

MARYLAND TRANSPORTATION AUTHORITY  
BOARD MEETING  
THURSDAY, DECEMBER 20, 2018  
2310 BROENING HIGHWAY, BALTIMORE, MD 21224

OPEN SESSION

R. Earl Lewis, Jr., Acting Chairman

MEMBERS ATTENDING:

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

STAFF ATTENDING:

Yaw Berkoh  
Carl Chamberlin  
Percy Dangerfield  
Donna DiCerbo  
Trudy Edwards  
Clay Fischer  
Allen Garman  
David Goldsborough  
Chantelle Green  
Michele Gross  
Jim Harkness  
Meshelle Howard  
Col. Jerry Jones  
Jeanne Marriott  
Kimberly Millender  
Mary O’Keeffe  
John O’Neill  
Cheryl Lewis Orr  
Kevin C. Reigrut  
Cheryl Sparks  
Christina Thompson  
Russ Walto  
Tim Wendt

At 9:02 a.m. Acting Chair R. Earl Lewis, Jr. called the meeting of the Maryland Transportation Authority (MDTA) Board to order.

**APPROVAL – OPEN SESSION MINUTES OF NOVEMBER 29, 2018**

Upon motion by Member W. Lee Gaines, Jr. and seconded by Member John von Paris, the open meeting minutes of the MDTA Board meeting held on November 29, 2018 were unanimously approved.

**APPROVAL – INVESTMENT POLICY**

Mr. Allen Garman requested approval for the annual review of the Investment Policy. This item was reviewed by the Finance Committee and recommended for approval.

The MDTA has statutory authority to manage its investments separate from the monies of the State of Maryland. The agency's bond indenture places conservative limitations on investments that are similar to policy limitations of the State Treasurer's Office as a function of the Annotated Code of Maryland. Investment strategy is driven by cash flow needs, investment policy limitations, and total return considerations. Broad investment strategy is directed by an investment committee consisting of certain members of senior management and external financial advisors. Strategy is implemented by the Director of Treasury & Debt. Strategy, investment policy compliance, and total return performance relative to benchmark indices are reviewed monthly by the Investment/Finance Committees and reported quarterly to the full board.

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 recent reviews by the Finance and Investment Committees, including input from the two financial advisory firms, no changes to the Investment Policy are currently recommended.

Upon motion by Member Kathy Bays-Armstrong and seconded by Member Dontae Carroll, the Members unanimously approved Investment Policy with no changes.

**APPROVAL – DRAFT LEGISLATION INITIATIVE**

Ms. Michele Gross requested approval for legislative concept concerning the collection of out-of-state debt. This concept would authorize MDTA to conduct collections independently without using the Maryland Central Collections Unit (CCU) for out-of-state collections of video tolls and civil penalties.

MDTA has historically had difficulty collecting video tolls from out-of-state violators, i.e. those who video toll but do not pay within the allotted 30 days, in part because MDTA lacks vehicle registration hold and suspension enforcement tools. Referral of the unpaid debt to the Maryland Central Collections Unit is MDTA's only recourse by law, but this collection method uses Maryland taxpayer dollars and often is unsuccessful.

The legislative concept would require amendment of Code of Maryland Regulations (COMAR) [11.07.07.08\(C\)\(1\)](#), which states “the CCU shall act as the authorized agent for any civil action instituted for the collection of unpaid Final Toll Violations pursuant to Transportation Article, [§21-1414\(d\)\(6\)\(i\)](#), Annotated Code of Maryland,” as well as amendment of the State Finance and Procurement Article, [§3-302](#), which states “the Central Collection Unit is responsible for the collection of each delinquent account or other debt that is owed to the State or any of its officials or units.”

As of December 11, 2018, there are 577,462 unique out-of-state violators with outstanding toll and civil penalty debt totaling \$104,873,196.85. As long as this debt goes uncollected, the violators’ use of the MDTA toll facilities is being subsidized by those customers who are paying their tolls, namely Marylanders.

Using CCU comes at a cost to Maryland taxpayers and results in limited recovery. If MDTA has the authority to handle these collections, MDTA will use the services of an outside debt collection service, which will not use tax dollars, and MDTA would ensure in any such contract for services that it receives *at least* the toll revenues, maybe more from Civil Penalties.

Upon motion by Member William Cox and seconded by Member Armstrong, the Members unanimously approved the submission of the legislative proposal to allow MDTA to collect out-of-state debt that is owed for unpaid video tolls and associated civil penalties.

#### **UPDATE – FIRST QUARTER BUDGET COMPARISON**

Ms. Christina Thompson presented an update for the first quarter of the Fiscal Year 2019 Operating Budget vs Actual. This item was reviewed by the Finance Committee.

As of September 30, 2018, 16% of the budget was spent compared to a target of 24%. There are no Comptroller’s Objects that exceed expected spending levels. Spending is in line with the first quarter of FY 2018.

#### **UPDATE – FIRST QUARTER BUDGET COMPARISON**

Ms. Jeanne Marriott presented an update on the status of first quarter spending against the Fiscal Year (FY) 2019 Capital Budget in the FY 2019-2024 Draft Consolidated Transportation Program (CTP). This item was presented to the Finance Committee.

As of September 30, 2018, 9.5% of the FY 2019 budget was spent as compared to the targeted spending level of 25%. The first quarter percentage is low because there are outstanding accruals for work completed in FY 2018.

### **UPDATE – QUARTERLY REVIEW OF TRAFFIC AND REVENUE**

Ms. Chantelle Green provided an update on the quarterly traffic and revenue performance for the MDTA's legacy and all-electronic toll facilities. This item was reviewed by the Finance Committee.

As of September 30, 2018, combined quarterly and year-to-date transactions and revenue on the MDTA's legacy and all-electronic toll facilities totaled 43.3 million and \$179.4 million, respectively. Although systemwide year-to-date transactions and revenue fell slightly below forecasts, transactions and revenue are expected to track closely to projections for the remainder of the fiscal year.

### **UPDATE – BELVIDERE ROAD INTERCHANGE**

Mr. Kevin Reigrut and Carl Chamberlin presented an update on the Belvidere Road Interchange. Cecil County was awarded a \$20 Million BUILD Grant for delivery of the project. MDTA will manage and deliver the project with partnership of MDTA, Cecil County and a private developer. Planning for a mid-January kick-off meeting with the project partners. FHWA has reached out to MDTA to start the process. We have two years to get all the approvals necessary to sign the funding agreement with USDOT, and an additional five years after that to spend the money. Several meetings are scheduled in the next month to follow-up with the project.

### **UPDATE – LEGISLATIVE SESSION**

Ms. Gross discussed anticipated topics of interest in the Maryland General Assembly Session 2019. Both the Maryland Senate and House of Delegates retain a veto-proof supermajority. Anticipated major topics of interest for the MDTA include: Civil Penalties, All Electronic Tolling (AET), and the P3 Traffic Relief Plan. The MDTA has received draft legislation proposing the elimination of the MDTA's ability to suspend the registration of a toll violator and requiring live streaming and archiving of MDTA's Board Meetings.

### **UPDATE – AUDIT COMMITTEE MEETING**

Member von Paris presented a brief overview from the December 18, 2018 Audit Committee Meeting. The Office of Audits is generally on track to complete 15 audits in the Fiscal Year 2019 Audit Plan. Three are completed and two are in process.

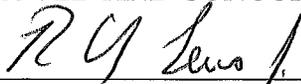
### **UPDATE – EXECUTIVE DIRECTOR**

Mr. Kevin C. Reigrut gave a brief update on the following topics: I-895 Project, Police Promotions Ceremony, Strategic Plan, Meshelle Howard received the Women in Transportation's (WTS) Woman of the Year and Earl Lewis also received an award from WTS the Ray LaHood, Man of the Year award, Great Wolf Lodge business location, presented employee Kaushik Dutta as his employee of the month for outstanding service and a reflection of 2018 Year in Review.

There being no further business, the meeting of the MDTA Board was adjourned by consensus at 10:09 a.m.

The next MDTA Board Meeting will be held on January 31, 2019, at 9:00 a.m. at the Maryland Transportation Authority, 2310 Broening Highway, Baltimore Maryland 21224.

APPROVED AND CONCURRED IN:



---

R. Earl Lewis, Jr., Acting Chair