

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, AUGUST 30, 2018
1200 FRANKFURST AVENUE, BALTIMORE, MD 21226

OPEN SESSION

James F. Ports, Jr, Acting Chairman

MEMBERS ATTENDING:

Katherine Bays Armstrong
P. Jack Basso
Dontae Carroll
William H. Cox, Jr.
William Ensor
W. Lee Gaines
Mario J. Gangemi
John von Paris

STAFF ATTENDING:

Sarah Clifford
Percy Dangerfield
Clayton Fischer
Allen Garman
David Goldsborough
Chantelle Green
David Greene
Michele Gross
Natalie Henson
Meshelle Howard
Col. Jerry Jones
Cheryl Lewis-Orr
Jessica Mettle
Kimberly Millender, Esq.
Tonya Morant
Roxane Mukai
Mary O'Keeffe
John O'Neill
Kevin C. Reigrut
Deborah Sharpless
Cheryl Sparks

OTHERS ATTENDING:

Lisa Choplin – MDOT SHA
Lisa Webb – MDOT TSO

At 9:04 a.m. Acting Chairman James F. Ports, Jr. called the meeting of the Maryland Transportation Authority (MDTA) Board to order.

APPROVAL – OPEN SESSION MINUTES OF JULY 26, 2018

Upon motion by Member William H. Cox and seconded by Member John von Paris, the Open meeting minutes of the MDTA Board meeting held on July 26, 2018 were unanimously approved.

APPROVAL – PUBLIC PRIVATE PARTNERSHIP (P3) CONCEPT OF APPLICATION

Mr. John O'Neill updated and requested approval of the Maryland Transportation Authority (MDTA) Board on the MDTA involvement in the Public Private Partnership (P3) being developed for I-495 and I-270. An overview of this project was presented by Chairman Pete K. Rahn at the July Board meeting.

The P3 Candidate Concept Application proposes to enter into one or more P3 agreements to deliver additional capacity and improvements to enhance reliability along the heavily traveled I-495 and I-270 corridors. With the Board's approval, this P3 program will be delivered jointly by MDTA and the Maryland Department of Transportation (MDOT).

Existing revenue sources are insufficient to fund this project and revenue sources that will provide additional funding will be needed to move this project forward. State law solely empowers the MDTA Board to establish rates for tolling on Maryland facilities. It is anticipated that the MDTA will be a partner in this P3 program to facilitate the potential tolling on these facilities. Therefore, we are looking for concurrence of the Board to accept the proposed P3 Candidate Concept Application and to authorize MDTA involvement in the P3 program moving forward including proceeding to the detailed-level screening and preparation of a Pre-Solicitation Report.

Upon motion by Member Peter J. Basso and seconded by Member Katherine Bays Armstrong, the Members unanimously approved the participation of MDTA in the P3, the P3 Concept of Application, and proceeding to a detailed-level screening and preparation of a Pre-Solicitation Report.

APPROVAL – CODE OF MARYLAND REGULATIONS (COMAR)

Mr. Clayton Fischer requested approval from the MDTA Board for the submission of Final Actions permanently adopting changes to COMAR 11.07.03.03(B) and 11.07.03.05, subject to any needed non-substantive changes as the result of pre-publication review.

The MDTA is proposing to make final and permanent the previously Board-approved proposed changes to COMAR 11.07.03.03B and COMAR 11.07.03.05, reflecting MDTA's use of e-Maryland Marketplace, rather than the news media, for providing notice of open application periods for MDTA towing permits, and repealing the \$500 fee for applying for a permit to provide towing and other related road services on MDTA property, respectively. These proposed changes were published in the Maryland Register Volume 45 Issue 15 on July 20, 2018. No comments were received.

Upon motion by Member Peter J. Basso and seconded by Member Katherine Bays Armstrong, the Members unanimously approved the submission of the final regulations.

APPROVAL – DEBT POLICY

Mr. Allen Garman presented the annual review of the Debt Policy for Board review and requested the approval of minor revisions to the Debt Policy. The Finance Committee reviewed and recommended this item for approval at its meeting on August 7, 2018.

Following a recent review by internal staff and the two municipal advisory firms, no material changes to the Debt Policy are currently recommended. Some minor changes are recommended to remove references to advance refundings that were eliminated by recent changes to tax law.

Upon motion by Member Katherine Bays Armstrong and seconded by Member Dontae Carroll, the Members unanimously approved the MDTA Debt Policy.

APPROVAL – QUARTERLY REVIEW OF INVESTMENT STRATEGY AND PERFORMANCE

Mr. Allen Garman provided the MDTA Board with a quarterly update on investment strategy and performance. The Investment Committee seeks approval to add SunTrust to the list of Authorized Dealers.

For the trailing 12-month period ended June 30, 2018, investment strategy was in line with the agency's Investment Policy and the investment portfolio's total return performance was commensurate with the respective benchmark indices. No changes in performance strategy or benchmarks are recommended for the core unrestricted reserve accounts.

As directed by Investment Policy, investments are primarily bought and sold on a competitive basis, with offers and bids sought from a group of more than ten Authorized Dealers. Brokers/Dealers are reviewed annually for competitiveness by the Investment Committee. Dealer suspensions may result from trailing 12-month performance. The Investment Committee recommends the addition of SunTrust to the list of Authorized Dealers.

Upon motion by Member Peter J. Basso and seconded by Member Mario Gangemi, the Members unanimously approved the MDTA Investment Strategy and Performance and the addition of SunTrust to the list of Authorized Dealers.

APPROVAL – MARYLAND TRANSPORTATION AUTHORITY'S (MDTA) STRATEGIC PLAN

Mr. Kevin C. Reigrut gave a brief overview of the history of the MDTA's Strategic Plan. Mr. Percy Dangerfield and Mr. David Greene requested MDTA Board approval to finalize the MDTA Strategic Plan.

The update to MDTA's Strategic Plan has been an organic approach to obtain employee input in its development. This initially began with the review of the outcome from the October 2017 Gettysburg Advance, followed by an off-site Strategic Planning Session in January 2018. The outcome from that meeting was the creation of a new vision, purpose statement values, and pillars for MDTA that formed the foundation of the draft Strategic Plan, and the formal launch of the Smart Strike Teams.

In March an update was provided to employees of Strategic Planning efforts to date and that they would receive a draft copy of the plan for comments and feedback. Work on the draft Strategic Plan continued in April and May incorporating further discussion from the Executive Advisory Committee, Smart Strike Teams and Management Committee.

The Draft Strategic Plan was made available to all MDTA employees in June. Employees were also given the opportunity to participate in an anonymous survey to provide their feedback and comments. There were 173 employees who responded to the survey which correlated to roughly 10% of MDTA's workforce. Over 50% of the respondents have been with MDTA for 10 years or less. Feedback from the survey report findings was discussed at Management Committee on July 18, 2018 providing the opportunity for further revision.

Pending approval, the draft plan will go through final review and then be provided to the Governor's Office in the fall in preparation for a formal roll out on January 1, 2019.

Upon motion by Member Mario Gangemi and seconded by Member Katherine Bays Armstrong, the Members unanimously approved the MDTA Strategic Plan.

**APPROVAL – MARYLAND TRANSPORTATION AUTHORITY'S (MDTA)
CONNECTED AND AUTOMATED VEHICLES (CAV) STRATEGIC PLAN**

Mr. Kevin C. Reigrut requested MDTA Board approval to finalize the MDTA Strategic Plan for Connected and Automated Vehicles (CAV).

In late 2015, the Maryland Department of Transportation (MDOT) Secretary Pete K. Rahn established the Autonomous and Connected Vehicle Working Group as the central point to develop and deploy emerging CAV technologies in Maryland. The group was later renamed the Connected and Automated Vehicle Working Group (MD CAV Working Group). The MDOT Secretary's Office is developing a MDOT CAV Strategic Plan that encompasses efforts and plans underway and includes input from the MDOT Transportation Business Units (TBUs) as well as the MD CAV Working Group.

The MDTA designated a representative to the MD CAV Working Group and has been coordinating with the Working Group to support the advancement of CAV technologies in Maryland. Throughout the year, representatives from around the MDTA have participated in CAV work sessions to discuss potential MDTA CAV considerations or actions. These discussions have led to the development of the MDTA CAV Plan. The CAV Plan has been reviewed by MDTA participants in the CAV work sessions and by TBU staff members who participate in the MD CAV Working Group.

The CAV Plan Vision states: “The MDTA will support a framework for CAV transformative technologies to improve customer experience and provide access to safe and reliable transportation solutions.” The CAV Plan has been developed as an appendix to the MDTA Strategic Plan. The CAV Plan is expected to be a living document that will be updated as needed to address the evolving nature of the CAV impact on transportation facility projects.

Pending Board approval, the Draft CAV Plan will be finalized and posted on the MDTA internet site with a link from the MD CAV Working Group website.

Upon motion by Member William Ensor and seconded by Member Peter J. Basso, the Members unanimously approved the MDTA Strategic Plan for CAV.

UPDATE – QUARTERLY REVIEW OF TRAFFIC AND REVENUE

Ms. Deborah Sharpless updated the Board on the year-to-date traffic and toll revenue trends.

For the fiscal year ended June 30, 2018, the MDTA experienced systemwide transaction and revenue growth over the previous fiscal year. The growth is mainly attributable to increased commercial activity due to increased economic growth over the previous fiscal year.

Actual transactions and revenues were less than projected for the fiscal year. The difference between actuals and projections are likely due to increased gasoline prices, ongoing construction activity at the harbor crossings and less than anticipated economic growth. Construction activity will be closely considered and addressed in future traffic and revenue projections.

UPDATE – BI-ANNUAL REVIEW OF REVENUE SUFFICIENCY

Ms. Deborah Sharpless provided the Board with a bi-annual review of revenue sufficiency for the Fiscal Year (FY) 2019 – 2024 financial forecast period.

The MDTA’s Board Operating Policy requires a bi-annual review of revenue sufficiency to determine if current rate and fee levels are appropriate based on levels of expected spending. The FY 2019 – 2024 financial forecast shows that current toll rates, fees and discounts provide sufficient revenue over the next six years to meet forecasted spending and exceed all legal and policy requirements.

UPDATE – HUMAN RESOURCES (HR) COMMITTEE MEETING

Member W. Lee Gaines, Jr. presented a summation of the August 16, 2018 meeting. Topics reported included an Overview of the Office of Environment, Safety and Risk Management, Technical and Trade School Partnership, Toll Collector Initiatives and Classification and Compensation Update.

UPDATE – EXECUTIVE DIRECTORS REPORT

Mr. Reigrut reported on several topics;

- Digital Board Book Update;
- Chief of Staff Recruitment;
- Belvidere Road Update;
- New Emergency Operations Center Opening;
- Upgraded Credit Ratings;
- Upcoming Hearing with Joint Committee on Federal Relations;
- Collection of Out of State Tolls;
- Manager/Supervisor Virtual Town Hall;
- Upcoming Events;
 - 9/15 Hatem Bridge Run
 - 9/15 Getting Your Foot in the Door
 - 9/16 MDTA Tunnel Run
 - 9/22 JFK Safety Expo
- Upcoming Consolidated Transportation Projects (CTP) Tours;
 - 9/18 Queen Anne’s County
 - 9/25 Cecil County
- IBTTA Conference in Baltimore 10/15 and 10/16; and
- Recognition of Employee – Allen Garman

There being no further business, the meeting of the MDTA Board was adjourned by consensus at 10:26 a.m.

The next MDTA Board Meeting will be held on September 27, 2018, at 9:00 a.m. at the Maryland Transportation Authority, 2310 Broening Highway, Baltimore Maryland 21224.

APPROVED AND CONCURRED IN:



Pete K. Rahn, Chairman