	276,924
IL	881,719	905,473	1,578,013	2,961,843	6,327,048
IN	525,734	420,035	2,651,425	1,683,598	5,280,793
KS	54,148	66,996	344,805	245,875	711,824
KY	109,541	129,413	771,387	560,851	1,571,192
LA	95,057	152,393	1,115,487	586,031	1,948,968
MA	561,888	663,057	4,300,721	2,555,197	8,080,864
MD	68,643,506	87,728,571	440,603,902	310,427,312	907,403,292
ME	139,259	130,257	821,326	561,258	1,652,100
MI	198,173	226,272	1,638,690	871,467	2,934,602
MN	129,952	190,332	1,095,021	616,026	2,031,330
MO	94,041	122,113	973,698	518,386	1,708,238
MS	121,576	132,120	957,225	566,785	1,777,706
MT	48,092	62,416	218,853	196,767	526,129
NC	3,395,694	4,611,321	28,251,277	18,033,089	54,291,381
ND	13,586	22,010	144,351	97,354	277,301
NE	46,798	58,417	248,328	190,467	544,010
NH	92,730	90,944	36,487	397,409	617,570
NJ	5,754,916	7,574,655	33,329,044	25,305,244	71,963,859
NM	36,385	53,370	197,371	181,257	468,383
NV	26,003	49,373	359,781	167,625	602,782
NY	1,816,427	2,443,859	11,583,573	9,436,581	25,280,441
OH	840,528	1,093,221	4,085,898	3,266,195	9,285,842
OK	128,437	174,634	884,333	512,713	1,700,118
OR	576	-	691,597	117,469	809,642
PA	6,740,091	9,036,977	39,426,929	32,268,958	87,472,956
RI	148,544	189,731	422,291	568,250	1,328,815
SC	995,845	1,388,903	7,849,016	5,593,095	15,826,859
SD	21,750	35,079	323,204	157,824	537,857
TN	700,007	961,006	3,929,043	3,461,090	9,051,147
TX	1,769,512	2,534,082	13,602,247	9,578,285	27,484,126
UT	-	-	191,863	19,184	211,047
VA	19,959,888	26,588,462	70,031,835	85,438,462	202,018,648
VT	71,014	86,829	469,938	390,392	1,018,174
WA	90,929	137,317	958,084	500,914	1,687,244
WI	98,203	89,840	475,321	315,567	978,930
WV	414,256	531,101	3,371,384	1,913,959	6,230,699
WY	11,588	14,768	62,650	41,680	130,686
Total	\$126,280,095	\$ 164,182,098	\$767,793,641	\$579,682,697	\$1,637,938,531

APPENDIX 2

**Toll (*E-ZPass*, Video Toll, & Pay-by-Plate)
& Civil Penalty Revenue Collected by State
FY 2025**

<u>State</u>	<u>Tolls</u>	<u>Civil Penalty Fees</u>	<u>Total</u>
AK	\$ 12,090	\$ 7,014	\$ 19,104
AL	170,556	66,343	236,899
AR	44,093	15,057	59,150
AZ	101,270	35,633	136,903
CA	55,011	20,395	75,406
CO	64,903	36,899	101,802
CT	739	395	1,133
DC	546,248	472,341	1,018,589
DE	14,143,676	787,002	14,930,678
FL	9,121,019	736,890	9,857,909
GA	763,378	292,463	1,055,841
HI	12	50	62
IA	139,825	22,273	162,098
ID	18,254	5,494	23,748
IL	11,501,761	69,374	11,571,135
IN	1,014,621	166,379	1,181,000
KS	38,633	13,771	52,405
KY	259,213	60,648	319,861
LA	62,575	32,386	94,962
MA	14,940,426	264,208	15,204,634
MD	354,807,638	61,945,087	416,752,725
ME	781,051	19,392	800,443
MI	177,141	69,444	246,585
MN	81,073	17,921	98,994
MO	130,308	47,122	177,430
MS	62,699	21,822	84,520
MT	21,711	12,071	33,782
NC	4,951,313	1,016,607	5,967,920
ND	7,829	4,161	11,990
NE	24,966	6,969	31,935
NH	1,026,263	36,281	1,062,544
NJ	46,587,514	832,395	47,419,909
NM	21,166	10,229	31,396
NV	14,008	7,992	22,000
NY	149,482,249	443,987	149,926,236
OH	2,808,696	159,649	2,968,345
OK	97,136	27,296	124,432
OR	73	74	147
PA	31,944,564	1,549,988	33,494,552
RI	546,648	42,057	588,705
SC	912,483	365,616	1,278,099
SD	11,770	4,999	16,769
TN	566,269	166,591	732,860
TX	680,752	262,763	943,515
UT	384	209	593
VA	44,078,538	2,998,289	47,076,827
VT	80,719	37,254	117,973
WA	77,278	32,206	109,484
WI	76,152	21,204	97,356
WV	1,006,752	188,788	1,195,540
WY	8,694	2,086	10,780
Total	\$ 694,072,143	\$ 73,455,562	\$ 767,527,705

APPENDIX 3



Notice of Toll Due (NOTD)

The Notice of Toll Due (NOTD) is sent to the vehicle owner at the Video Toll Rate, which is 50% higher than the base rate, with a minimum increase of \$1 and a maximum increase of \$15. The NOTD provides 30 days to pay the video toll amount without penalty, plus an additional 15-day grace period. A 15% discount is available if payment is made before the NOTD is mailed.

Citation

If the NOTD is not paid within 45 days, a Civil Penalty of \$25 is issued. A Citation is issued within 60 days of the violation date to allow for the certification of images. The Citation provides 30 days to either pay the penalty or contest it in District Court. Customers have the right to due process to contest the citation in District Court.

Warning Letter & Vehicle Registration Flags

A Past Due Notice is issued if the Citation is not paid within 30 days or if the court finds the customer guilty and the penalty remains unpaid. If the Past Due Notice is not paid within 15 days, Maryland in-state vehicle registration is flagged for non-renewal if the debt is less than \$1,000 in tolls and penalties, or for suspension if the debt is \$1,000 or more. Out-of-state citations are not subject to the non-renewal or suspension flagging process.

Final Toll Violation Notice

A Final Toll Violation Notice is issued if the Past Due Notice is not paid within 15 days. If the Final Notice is not paid, in-state customers are referred to the Central Collection Unit (CCU) 60 days after their registration expiration date, while suspension are referred to CCU on the 16th day after the Past Due Notice. Out-of-state violations do not escalate to the CCU.

TAB 9

VERBAL

TAB 10

VERBAL

TAB 11

CLOSED SESSION

TAB 12

CLOSED SESSION

TAB 13

CLOSED SESSION