

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, NOVEMBER 21, 2019
2310 BROENING HIGHWAY, BALTIMORE, MD 21224

OPEN SESSION

Pete K. Rahn, Chairman

MEMBERS ATTENDING:

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

STAFF ATTENDING:

Melissa Bogdan	Kelly Melham
Percy Dangerfield	Kimberly Millender, Esq.
Jeffrey Davis	Ken Montgomery
Donna DiCerbo	Ebony Moore
Jacqueline Djomo	Tonya Morant
Allen Garman	Mary O'Keeffe
David Goldsborough	John O'Neill
Normetha Goodrum	Will Pines
Chantelle Green	James F. Ports, Jr.
Jim Harkness	Bradley Ryon
Natalie Henson	John Sales
Meshelle Howard	Deb Sharpless
Col. Jerry Jones	Paul Truntich
Bob Jordan	Russ Walto
Cheryl Lewis-Orr	Tim Wendt
Heather Lowe	Eric Willison
Jeanne Marriott	Brian Wolfe

OTHER ATTENDEES:

Mike Blair, JMT
Nancy Boyd, WSP
Champ Burnley, Virginia Bicycling Federation
Tom Curtain, MDOT
Jane Hudnall, Oxen Hill Bicycle & Trail Club
Jim Hudnall, Oxen Hill Bicycle & Trail Club
Phil Nichols, MDOT
Sean Powell, MDOT
Richard Reis, Sierra Club Maryland
Walt Roscello, Oxen Hill Bike, TCC-SOMD BIAC

At 9:00 a.m. Chair Pete K. Rahn called the meeting of the Maryland Transportation Authority (MDTA) Board to order.

APPROVAL – OPEN SESSION MEETING MINUTES OF OCTOBER 24, 2019

Upon motion by Member Mario Gangemi and seconded by Member William H. Cox, Jr., the open meeting minutes of the MDTA Board meeting held on October 24, 2019 were unanimously approved.

APPROVAL – TOLL MODERNIZATION PLAN

Ms. Deb Sharpless gave a review and analysis of the Final Public Comment Summary as well as a summary of the final Toll Modernization proposal for Board approval. Chairman Pete K. Rahn opened the floor for public comment on this agenda item. There were no public comments.

Upon motion by Member P. Jack Basso and seconded by Member Mario Gangemi, the Members unanimously approved the Toll Modernization Plan.

APPROVAL – CONTRACT AWARD

- **Contract No. NB-0543-0000 – Harry W. Nice/Thomas “Mac” Middleton Bridge Replacement – Base Contract**

Ms. Donna DiCerbo requested contingent approval to execute Contract No. NB-0543-0000 – Harry W. Nice/Thomas “Mac” Middleton Bridge Replacement – Base Contract with Skanska-Corman-McLean, A Joint Venture, in the bid amount of \$462,957,000.

This Contract is to provide Design-Build services for the replacement of the Harry W. Nice/Thomas Mac” Middleton Bridge Replacement. The basis of payment for this work will be “lump sum” which price shall include all costs associated with design and construction of the project in accordance with the requirements of the RFP. The project involves construction in both the State of Maryland and the Commonwealth of Virginia.

Upon motion by Member Mario Gangemi and seconded by Member Dontae Carroll, the Members unanimously approved Contract No. NB-0543-000 – Harry W. Nice/Thomas “Mac” Middleton Bridge Replacement – Base Contract.

APPROVAL – CONTRACT ALTERNATIVE

- **Contract No. NB-0543-0000 – Harry W. Nice/Thomas “Mac” Middleton Bridge Replacement – Bike/Pedestrian Path Alternative**

Mr. Will Pines briefed the Board on the Contract NB 0543-0000 - Harry W. Nice/Thomas “Mac” Middleton Bridge Replacement Contract Alternate for a bike/pedestrian path and the feasibility of this alternative.

Mr. Pines explained to the Board that the base contract already included several features to enhance safety for lane sharing. These features included bicycle compatible bridge joints, additional signage, and intelligent transportation systems, like bicycle warning beacons. He then explained the stakeholder feedback, pros, cons and feasibility of building a dedicated bicycle/pedestrian path on the bridge. The Skanska-Corman-McLean, A Joint Venture bid price for the barrier separated bicycle/pedestrian path was \$63,988,300.

Mr. Pines also presented an alternate project for the funds if the Board decides not to build the bicycle/pedestrian path. This project would be the I-95 Southbound Phase 1 (Maryland House to MD24) project. This \$58 million project would widen a 5.4-mile section of southbound I-95 in Harford County to maintain four lanes with the installation of a Transportation Systems Management and Operations (TSMO) hard shoulder running solution between the Maryland House and MD 24. This section is currently a severe weekend bottleneck causing congestion and crashes, including fatalities.

In accordance with the Board's Policy on Public Participation, Chairman Pete K. Rahn opened the floor for public comment. There were four members of the public that signed up to speak in support of the dedicated bicycle/pedestrian bridge. The Board also received written public comments in support of this option.

Upon motion by Member P. Jack Basso and seconded by Member Mario Gangemi, the Members unanimously approved MDTA adding the I-95 Southbound Phase 1 (Maryland House to MD 24) project to the six-year capital program instead of the bicycle/pedestrian path alternative.

APPROVAL – QUARTERLY REVIEW OF INVESTMENT STRATEGY AND PERFORMANCE

Mr. Allen Garman requested approval from the Board to continue with the investment strategy for the current quarter. Mr. Garman reviewed market conditions, portfolio strategies, and total return performance. He also discussed certain market drivers that may influence portfolio performance in the coming months, including the economy, fiscal policy, and Federal Reserve monetary policy.

Mr. Garman advised the MDTA Board that the Investment Committee is currently undergoing a comprehensive review of the current investment strategy, benchmarks, performance, and other related matters.

Upon motion by Member P. Jack Basso and seconded by Member John F. von Paris, the Members unanimously approved continuing with the MDTA investment strategy for the current quarter.

UPDATE – MAJOR PROJECTS UPDATE – ELECTRONIC TOLL COLLECTION (ETC3G)

Mr. Bob Jordan updated the Board on the status of the Electronic Toll Collection 3G (ETC3G) Program responsible for designing, constructing, testing, and implementing the ETC3G contracts with Kapsch Traffic Com USA and TransCore, LP.

UPDATE – FIRST QUARTER BUDGET COMPARISON – OPERATING

Ms. Chantelle Green updated the Board on actual versus projected year-to-date spending for the first quarter of Fiscal Year 2020. As of September 30, 2019, 16 percent of the operating budget was spent compared to the target of 23 percent. No Comptroller's Objects exceeded expected spending levels.

UPDATE – FIRST QUARTER BUDGET COMPARISON - CAPITAL

Ms. Jeanne Marriott updated the Board on actual year-to-date spending for the first quarter compared to projected spending as shown in the Fiscal Year (FY) 2020-2025 Draft Consolidated Transportation Program. As of September 30, 2019, 9.7 percent, or \$38.5 million, of the FY 2020 capital budget of \$396.9 million was spent.

UPDATE – FISCAL YEAR 2020 TRAFFIC AND REVENUE REPORT

Ms. Deb Sharpless provided the Board with a year-to-date update regarding the MDTA's traffic and toll revenue trends compared to the forecast. For the quarter ended September 30, 2019, transactions and revenue declined compared to the first quarter of Fiscal Year 2019 by 1.0 percent and 1.2 percent, respectively. The first quarter transactions and revenue are impacted by the I-895 Bridge Project. Actual transactions and revenue show no variation to forecast as preliminary actual data was available at the time the forecast was prepared.

UPDATE – TRAFFIC AND REVENUE FORECAST UPDATE

Ms. Deb Sharpless briefed the Board on the annual update to the traffic and revenue (T&R) forecasts for all facilities. Ms. Sharpless explained that each fall, an update to the ten-year traffic and revenue forecast is prepared by independent consultants. These forecasts are built on historical data from the MDTA's facilities and national, regional, and State socioeconomic data, such as population, employment, unemployment, real income per capita, real gross domestic product, inflation, and fuel prices.

When comparing the November 2018 forecast to the November 2019 forecast for the Fiscal Year 2020-2025 forecast period (for all facilities), forecasted revenues declined by \$168.6 million, or 3.7 percent, compared to the previous forecast. The revenue reduction is impacted by multiple factors, including lower transaction volumes, the proposed toll rate adjustments, cashless tolling, reduced other toll revenues (e.g., civil penalties), construction impacts at MDTA facilities (*i.e.*, Baltimore Harbor Tunnel, Bay Bridge, and Francis Scott Key), increased *E-ZPass* penetration, and an adjustment in the revenue cashflows associated with the I-95 ETL Northbound Extension.

APPROVAL – FISCAL YEAR 2021 PRELIMINARY OPERATING BUDGET

Ms. Chantelle Green requested Board approval of the Fiscal Year (FY) 2021 Preliminary Operating Budget. The FY 2021 Preliminary Operating Budget totals \$337.4 million, which is a decrease of \$0.1 million, or 0.02 percent, compared to the Final FY 2020 Operating Budget of \$337.4 million. The budget includes \$31.6 million in reimbursable funds from the MDOT for costs incurred for law enforcement services at the Port of Baltimore and the Baltimore/Washington International Thurgood Marshall Airport.

Personnel expenses increase by approximately \$5.4 million. The increase is primarily due to (1) a \$3.2 million increase in salaries which is the cumulative result of a cost-of-living adjustment (COLA) for sworn and civilian personnel, a step increase for the MDTA Police, and employee reclassifications; (2) a \$1.7 million increase in pension expenses due to a change in the pension rate for law enforcement personnel; and (3) a \$0.2 million increase in social security contributions. Significant discretionary increases in the FY 2021 operating budget include engineering costs (primarily for annual inspections) and advertising costs associated with the toll modernization proposals and cashless tolling. Significant discretionary decreases in the budget include a net reduction in *E-ZPass* costs, snow supplies, computer equipment, maintenance equipment, rent, fuel and utility costs.

Upon motion by Member P. Jack Basso and seconded by Member Jeffrey Rosen, the Members unanimously approved the FY 2021 Preliminary Operating Budget.

APPROVAL – FINAL FISCAL YEAR 2020-2025 CONSOLIDATED TRANSPORTATION PROGRAM

Ms. Jeanne Marriott requested Board approval for the Final Fiscal Year (FY) 2020-2025 Consolidated Transportation Program (CTP). The Final FY 2020-2025 CTP totals \$3.18 billion, a decrease of \$25.7 million from the Draft CTP. The decrease is the net result of a \$132.7 million reduction in the six-year budget for the Nice/Middleton Bridge, an increase of \$9.1 million for the I-95 ETL Northern Extension, a \$94.1 million increase in all projects (except the Nice/Middleton Bridge, the I-95 ETL Northern Extension, and reserves), and a \$3.9 million increase in the Allocated and Unallocated Reserves.

Upon motion by Member William H. Cox, Jr. and seconded by Member W. Lee Gaines, the Members unanimously approved the Final FY 2020-2025 CTP.

APPROVAL – FISCAL YEAR 2020-2025 FINANCIAL FORECAST

Ms. Chantelle Green requested Board approval for MDTA's Fiscal Year (FY) 2020-2025 Financial Forecast. Ms. Green noted that the forecast has been updated to include FY 2019 actual revenues and expenses, current traffic and revenue estimates from the updated annual traffic and revenue report, the FY 2021 Preliminary Operating Budget, and the Final FY 2020-2025 CTP. Throughout the six-year period, the MDTA will continue to meet all required financial goals and legal standards.

Upon motion by Member William P. Jack Basso and seconded by Member John F. von Paris, the Members unanimously approved the FY 2020-2025 Financial Forecast.

UPDATE – EXECUTIVE DIRECTOR

Mr. James F. Ports, Jr. updated the Board on the Thanksgiving travel week at MDTA toll facilities. He introduced Mr. Bradley Ryon, MDTA's newly hired Manager of Government Relations. Lastly, Mr. Ports gave special recognition to the Division of Planning and Program Development.

There being no further business, the meeting of the MDTA Board was adjourned by consensus at 12:26 p.m.

The next MDTA Board Meeting will be held on December 19, 2019 at 9:00 a.m. at the Maryland Transportation Authority, 2310 Broening Highway, Baltimore MD 21224.

APPROVED AND CONCURRED IN:



Sean Powell, Acting Chairman