

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

THURSDAY, AUGUST 29, 2024
9:00 A.M.

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

OPEN SESSION

Paul J. Wiedefeld, Chairman

MEMBERS ATTENDING:

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

STAFF ATTENDING:

Percy Dangerfield
Donna DiCerbo
Allen Garman
Bruce Gartner
Chantelle Green
James Harkness
Natalie Henson
Kimberly Millender, Esq.
Nicole Monroe
Ebony Moore
Mary O'Keeffe
John Sales
Col. Joseph Scott
Cheryl Sparks

OTHERS ATTENDING:

Tony Bridges, Assistant Secretary, MDOT
Tommie Clark, WBAL-TV
Jaclyn Hartman, Assistant Secretary, MDOT
Lorraine Mirabella, Baltimore Sun
Danny Zawodny, Baltimore Banner

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

APPROVAL – OPEN SESSION MEETING MINUTES OF JULY 25, 2024

Upon motion by Member William H. Cox, Jr. and seconded by Member W. Lee Gaines, Jr., the open session meeting minutes of the MDTA Board meeting held on July 25, 2024 were unanimously approved.

APPROVAL – CLOSED SESSION MEETING MINUTES OF JULY 25, 2024

Upon motion by Member Mario J. Gangemi and seconded by Member Jeffrey S. Rosen, the closed session meeting minutes of the MDTA Board meeting held on July 25, 2024 were unanimously approved

UPDATE – PROCURMENT REPORT ON OPEN CONTRACTS

Ms. Donna DiCerbo presented the MDTA Board with a verbal report on how many contracts are currently open with the MDTA excluding state credit card purchases. There are currently 216 total contracts totaling \$2,917,479,218.18.

APPROVAL – CONTRACT AWARD

- **J01P4600124 – APC Server Cooling Hardware**

Ms. Donna DiCerbo requested contingent approval from the MDTA Board to execute Contract No. J01P4600124 – APC Server Cooling Hardware with Applied Technology Services. in the amount of \$1,626,989.74.

Ms. DiCerbo explained that this contract is to provide APC Server Cooling Hardware upgrades for the MDTA's Office of Infrastructure Services to replace existing critical in-line cooling and Uninterruptable Power Supply (UPS) systems currently in operation and at the end of their life cycle at both the Intercounty Connector (ICC) and John F. Kennedy Memorial Highway (JFK) Data Centers.

Upon motion by Member W. Lee Gaines, Jr. and seconded by Member Dontae Carroll, the Members unanimously gave contingent approval of Contract No. J01P4600124 – APC Server Cooling Hardware with Applied Technology Services.

APPROVAL – CONTRACT AWARD

- **KB-4903-0000 – Francis Scott Key (FSK) Bridge Replacement I-695/MD 695 Over the Patapsco River/Baltimore Harbor**

Ms. Donna DiCerbo requested approval from the MDTA Board to execute Contract No. KB-4903-0000 – Francis Scott Key (FSK) Bridge Replacement I-695/MD 695 over the Patapsco River/Baltimore Harbor with Kiewit Infrastructure Company in the not-to-exceed contract amount of \$73,000,000.00 for Phase 1 services only.

Ms. DiCerbo explained that the MDTA is seeking the services of a qualified Design-Builder to undertake the complete design and construction of the Francis Scott Key Bridge Replacement. This contract will utilize a Progressive Design-Build process that will form a partnership between MDTA and the Design-Builder with the goals of mitigating risk, streamlining the design process, improving the decision-making process, and developing a project that best meets the goals of the FSK bridge replacement.

The MDTA solicited RFPs on May 31, 2024. On June 24, 2024, MDTA received four (4) Technical proposals from the following Progressive Design-Build teams:

- Archer Western/Traylor Brothers Joint Venture
- Kiewit Infrastructure Co.
- Flatiron Halmar Dragados Joint Venture
- Maryland Key Connectors

It was determined that Archer Western/Traylor Brothers Joint Venture's (AWT) DBE submission did not comply with the contractual requirements. As a result, that offeror was rejected on August 1, 2024, leaving three remaining offerors to be evaluated. On August 2, 2024, AWT protested their rejection. MDTA DOP denied the protest on August 7, 2024.

Work in the Progressive Design-Build process will advance in two phases: Phase 1 – Project Development services and Phase 2 – Project Delivery services. The RFP states that Technical ranking outweighs Price and that the initial award will be for a not-to-exceed amount of \$73,000,000.00 for Phase 1 services only. The MDTA intends to award one (1) Contract as a result of this RFP.

Upon motion by Member Dontae Carroll and seconded by Member Mario J. Gangemi, the Members unanimously gave approval of Contract No. KB-4903-0000 – Francis Scott Key (FSK) Bridge Replacement I-695/MD 695 over the Patapsco River/Baltimore Harbor.

APPROVAL – FRANCIS SCOTT KEY BRIDGE TURNAROUND

Ms. Chantelle Green requested the approval of the Maryland Transportation Authority (MDTA) Board to temporarily suspend the collection of tolls at the Francis Scott (FSK) Bridge Turnaround until the new FSK Bridge is completed.

Ms. Green explained that following the FSK Bridge Collapse, the MDTA temporarily suspended tolling the FSK Bridge Turnaround movement. The temporary suspension of the collection of tolls is needed to facilitate the safe and efficient movement of traffic and is likely needed until the new FSK Bridge is completed.

She further explained that prior to the FSK Bridge collapse, trucks on the Inner Loop of Interstate 695 requiring access to Broening Highway used the FSK Bridge Turnaround. For the months of June and July 2024 combined, turnaround movements increased by 5% compared to the prior year noting that two months of data may not be representative of MDTA's actual experience and therefore any estimates are estimates, preliminary, and subject to change. No tolls have been collected for the FSK turnaround movement since the bridge collapsed.

Ms. Green stated that although the MDTA's Trust Agreement with its bondholders prohibits free passage, the Trust Agreement contains a limited exception whereby the temporary suspension of the collection of tolls for the efficient use and management of traffic on other portions of the highway projects in the Transportation Facilities Projects may be used in catastrophic situations like the collapse of the FSK Bridge.

She further explained that the MDTA plans to put up signs by the end of summer advising motorists of the temporary suspension of tolls. MDTA staff will continue to monitor traffic and should there be a need to reconsider this action, staff will bring a subsequent agenda item to the MDTA Board for consideration.

Upon motion by Member William H. Cox, Jr. and seconded by Member Mario J. Gangemi, the Members unanimously gave approval to temporarily suspend the collection of tolls at the Francis Scott (FSK) Bridge Turnaround until the new FSK Bridge is completed.

APPROVAL – REMITTANCE OF INSURANCE PROCEEDS

Ms. Deb Sharpless requested the approval of the Maryland Transportation Authority (MDTA) Board to remit the full amount of the property and business interruption insurance proceeds related to the collapse of the Francis Scott Key (FSK) Bridge to the federal government.

Ms. Sharpless explained that consistent with the request by the Maryland Delegation and the Biden Administration that the MDTA receive 100% federal funding for the replacement of the FSK Bridge, there have been ongoing discussions with the federal government about the feasibility of obtaining full federal funding for eligible project costs. As a measure of good faith by the State of Maryland toward this objective and consistent with the Governor's commitment, the MDTA is recommending that the entire \$350 million of insurance proceeds be used to fully reimburse the federal government for current and future eligible bridge debris and replacement costs. Remitting the full amount of the insurance proceeds does not materially impact the MDTA's financial metrics.

Ms. Sharpless further explained that the fiscal year 2025-2030 financial forecast was approved by the MDTA Board on June 28, 2024 and, at that time, the MDTA Board was advised of the assumption that \$68 million of the \$350 million in insurance proceeds could be retained by the MDTA for business interruption (\$46 million) and 10% of the eligible replacement project costs (\$22 million).

In the June plan, the remaining \$282 million of insurance proceeds was to be used to reimburse the federal government for eligible project costs. The MDTA Board was also advised that consistent with the request by the Maryland Delegation and the Biden Administration, the MDTA could receive 100% federal funding for the replacement of the FSK Bridge if they were successful in negotiations with Congress. The State is continuing to engage in ongoing discussions with the federal government about the feasibility of obtaining full federal funding for eligible project costs.

To date, discussions between the State and the federal government regarding the request to obtain 100% federal funding for the FSK Replacement Bridge have been productive. In a show of good faith, partnership, and commitment toward this objective, the MDTA is recommending that the entire \$350 million of insurance proceeds (including the \$68 million that was previously assumed to be retained) be used to fully reimburse the federal government for current and future eligible bridge debris and replacement costs. Remitting the full amount of the insurance proceeds does not materially impact the MDTA's financial metrics and the MDTA continues to remain in compliance with its financial goals and legal standards through FY 2027. In November, the MDTA will present an updated financial forecast for approval. This forecast will incorporate this revision and any other updates to assumptions known at the time of the forecast.

Upon motion by Member Jeffrey S. Rosen and seconded by Member W. Lee Gaines, Jr., the Members unanimously gave approval to remit the full amount of the property and business interruption insurance proceeds related to the collapse of the Francis Scott Key (FSK) Bridge to the federal government.

APPROVAL – QUARTERLY REVIEW OF INVESTMENT STRATEGY AND BENCHMARKS

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

Mr. Garman explained that for the trailing twelve-month period ended June 30, 2024, investments conformed to Investment Policy limitations. The longer duration strategies employed in certain reserves generate higher return volatility with expected higher average annual returns over multiyear periods. Portfolio structuring by account adhered to Board approved strategy and should remain consistent, despite short-term return volatility associated with the rising interest rate environment. No changes in performance strategy or benchmarks are recommended.

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

APPROVAL – INVESTMENT POLICY

Mr. Allen Garman requested MDTA Board approval of the unchanged MDTA Investment Policy.

Mr. Garman explained that Section 4 of the Investment Policy and Article II(B)(1) of the MDTA Board Operating Policy require an annual review and approval of the Investment Management Policy.

Following a recent review by the Investment Committee, no changes to the Investment Policy are currently recommended.

Upon motion by Member Mario J. Gangemi and seconded by Member Cynthia D. Penny-Ardinger the unchanged MDTA Investment Policy was unanimously approved.

UPDATE - EXECUTIVE DIRECTOR'S REPORT

Mr. Bruce Gartner updated the MDTA Board on the following items related to the Francis Scott Key (FSK) Bridge Replacement Project:

- The proposals for the General Engineering Contract for the Francis Scott Key Bridge Replacement are due on September 5 and anticipated contract award date of January 2025.
- The RFP for the Construction Management and Inspection contract is anticipated to go out the week of September 9.
- The Maryland Department of the Environment will be holding an informational hearing on MDTA's rebuild permit applications on September 17.
 - MDE is holding this hearing to inform the public that MDTA has applied for a MDE Tidal Waterway License, a MDE Nontidal Wetlands and Waterways Permit, and has submitted a Water Quality Certification Request to MDE for the Francis Scott Key Bridge Rebuild Project and to solicit testimony from the public regarding these applications.
 - Testimony/comments from MDE's public hearing will be considered in their determination of whether to issue permit authorizations and a Water Quality Certification for this project.
- On the engagement front, our FSK Rebuild engagement team continues to be out and about at many community events. A complete list of the FSK Pop Ups can be found on the Key Rebuild site at www.keybridgerebuild.com

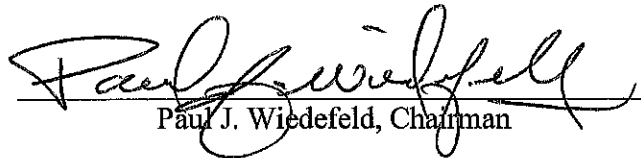
Mr. Bruce Gartner updated the MDTA Board on the following items: 2 Tolling Contract Modifications were approved at Board of Public Works Meeting on 8/28; MACo Summer Conference Updates; MDTA's Fall Travel Campaign; the August 17 911 America's Ride stop at the Maryland House; For the 11th consecutive year the MDTA received the Certificate of Achievement for Excellence in Financial Reporting of the production of the FY 2023 Annual Comprehensive Financial Report ; and upcoming events including MDOT's Annual CTP Tour and the September 10 Doing Business with the Maryland Transportation Authority.

VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member William H. Cox, Jr. and seconded by Member W. Lee Gaines, Jr., the Members unanimously voted to adjourn the meeting at 9:40 a.m.

The next MDTA Board Meeting will be held on Thursday, September 26, 2024 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:



Paul J. Wiedefeld, Chairman