MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, DECEMBER 21, 2017
2310 BROENING HWY, BALTIMORE, MD 21224

OPEN SESSION

Pete K. Rahn, Chairman

MEMBERS ATTENDING:

Katherine B. Armstrong
P. Jack Basso
Dontae Carroll
William H. Cox, Jr.
William Ensor (via telephone)
W. Lee Gaines
Mario J. Gangemi
John von Paris

STAFF ATTENDING:

Lt. Kevin Ayd
Katie Bennett
Donna DiCerbo
Trudy Edwards
Michele Gross
James Harkness
Jaclyn Hartman
Meshelle Howard
Colonel Jerry Jones
Jody McCurley
Kimberly Millender, Esquire
Tonya Morant
John O’Neill
Will Pines
Kevin C. Reigrut
Cheryl Sparks
John Wedemeyer
Dan Williams
Melissa Williams

OTHERS ATTENDING:

Thomas Krueger, Conduent
Emily McDermott, Van Eperen
Ed McDonald, MDOT, Chief of Staff
Isaac Meyer, A & C
Paul Shelton, McKennon, Shelton & Henn LLC
At 9:04 a.m. Chairman Pete K. Rahn called the meeting of the Maryland Transportation Authority (MDTA) Board to order.

**APPROVAL – OPEN SESSION MINUTES OF NOVEMBER 16, 2017**

Upon motion by Member Mario Gangemi, P. E. and seconded by Member William H. Cox, Jr., the Open meeting minutes of the MDTA Board meeting held on November 16, 2017 were unanimously approved.

**APPROVAL – MDTA BOARD RESOLUTION 17-05**

Ms. Jaclyn Hartman, MDTA Chief Financial Officer (CFO) and Mr. Paul Shelton, McKennon, Shelton & Henn LLP, requested approval of MDTA Board Resolution 17-05 to authorize the issuance of the Special Obligation Revenue Refunding Bonds, Series 2018 (“2018 Refunding Bonds”), subject to certain terms and conditions. The Finance Committee has reviewed and recommended for approval.

Resolution 17-05 authorizes the MDTA to issue the 2018 Refunding Bonds to take advantage of favorable market conditions to refund (refinance) the Series 2008 Transportation Facilities Projects Revenue Bonds (the “Refunding Bonds”) for debt service savings. The funding of a debt service reserve fund and the paying of issuance costs are also authorized.

The Executive Director and CFO will have the authority to manage a bond sale and closing, which includes determining the debt structure; the awarding of the 2018 Refunding Bonds to the successful underwriting firm(s) via competitive or negotiated sale, or through a direct placement with a financial institution; the selection of other service providers; and the preparation and execution of all closing documents, certificates and bond forms.

Resolution 17-05 has certain conditions that must be met, including:
1. Par Amount Issued – not to exceed $510 million;
2. Net Present Value (“NPV”) savings – not less than three percent (3%) in aggregate;
3. Final Maturity Date – not later than the final maturity date of the Refunded Bonds, which is July 1, 2041, to comply with tax regulations;
4. Bond Sale Date(s) – must occur by October 30, 2018; and
5. Bond Sale Report on Results – provided by the Executive Director and CFO at the first Board meeting after the bond sale.

There are $503.0 million of the Series 2008 Bonds subject to an optional redemption on July 1, 2018, pursuant to an available ten (10) year call at par. The average coupon of the bonds is 4.98%. A current refunding and redemption is therefore recommended and could achieve significant NPV savings, well above the minimum three percent (3%) NPV savings required by MDTA’s Debt Management Policies.

Upon motion by Member P. Jack Basso and seconded by Member Katherine Bays Armstrong, the Members unanimously approved Resolution 17-05 authorizing the issuance of the Special Obligation Revenue Refunding Bonds, Series 2018, subject to certain terms and conditions as outlined above.
APPROVAL – INVESTMENT POLICY

Ms. Hartman requested approval on the annual review of the Investment Policy and requested approval of minor revisions associated with acronyms and references to State statute. The Finance Committee has reviewed and recommended for approval.

Following a recent review by the Investment Committee, including input from the two municipal advisory firms, no material changes to the Investment Policy are currently recommended.

The Investment Committee recommends minor edits to a statutory reference in Policy Statements 10 and to acronyms associated with Supranational issuers in Section 5.10.

Upon motion by Member Armstrong and seconded by Member Cox, the Members unanimously approved the annual review of the Investment Policy, with the minor changes requested.

APPROVAL – NICE BRIDGE REPLACEMENT PROJECT GOALS

Mr. William Pines requested approval on the project goals for Contract No. NB 0543-0000 Nice Bridge Replacement Project.

Mr. Pines reviewed a presentation that outlined the proposed project goals for the Nice Bridge.

1. Cost – Complete the project at or below the total construction budget of $XXX* million, while minimizing life cycle costs. (*After the ongoing permitting, nosiewall, utilities, parkland mitigation, etc. requirements are finalized, the final Request for Proposal document will include a specific amount for the construction budget. This amount will be less than the $769 Million total program budget in the Consolidated Transportation Program).

2. Schedule – Fully open all four (4) lanes to traffic on the new bridge by May 15, 2023 and minimize the total days of project construction.

3. Safety – Provide a safe toll facility with zero fatalities and serious injuries for workers and the public during and after construction.

4. Durability – Integrate high quality design, construction and operational aspects to deliver a durable, functional bridge achieving or exceeding minimum 75 year service life requirements.

5. Mobility – Minimize customer travel delays during and after construction.

Two recommendations from the Board were stated to amend the above goals; Goal 2, Schedule – Strike the May 15, 2023 date and replace with “December 2022” and Goal 4, Durability – strike the words “or exceeding”.

Upon motion by Member Basso and seconded by Member Armstrong, the Members unanimously approved the Project Goals as amended for Contract No. NB 0543-0000 Nice Bridge Replacement Project.
APPROVAL – CONTRACT AWARD

- **CONTRACT NO. HT 694-000-006 REPLACEMENT OF CANTON VIADUCT OVER I-895 OVER I-95 RAMPS, RAILROADS & CITY STREETS AND REHABILITATION OF BALTIMORE HARBOR TUNNEL & TUNNEL APPROACHES**

Ms. Donna DiCerbo requested approval for Contract No. HT 694-000-006 Replacement of Canton Viaduct over I-895 over I-95 Ramps, Railroads & City Streets and Rehabilitation of Baltimore Harbor Tunnel & Tunnel Approaches. This item was reviewed by the Capital Committee and recommended for approval.

The project, located in Baltimore City, Anne Arundel, Baltimore and Howard Counties will replace Bridge BCY102001 (I-895 over City streets, I-95 ramps, and active railroads, and crosses under I-95 Viaduct) and BCY103001 (Holabird Avenue exit ramp over CSXT and Ponca Street) using multiple stages of construction. The existing roadway beyond the limits of the I-895 bridge will be reconstructed for 620 feet from the north tunnel approach to the south end of BCY102001 and for 180 feet north of BCY102001. The existing pavement beyond the limits of full depth reconstruction will be grinded and resurfaced approximately 1,715 feet to the north of BCY102001. The project includes the replacement of existing retaining walls on the Holabird Avenue Ramp and construction of new retained fill sections at the south end of BCY102001. The project also includes the rehabilitation of the Baltimore Harbor Tunnel, including a new concrete deck overlay inside the tunnel and along the approaches to the tunnel, repairs to the tunnel tile wall, refurbishing of the fire suppression system, replacement of the drainage sump pumps, and repairs to the retaining walls along approaches to the tunnel. The total project will extend about 2.9 miles, from mile marker 8.80, south of the tunnel, to mile marker 11.65, just north of the Boston Street/Interstate Avenue underpass.

The contract includes a total of $14,620,000 in allowances for various contingent items, such as Maintenance of Railroad Property and Traffic, Treatment of Contaminated Groundwater, Diesel fuel and asphalt payment adjustment items, Miscellaneous and Drainage Repairs, and Communications services. Within the allowance total, there are also several incentives for early completion of the work activities that significantly impact MDTA customers. This includes $4,200,000 in incentives for early completion of the work activities when I-895 will be reduced to one (1) lane in each direction (Stages 2 & 3). Additionally, there are $100,000 in incentives for early completion of each of the Baltimore Harbor Tunnel (BHT) bore closure periods (Stages 2C & 3C). All allowance items included in the Invitation for Bids (IFB) will only be used if necessary and with prior approval of the Engineer.

Four (4) Bids were received ranging from 9% to 24% below the Engineer’s Estimate of $250,380,638.70. Tutor Perini Corporation is the lowest responsive and responsible bidder. As its bid was 24% lower than the Engineer’s Estimate, a bid justification was conducted and the bid was determined to be fair and reasonable. This company has successfully performed work on previous MDTA Contracts.
This project was advertised with an overall Minority Business Enterprise (MBE) participation goal of 16% with sub-goals of 7% for African American-owned firms and 4% for Asian American-owned firms; and a 1% Veteran Small Business Enterprise (VSBE) participation goal. Tutor Perini has submitted a MBE plan that exceeds the goal and VSBE plan that meets the goal.

Upon motion by Member William Cox and seconded by Member John von Paris, the Members unanimously approved Contract No. HT 694-000-006 Replacement of Canton Viaduct I-895 Over I-95 Ramps, Railroads & City Streets and Rehabilitation of Baltimore Harbor Tunnel & Approaches in the amount of $189,380,000 to Tutor Perini Corporation.

• **CONTRACT NO. MT 3096-0000 JANITORIAL SERVICES – MDTA FRANCIS SCOTT KEY (FSK) FACILITIES**

  Ms. DiCerbo requested approval for Contract No. MT 3096-0000 Janitorial Services – MDTA Francis Scott Key Facilities located at 300, 303, 304 and 305 Authority Drive. This item was reviewed by the Finance Committee and recommended for approval.

  This is a Fixed-Price Contract to provide all labor, materials, equipment, supervision, and incidental materials necessary to ensure satisfactory performance and efficient janitorial services to the MDTA’s FSK Facilities.

  The MDTA solicited pricing from Maryland Works Program for these services, pursuant to the Code of Maryland Regulations (COMAR), Title 21.11.05.

  This contract will be serviced by Alliance, Inc., a Community Service Provider through the Maryland Works Program.

  Pricing for this contract was approved by the Pricing and Selection Committee as fair market value. This Contract has a base term of three (3) years valued at $673,987.36 with one (1) 2-year Renewal option valued at $465,198.05, for a Total Contract Value of $1,139,185.41.

  As the total value of this Contract exceeds the delegated authority of Resolution 15-01 dated January 23, 2015, this item requires approval from the Board of Public Works.

  Upon motion by Member Armstrong and seconded by Member Dontae Carroll, the Members unanimously approved Contract No. MT 3096-0000 Janitorial Services – MDTA Francis Scott Key Facilities, 300, 303, 304 & 305 Authority Drive to Maryland Works Program in the amount of $673,987.36 with a one 2-year renewal option valued at $465,198.05, for a Total Contract value of $1,139,185.41.

• **CONTRACT NO. KH 3006-0000 DECK SEALING AND MISCELLANEOUS REPAIRS FOR VARIOUS BRIDGES ON I-95**
Ms. DiCerbo requested approval for Contract No. KH 3006-0000 Deck Sealing and Miscellaneous Repairs for Various Bridges on I-95. This item was reviewed by the Capital Committee and recommended for approval.

This project, located in Baltimore, Cecil and Harford Counties, is for deck sealing and repairs to 55 bridges located along the John F. Kennedy (JFK) Memorial Highway (I-95), between Baltimore City and the Delaware line. The goal of this project is to seal the concrete decks as part of MDTA’s preventative maintenance program and to address any additional top-side repairs as determined by the Engineer.

The work will include but is not limited to the following: Sealing concrete deck surfaces; Removing and replacing deteriorated concrete on decks, parapets, approach slabs, curbs and sidewalks; Crack sealing in concrete surfaces; Bridge roadway joint seal replacement; Fencing repairs; and Miscellaneous top-side bridge repairs.

There are allowances of $25,000 for Railroad Expenses and $350,000 for Miscellaneous Repairs included in the Invitation for Bids that will only be used if necessary and with prior approval of the Engineer.

Five (5) Bids were received ranging from 18% above to 46% below the Engineer’s Estimate of $5,236,833.25. Titan Industrial Services, Inc. was the lowest responsive and responsible bidder. As its bid was 46% lower than the Engineer’s Estimate, a bid justification was conducted and the bid has been determined to be fair and reasonable. This company has successfully performed similar work locally on prior MDTA, MDOT Maryland Transit Administration projects and regionally on prior, Virginia Department of Transportation, District of Columbia Department of Public Works, West Virginia Department of Transportation projects.

This project was advertised with an overall Minority Business Enterprise (MBE) participation goal of 29% with sub-goals of 7% for African American-owned firms and 4% for Asian American-owned firms; and a 1% Veteran Small Business Enterprise (VSBE) participation goal. Titan Industrial Services, Inc. submitted MBE and VSBE plans that meet the goals.

Upon motion by Member W. Lee Gaines, Jr. and seconded by Member Mario Gangemi, the Members unanimously approved Contract No. KH 3006-0000 Deck Sealing and Miscellaneous Repairs for Various Bridges on I-95 to Titan Industrial Services, Inc. in the amount of $2,802,438.10.

• CONTRACT NO. SV 3028-0000 REAL ESTATE SERVICES

Ms. DiCerbo requested approval for Contract No. SV 3028-0000 Real Estate Services. This item was presented to the Finance Committee and recommended for approval.

The scope of services to be provided under this contract includes professional right-of-way support services to assist the MDTA Real Estate Services staff to meet its short and long term goals. Services include but are not limited to: supporting the customer service, mobility and financial needs of Real Estate Services; ensuring compliance with the Uniform Relocation...
Four (4) Bids were received and evaluated to determine if they met the Technical requirements of the solicitation. One (1) firm was rejected for failing to meet the Minority Business Enterprise (MBE) requirements of the solicitation. The remaining bids were opened.

Johnson, Mirmiran & Thompson, Inc., is the lowest responsive and responsible Bidder. This company has successfully performed work on previous MDTA Contracts.

This project was advertised with an overall Minority Business Enterprise (MBE) participation goal of 26% with sub-goals of 7% for African American-owned firms and 4% for Asian American-owned firms, 12% for Woman-owned firms; and a 2% Veteran Small Business Enterprise (VSBE) participation goal. Johnson, Mirmiran & Thompson, Inc. submitted MBE and VSBE plans that meet the goals.

This Contract has a base term of three (3) years valued at $4,800,000, with one (1), 2-year Renewal Option valued at $3,200,000 for a total contract term of five (5) years in the Not-to-Exceed amount of $8,000,000.

Upon motion by Member Carroll and seconded by Member Gangemi, the Members unanimously approved Contract No. SV 3028-0000 Real Estate Services to Johnson, Mirmiran & Thompson, Inc. for a base term of three (3) years valued at $4,800,000, with one (1), 2-year Renewal Option valued at $3,200,000 for a total contract term of five (5) years in the Not-to-Exceed amount of $8,000,000.

At 9:49 a.m. Member Basso recused himself from participation in the meeting.

**APPROVAL – CONTRACT MODIFICATION**

- **CONTRACT NO. AE 3001-0000 NICE BRIDGE REPLACEMENT AND AUTHORITY-WIDE COMPREHENSIVE GENERAL ENGINEERING CONSULTANT (GEC), PRELIMINARY ENGINEERING, FINAL DESIGN, AND CONSTRUCTION MANAGEMENT INSPECTION (CMT) SERVICES**

Ms. DiCerbo requested approval to execute a modification to Contract No. AE 3001-0000 Nice Bridge Replacement and Authority-wide Comprehensive General Engineering Consultant (GEC), Preliminary Engineering, Final Design, and Construction Management Inspection (CMT) Services. This item requires Board of Public Works approval. This item was reviewed by the Capital Committee and recommended for approval.

This Modification seeks additional contract authority in the amount of $30,000,000 and to extend the Contract for an additional two (2) years and six (6) months.
Contract AE 3001-0000 was competitively solicited and awarded to Johnson, Mirmiran & Thompson, Inc. and Parsons Brinckerhoff, Inc., A Joint Venture (MDT and PB JV) for the provision of Comprehensive Preliminary Engineering and Final Design Services.

The services performed under this Contract are preliminary and final comprehensive engineering design associated with the preparation of construction plans and documents and construction management inspection services. The Consultant is required to perform Program management, as a General Engineering Consultant (GEC), for the MDTA’s Nice Bridge replacement.

The work encompasses all the MDTA facilities, including: I-95 (John F. Kennedy Highway) in Baltimore, Harford and Cecil Counties; I-895 (Baltimore Harbor Tunnel Thruway) in Baltimore City and Baltimore and Anne Arundel Counties; I-95 and I-395 (Fort McHenry Tunnel) in Baltimore City; I-695 (Francis Scott Key Bridge) in Baltimore City and Baltimore and Anne Arundel Counties; US 301 (Harry W. Nice Bridge) in Charles County; US 50 (William Preston Lane Memorial Bridge) in Anne Arundel and Queen Anne Counties; US 40 (Thomas J. Hatem Memorial Bridge) in Harford and Cecil Counties; MD 200 (Intercounty Connector – ICC) in Montgomery and Prince George’s Counties.

This work includes but is not limited to: structural analysis, design and rehabilitation of complex and routine bridge structures, small structures, sign structures, noise walls, retaining walls, tunnel and bridges; highway design, including major highway and interchange widening and reconstruction (including elevated structures), development of maintenance of traffic for projects, performing traffic studies and revenue studies; toll plaza and truck inspection station design and reconstruction; design of signing and lighting and signalization; utility design; landscape design; noise analysis and mitigation, survey services; geotechnical engineering and drilling services; various mechanical and electrical engineering services related to bridge, highway and facility (building) projects; condition and construction management and inspection, and “Phase V” services; value engineering; public relations support and supplemental staffing as required.

The Board of Public Works approved Contract No. AE 3001-0000 at its June 17, 2015 meeting to Johnson, Mirmiran & Thompson, Inc./Parsons Brinckerhoff, Inc., Joint Venture in the amount of $15,000,000 for a seven year term.

This contract was originally approved at the April 2015 Capital Committee and Board meetings, following the November 2013 funding of the project for preliminary engineering and right-of-way activities. The original request for this contract indicated that a future contract modification would be necessary with the size of the modification dependent on the eventual project delivery method selection. Additionally, MDTA only requested the amount that we knew we would utilize, regardless of the delivery method selected and the timing of the bridge replacement.
Although this is a significant contract modification, MDTA has determined that this is in the State’s best interest and that it would be infeasible to procure new contracts to perform the services provided by this contract for several reasons. First, staff continuity through the design process is critical. The project is highly complex in terms of its design elements, including stakeholder and utility coordination, as well as scheduling and contract packaging. The project teams are well established with substantial investments in staff relocation, project orientation, training, and document control procedures. The project would incur significant costs, schedule days and additional risk if we were to transition to new teams. Second, for professional liability reasons, new consultants would expect to be compensated to review and sign off on prior work as their own. Third, because of MDTA’s consultant conflict of interest policy, competition under a new procurement would limit the pool of capable firms, particularly Minority Business Enterprises (MBE’s), causing more conflicts of interest and stifling competition on the bridge replacement Design-Build contract.

As of the November 16, 2017 invoice, there were $8,744,194.68 expended funds on this $15,000,000 contract. The total committed funds are $12,579,077.35, leaving the balance of uncommitted funds at $2,420,922.65.

A 29% MBE overall participation goal and a 1% Veteran-owned Small Business Enterprise (VSBE) participation goal were established for this contract. The Contractor is currently achieving 15.67% in MBE and 0.34% in VSBE participation based on the expenditures to date.

The billings toward MBE and VSBE achievement are lagging, the Prime Consultant has a strong MBE and VSBE plan in place with task commitments to ensure that the goal will be achieved. Currently, 30.09% of the dollars committed to date have been to MBE firms and 0.99% of the dollars committed to date have been to the VSBE firm on the contract.

Upon motion by Member Cox and seconded by Member von Paris, the Members unanimously approved the Modification to Contract No. AE 3001-0000 Nice Bridge Replacement and Authority-wide Comprehensive General Engineering Consultant, Preliminary Engineering, Final Design, and Construction Management Inspection Services, in the amount of $30,000,000 and to extend the contract for two (2) additional years and six (6) months with the currently awarded contractor Johnson, Mirmiran & Thompson, Inc., and Parsons Brinckerhoff, Inc., A Joint Venture.

At 9:52 a.m. Member Basso joined the meeting.

**UPDATE – POLICE RECRUITMENT CAMPAIGN**

Ms. Cheryl Sparks and Lt. Kevin Ayd updated the Members on the marketing and communications efforts to recruit new MDTA Police officers. The budget for the development
and production of the recruitment video and marketing materials is approximately $100,000 and was fully funded by asset forfeiture dollars confiscated through criminal arrests.

**UPDATE – E-ZPASS® HOLIDAY CAMPAIGN**

Ms. Sparks and Ms. Katie Bennett presented the Members with the 2017/2018 E-ZPass Holiday campaign.

**UPDATE – AUDIT COMMITTEE**

Member von Paris reported out on the December 14, 2017 Audit Committee meeting. The Office of Audits is on track to complete 17 of the 18 audits in the Fiscal Year 2018 Audit Plan. One audit needed to be rescheduled to FY 2019 since the implementation of an updated software program was delayed to July 2018. Four audit reports were presented and the Committee was satisfied with the results.

**UPDATE – EXECUTIVE DIRECTORS REPORT**

Mr. Reigrut reported on several topics to include the approved 2018 I-95 Express Toll Lanes Holiday Schedule, the I-895 Bridge Replacement and Curtis Creek Draw Bridge construction alert press release has been disseminated, and the 2018 Legislative Session starts soon.

There being no further business, the meeting of the MDTA Board was adjourned by general consensus at 10:35 a.m.

The next MDTA Board Meeting will be held on January 25, 2017, at 9:00 a.m. at 2310 Broening Hwy, Baltimore, Maryland 21224.

APPROVED AND CONCURRED IN:

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Pete K. Rahn, Chairman