

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, SEPTEMBER 27, 2018
2310 BROENING HIGHWAY, BALTIMORE, MD 21224

OPEN SESSION

Pete K. Rahn, Chairman

MEMBERS ATTENDING:

Katherine Bays Armstrong
Dontae Carroll – via Telephone
William H. Cox, Jr.
William Ensor
W. Lee Gaines
Mario J. Gangemi
John von Paris

STAFF ATTENDING:

Carl Chamberlin
Percy Dangerfield
Donna DiCerbo
Trudy Edwards
Chantelle Green
Lynnea Green
David Greene
Michele Gross
Natalie Henson
Meshelle Howard
Colonel Jerry Jones
Jeanne Marriott
Kimberly Millender
Tonya Morant
Mary O'Keeffe
John O'Neill
Kevin C. Reigrut
Cheryl Sparks
Christina Thompson
Bryan Upshur
Tom Walsh
Dan Williams
Melissa Williams
Eric Willison

OTHERS ATTENDING:

Ed McDonald, Maryland Department of Transportation
Alison Williams

At 9:02 a.m. Chairman Pete K. Rahn called the meeting of the Maryland Transportation Authority (MDTA) Board to order.

APPROVAL – OPEN SESSION MINUTES OF AUGUST 30, 2018

Upon motion by Member William Ensor and seconded by Member William Cox, the Open meeting minutes of the MDTA Board meeting held on August 30, 2018 were unanimously approved.

RESOLUTIONS – YEARS OF SERVICE RECOGNITION FOR RETIRED EMPLOYEES

Mr. Kevin Reigrut read the following resolutions for employees who have retired, Gerry C. Allison, Karen A. Moore and Alison B. Williams. Therefore it further be resolved, on the occasion of their retirement from their distinguished careers of exemplary service, the Chairman and Members of the Maryland Transportation Authority hereby express to Mr. Allison, Ms. Moore and Ms. Williams their most sincere appreciation for their excellence and commitment, and be it further resolved that these resolutions be entered into the minutes of the MDTA Board meeting of September 27, 2018, and a copy, appropriately framed, be presented as an expression of the MDTA Board's appreciation and esteem.

UPDATE – REVIEW OF ACTUAL VS. PROJECTED FISCAL YEAR (FY) 2018 OPERATING BUDGET

Ms. Christina Thompson presented an update on the actual vs. projected FY18 Operating Budget. This item was discussed in detail at the September Finance Committee meeting. As of June 30, 2018, 94% of the budget was spent.

Communications was below budget at 92% spent due to Automatic Vehicle Locator (AVL) services that were not as much as planned. Utilities was below budget at 92% spent due to lower energy usage, more efficient lighting and building renovations. Motor vehicle operations and maintenance was below budget at 90% spent. Fewer repairs, more fuel-efficient vehicles and less maintenance costs are the result of having a newer fleet, MDTA's quality control program and some repairs covered under warranty. Significant spending in contractual services variances include: Advertising was 107% spent. The Division of Communications received permission to fund supplementary advertising projects in light of savings that were anticipated in other areas. Equipment repairs and maintenance was only 24% spent mainly due to a failed procurement for server maintenance. Building/road repairs and maintenance was 81% spent primarily due to slower than expected installations for virtual weigh stations which resulted in lower maintenance costs. Also, spending for on-call repairs was less than expected. Management studies was overspent at 106% and included reimbursable costs for SHA related toll studies. Fiscal services was 108% spent due to higher reciprocity payments related to increased transactions and higher credit card fees. Savings were realized in IT-related service contracts due to turnover in some of the Consulting and Technical Services (CATS) contracts, downsizing of business analyst pool and GIS staff, and less use of contractor hours for Oracle support.

Supplies and materials were within budget at 101% spent. Salt was only 75% spent due to the mild winter. *E-ZPass*® transponders were 117% spent. The free transponder program was overwhelmingly successful. Replacement equipment was 49% spent due to a reduction in computer replacements as a result of MDTA's initiative of one computer per employee. Personnel with laptops did not also receive replacement desktops. Additional equipment was 61% spent due to a delay in the receipt of new equipment for JFK and the new AOC. Fixed charges was 90% spent due to adding an inflation factor to our insurance premiums which was not needed.

UPDATE – REVIEW OF ACTUAL VS. PROJECTED FY 2018 CAPITAL BUDGET

Ms. Jeanne Marriott presented an update on the status of the FY 2018 spending against the FY 2018 capital budget in the FY 2018-2023 Draft CTP. This item was presented to the Finance Committee.

The FY 2018 capital budget spending was \$307.7 million, or 72% of the FY 2018 budget. The 100% target is \$429.8 million. Thirteen of the 116 projects budgeted for FY 2018 were within the desirable spending limits of 90% to 110% (plus or minus 10% of the 100% target). The variation is reduced from the 25% reported for the third quarter because all allocations, accruals, and 2018 invoices were posted.

FY 2018 spending for 103 projects was below 90% or above 110%, sixty-three projects were underspent and forty were overspent.

Ten projects were underspent by \$85.3 million. These projects account for 70% of the total underspending of \$122.1 million. The underspending ranged from \$4.0 million to \$19.5 million. Six were overspent by \$3.0 million to \$9.7 million. These projects account for 55% of the total overspending of \$54.6 million. The remaining 34 projects that exceeded the budget by 10% were overspent by less than \$3.0 million per project. Overspending planned projects can be concerning, however, in this case a portion of these projects were accelerated intentionally because of known underspending with other projects. Strategically overspending certain project budgets is an expected outcome when managing the capital budget at a macro level.

UPDATE – FORMER MARYLAND HOUSE TRAVEL PLAZA MURAL SCENE PANELS

Mr. David Greene presented an update on the transfer of the former Maryland House Travel Plaza Murals scene panels. This item was presented to the Finance Committee.

In 1966, the State Roads Commission predecessor to the Maryland Transportation Authority, contracted with Gladioux Corporation to make decorative improvements to the Maryland House Travel Plaza. Pennsylvania artist William A. Smith was commissioned to create several murals for the travel plaza. Depicting significant individuals and events of Maryland and U.S. history, the murals were installed in the lobby of the Maryland House on April 2, 1968.

During a renovation in the late 1980's, the mural located on the first floor was damaged. The murals, originally three individual sections, included one section located on the first floor of the former Maryland House, which was removed from the building in March 1989, and two other sections located on the second floor, which were removed in September 2012 as part of the Travel Plazas Redevelopment P3 project. After removal, the panels were cleaned and properly stored. These sections of mural vignettes were formerly on the second floor of the old Maryland House. The murals were appraised by a painting conservator in December 2013. The values of the murals are greater when cut into individual panels and have a higher probability of being accepted by an appropriate owner.

The mural panel of Andrew Ellicott and Benjamin Banneker in front of a map of the District of Columbia was identified and approved for disposition to the Banneker-Douglass Museum with the intent that it will be included as part of a new permanent exhibition on Benjamin Banneker and Frederick Douglas. There is also one mural panel depicting Francis Scott Key in front of the U.S. flag that will be cleaned and displayed in the MDTA headquarters lobby.

While MDTA is the owner of all facets of the work including copyright, in recognition of the Visual Artists Rights Act (VARA) of 1990 (the first federal copyright legislation to grant protection to moral rights), MDTA has also been coordinating with the family of the disposition of the mural panels. These separate panels representing facets of Maryland's history have confirmed interest from the proposed recipients providing an opportunity for them to be displayed in different venues.

UPDATE – PORT COVINGTON

Ms. Melissa Williams presented a brief update on Port Covington.

UPDATE – AUDIT COMMITTEE MEETING

Chairman, Member John von Paris, gave an update on the Audit Committee Meeting that was held on September 21, 2018. The office of Audits is on track to complete 15 audits in the Fiscal Year 2019 Audit Plan.

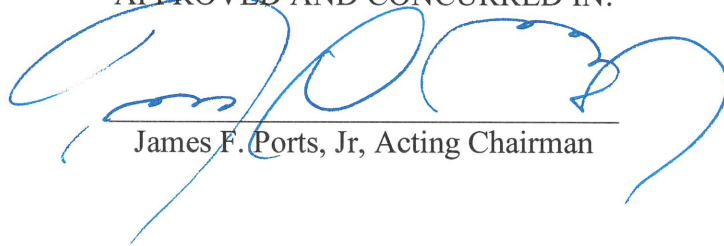
UPDATE – EXECUTIVE DIRECTOR

Mr. Kevin C. Reigrut gave a brief update on the following topics: Stating how proud he was with the staff who handled the recent fire in the Baltimore Harbor Tunnel; There were two running festivals, on September 15 was the Susquehanna River Run and on September 16 the Fort McHenry Tunnel Run, which raised \$29,000 for Special Olympics, Maryland; His attendance at two CTP Tours in Queen Anne's and Cecil Counties; Seven staff from the Executive Office participated in the Governor's Day to Serve, by volunteering at the Maryland Food Bank; and lastly, the Recognition of Employee, Lynnea Green.

There being no further business, the meeting of the MDTA Board was adjourned by consensus at 10:11 a.m.

The next MDTA Board Meeting will be held on October 25, 2018, at 9:00 a.m. at the Maryland Transportation Authority, 2310 Broening Highway, Baltimore Maryland 21224.

APPROVED AND CONCURRED IN:



James F. Ports, Jr, Acting Chairman