

MARYLAND TRANSPORTATION AUTHORITY  
BOARD MEETING  
THURSDAY, OCTOBER 24, 2019  
2310 BROENING HIGHWAY, BALTIMORE, MD 21224

OPEN SESSION

R. Earl Lewis, Jr., Acting Chairman

MEMBERS ATTENDING:

P. Jack Basso  
Dontae Carroll – via Telephone  
William H. Cox, Jr.  
William Ensor  
W. Lee Gaines – via Telephone  
Mario J. Gangemi  
Jeffrey S. Rosen  
John F. von Paris

STAFF ATTENDING:

Nafiz Alqasem  
Ryan Bounds  
Carl Chamberlin  
Percy Dangerfield  
Donna DiCerbo  
Vicki Dobbins  
Luther Dolcar  
Allen Garman  
Chantelle Green  
Lynnea Green  
April Guevarra  
Jim Harkness  
Amber Harvey  
Meshelle Howard  
Chris Imms  
Col. Jerry Jones  
Kerry McCoy  
Kelly Melham  
Kimberly Millender, Esq.  
Sushmita Mitra  
Mary O'Keeffe  
John O'Neill  
James F. Ports, Jr.  
David Shirk  
Don Smith  
Melissa Williams

OTHER ATTENDEES:

William Seymour, SB & Company, LLC.

At 9:00 a.m. Acting Chair R. Earl Lewis, Jr. called the meeting of the Maryland Transportation Authority (MDTA) Board to order.

**APPROVAL – OPEN SESSION MEETING MINUTES OF SEPTEMBER 26, 2019**

Upon motion by Member Mario Gangemi and seconded by Member P. Jack Basso, the open meeting minutes of the MDTA Board meeting held on September 26, 2019 were unanimously approved.

**APPROVAL – TOLL MODERNIZATION PLAN**

Mr. Carl Chamberlin gave a summary and analysis of comments received from the public on the Toll Modernization Plan. He then presented the final tolling proposal to proceed forward for approval at the next meeting of the Board in November. The report summary will be posted on the MDTA's website and the MDTA will accept additional comments from the public.

Upon motion by Member Mario Gangemi and seconded by Member P. Jack Basso, the Members unanimously approved the summary of comments and moving the final proposal forward for comments before approval at the next meeting of the Board in November.

**APPROVAL – CONTRACT AWARDS**

• **Contract No. BB-3008-000 – Bay Bridge Crossover Automated Lane Closure System**

Ms. Donna DiCerbo requested approval to execute Contract No. BB-3008-000 – Bay Bridge Crossover Automated Lane Closure System with Aldridge Electric, Inc. in the bid amount of \$15,342,494.25.

This project is to improve and reduce the response time for implementing lane closure and two-way traffic operations on the bridge for incidents and construction work. This system will consist of new enhanced lane use signals, gantries, signing, pavement markings, dynamic in pavement lights, OMS, and camera to deploy lane closure and two-way traffic.

Upon motion by Member P. Jack Basso and seconded by Member William Cox, the Members unanimously approved Contract No. BB-3008-009 – Bay Bridge Crossover Automated Lane Closure System.

• **Contract No. HB-2594-000 – Hatem Toll Plaza Pavement Rehabilitation and All Electronic Tolling Conversion**

Ms. Donna DiCerbo requested approval to execute Contract No. HB-2594-000 – Hatem Toll Plaza Pavement Rehabilitation and All Electronic Tolling Conversion with Allan Myers MD, Inc. in the amount of \$7,637,767.00.

This project consists of the reconstruction of existing pavement in the vicinity of the toll plaza from the E Street bridge approach to MD 222. The removal of the existing toll plaza structure and constructing a new gantry and Information Technology System equipment to support All Electronic Tolling operations west of the Hatem Bridge.

Upon motion by Member Mario Gangemi and seconded by Member P. Jack Basso, the Members unanimously approved Contract No. HB-2594-000 – Hatem Toll Plaza Pavement Rehabilitation and All Electronic Tolling Conversion.

**UPDATE – INDEPENDENT AUDITOR’S REPORT FOR THE FISCAL YEAR 2019 FINANCIAL STATEMENTS AUDIT AND SERVICE ORGANIZATION CONTROL 1 REPORT**

Mr. William (Bill) Seymour, Engagement Partner, from SB & Company, LLC, briefed the MDTA Board on the results of the Fiscal Year (FY) 2019 Financial Statements Audit and the Service Organization Controls (SOC) 1 Report for the Maryland E-ZPass System. Mr. Seymour indicated that during the FY 2019 audit, the principal areas of audit emphasis included the MDTA’s cash and investments, accounts receivable, capital assets, revenue recognition, accounting for debt and other long-term financing, intergovernmental agency relationships, service concession arrangements, and pension accounting. SB & Company issued an unmodified opinion on the financial statements and reported that no instances of fraud were discovered or noted, no material weaknesses in internal controls were discovered, and full cooperation was received from the MDTA’s management.

For the SOC 1/Statement on the Standards for Attestation Engagements, SB & Company reviewed the 13 control objectives asserted by Conduent. No qualifications were made within the report; however, certain areas were noted where the design or operating effectiveness of the control activities could be enhanced.

**UPDATE – CREDIT RATING AGENCY REPORTS**

Mr. Allen Garman provided an overview to the Finance Committee on the MDTA’s 2019 surveillance rating results. In order to access the capital markets at the lowest possible financing rates, the MDTA obtains credit ratings at the time of a new financing and pays for annual ratings surveillance. The agency is currently rated in the double-A category by Moody’s, S&P, and Fitch at Aa2, AA-, and AA, respectively. The Aa2 rating by Moody’s is the highest credit rating within the firm’s Toll Sector universe of approximately forty rated entities. These published ratings and associated reports provide details regarding the credit risk associated with an issuer, including pledged revenues, indenture covenants, reserves, debt service coverage, liquidity position, management strength, and regulatory environment. The costs of the initial ratings and annual surveillance should be fully offset by the lower associated financing costs for rated bond issues.

**UPDATE – EXECUTIVE DIRECTOR**

Mr. James F. Ports, Jr. gave a brief update on the following topics: All Electronic Tolling at the Hatem Bridge; 2019 MDOT CTP Meetings; Westbound Bay Bridge Rehabilitation Project; Bay Crossing Study Open Houses; the 11<sup>th</sup> Annual Fort McHenry Tunnel Run; the Inaugural Class of Emerging Leaders Graduation; MDTA Leadership Advance; MDTA's participation in this year's Maryland Day to Serve Initiative; and All Electronic Tolling at the Key Bridge.

Mr. Ports also recognized the Intercounty Connector Facility Team for their efforts in the success of our first Customer Appreciation Event that was held at their facility on September 21.

There being no further business, the meeting of the MDTA Board was adjourned by consensus at 10:05 a.m.

The next MDTA Board Meeting will be held on November 21, 2019 at 9:00 a.m. at the Maryland Transportation Authority, 2310 Broening Highway, Baltimore MD 21224.

APPROVED AND CONCURRED IN:



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Pete K. Rahn, Chairman