

**MARYLAND TRANSPORTATION AUTHORITY  
MONTHLY CAPITAL COMMITTEE MEETING  
THURSDAY, JUNE 5, 2014  
PT. BREEZE HEADQUARTERS BUILDING  
BALTIMORE, MD**

**OPEN SESSION**

**MEMBERS ATTENDING:** Rev. Dr. William C. Calhoun, Sr.  
William K. Hellmann, P.E.  
Bradley Mims  
Michael J. Whitson

**STAFF ATTENDING:** Bruce Gartner  
Deb Sharpless  
Doug Hutcheson  
Bob Jordan  
Kataw Say  
James Harkness  
Percy Dangerfield  
Aarion Franklin  
Dennis Simpson  
Suhair Alkhatib  
Jeannie Marriott  
Donna DiCerbo  
Meshelle Howard  
John Sales  
David Chapin  
Jaclyn Hartman  
Kimberly Millender, Esquire  
Chris Thompson

**OTHERS ATTENDING:** Robert Farley, Consultant, PB  
Joe Miller, Consultant, JMT  
Eamonn McGeady, Kiewit Infrastructure Group  
Dan Papiernic, Consultant, HNTB  
Elizabeth Sogard, Consultant, Transtech  
Kenevy Colindres, Consultant, Puente

At 9:05 a.m. the meeting of the Maryland Transportation Authority (MDTA) Capital Committee was called to order by Chairman Calhoun.

**APPROVAL- OPEN SESSION MINUTES OF MAY 1, 2014**

Upon motion by Mr. Hellmann and seconded by Mr. Mims, the Open Session meeting minutes of the Capital Committee's Meeting held on May 1, 2014 were unanimously approved.

Mr. Doug Hutcheson revised the agenda adding Item 4A – Approval – Letter of Agreement with the Horseshoe Baltimore Casino for Signing.

Upon motion by Mr. Mims and seconded by Mr. Hellmann, the agenda was revised by concurrence of the Members.

**APPROVAL CONTRACTS****Contract No. MA-2641-000-006 - Generator Replacement at Various Facilities**

Mr. Bob Jordan presented this request to seek a recommended approval from the Capital Committee to present Small Business Reserve (SBR) Contract No. MA-2641-000-006, Generator Replacement at Various Facilities to the full MDTA Board at its next scheduled meeting.

The scope of work for this project includes but is not limited to: replace existing generators and automatic transfer switches with new generators and automatic transfer switches to support Toll Plaza and other equipment at various facilities, including:

- Baltimore Harbor Tunnel Administration Building
- Baltimore Harbor Tunnel Fairfield Ventilation Building
- Francis Scott Key Bridge Administration Building
- Francis Scott Key Bridge Maintenance Building
- Francis Scott Key Bridge Police Building
- John F. Kennedy Memorial Highway Maintenance #1 Building
- John F. Kennedy Memorial Highway Maintenance #2 Building
- William Preston Lane, Jr. Memorial Bridge Eastern Shore Garage

An allowance of \$10,000.00 was included in the IFB for Utility Services which will only be used if necessary and will not be used without prior approval of the Project Engineer.

The work includes generators, electrical distribution, conduit, concrete duct bank, trench and backfill, fuel pipes, wires, cables, connections, controls, circuit breakers, disconnect switches, concrete pads, grounding, removal and disposal, protective bollards, asphalt repair, fencing, landscaping and all associated and miscellaneous work required to complete the project. This project was advertised on March 13, 2014. Two (2) bids were received on May 1, 2014. The responsive bid results were as follows:

<b>Contractor</b>	<b>Bid Amount</b>	<b>% Variance To Eng. Est.</b>
Mackey Electrical Services, Inc.	\$2,032,000.00	37.18%
Curtis Engine & Equipment, Inc.	\$2,270,355.00	53.27%

The Engineer's Estimate is \$1,481,306.00. It was noted that the low bid was 37.18% higher than the Engineer's Estimate. A bid justification was conducted and the bid was determined to be fair and reasonable. Mackey Electrical Services, Inc. is a new contractor to the Authority, and their references were verified by the Office of Engineering & Construction. This project was advertised as a SBR contract, with a Minority Business Enterprise (MBE) participation goal of ten percent (10%), with no subgoals. Mackey Electrical Services, Inc. is a certified SBR, and has submitted a MBE plan that meets the goal. The Notice-to-Proceed (NTP) for this Contract is anticipated in July, 2014. The contract term is for three hundred sixty-five (365) calendar days from Notice-to-Proceed.

After reviewing and discussing the differences between the Engineer's Estimate and the bid submitted by the recommended Contractor, upon a motion by Mr. Mims and seconded by Mr. Whitson, the Members unanimously recommended approval of this contract by the MDTA Board at its next scheduled meeting.

### **Contract No. FT 2756-000-006 – Generator Replacement at Fort McHenry Tunnel Maintenance Building**

Mr. Kataw Say presented this item to seek recommended approval from the Capital Committee to present Contract No. FT 2756-000-006, Generator Replacement at the Fort McHenry Tunnel Maintenance Building to the full MDTA Board at its next scheduled meeting.

The scope of work for this project includes but is not limited to:

- Removal of the existing generator, automatic transfer switch and related feeders, and replace with a new generator and automatic transfer switch including fuel tanks, fuel pipes, concrete pad, security fences, protective bollards, and related feeders.
- All electrical work required to be done inside and outside buildings.
- New emergency battery backup lighting and exit signs are included throughout portions of the building to comply with NFPA 101, Life Safety Code.
- Install manual transfer switch with feeder tap box for temporary generator.
- Maintenance of Traffic (MOT) for the parking lot area.
- Special Warranty: Five years from date of Substantial Completion. Manufacturer's standard form in which manufacturer agrees to repair or replace components of packaged engine generators and associated auxiliary

components that fail in materials or workmanship within specified warranty period.

- Contract Warranty: Five years from date of Substantial Completion. Warranty shall include repair, parts, labor, lubricating oil, filters, anti-freeze and preventive maintenance as recommended by manufacturer.
- Furnish and install new generators and automatic transfer switches at the Fort McHenry Tunnel Maintenance Building.

This project was advertised on March 19, 2014. Three (3) bids were received on May 6, 2014. The responsive bid results were as follows:

<b>Contractor</b>	<b>Bid Amount</b>	<b>% Variance To Eng. Est.</b>
BlueStar Technologies, Inc.	\$263,377.00	(7.38%)
Arica Consulting & Contracting, LLC	\$332,346.00	16.87%
Temp Air Company, Inc.	\$458,228.00	61.14%

The Engineer's Estimate is \$284,368.58. It was noted that the low bid was 7.38% lower than the Engineer's Estimate. An analysis of the bid compared to the Engineer's Estimate was performed by the Division of Engineering and the low bid submitted by BlueStar Technologies, Inc., was determined to be acceptable. BlueStar Technologies, Inc., is a new contractor to the Authority, and their references were verified by OEC. This was advertised as a Small Business Reserve Only and BlueStar Technologies, Inc., is a certified Small Business. The Notice-to-Proceed (NTP) for this Contract is anticipated in August, 2014. The contract term is for one hundred eighty (180) calendar days from Notice-to-Proceed.

After reviewing and discussing the differences between the Engineer's Estimate and the bid submitted by the recommended Contractor, upon a motion by Mr. Whitson and seconded by Mr. Mims, the Members unanimously recommended approval of this contract by the MDTA Board at its next scheduled meeting.

**I-95 TRAVEL PLAZAS PUBLIC PRIVATE PARTNERSHIP LEASE AND  
CONCESSION AGREEMENT – CONTRACT MODIFICATION ADDITIONAL WORK  
FOR REPAIRS TO CHESAPEAKE HOUSE WATER TOWER**

Mr. Percy Dangerfield and Mr. Robert Farley presented this request to seek recommended approval from the Capital Committee to proceed with a contract modification to the Maryland House and Chesapeake House Lease and Concession Agreement ("Agreement") and to delegate authority to the Executive Director to finalize and execute approval documents for the modification for additional work required for unanticipated repairs to the Chesapeake House water tower to the full MDTA Board at its next scheduled meeting.

The Lease and Concession Agreement as part of the Mandatory Work as listed in the Request for Proposals required the new concessionaire to paint the existing water towers located at the Maryland House and Chesapeake House. This Mandatory Work did not anticipate any additional repair work on the two water towers. It was discovered during the painting operation on the Chesapeake House water tower that a weld at the base of the tower bowl was cracked. The cracked weld allowed for water to leak down the raiser pipe used to fill the water tower. Due to the insulation on the raiser pipe; this leak was unnoticed and has allowed the pipe to corrode to the point of requiring replacement. This modification would authorize an additional \$139,540 for the repairs.

It was reported to the Authority Board on July 25, 2013 that the existing 13" wide ladders in the Maryland House water tower did not meet OSHA requirements. In addition, there may be unanticipated structural repairs needed for the 39 year old Chesapeake House water tower. The Authority Board approved a Contract Modification to require Areas to replace the ladders as needed and make necessary structural repairs to ensure the integrity of the water tower structures.

The cost to MDTA to replace the ladders and make needed repairs at the water towers was approved with the cost not to exceed \$100,000. The additional repair work at the Maryland House water tower cost \$50,961.00 with the authorized amount remaining for unanticipated repairs for the Chesapeake House at approximately \$49,000.

Clark Construction's painting subcontractor, Amstar of Western New York, Inc., notified the MDTA inspector on site as soon as the cracked weld was discovered. The painting operations continued as the repair options were investigated. During this investigation, it was discovered that the inlet raiser pipe had corroded due to the moisture from the leak being trapped behind the pipe insulation. After reviewing the condition of the raiser pipe with the MDTA Northern Region Operations, it was determined that immediate repairs were required.

A cost proposal including a professional engineering services review was prepared by Clark Construction on behalf of Areas USA for MDTA approval. Since the repair work would damage the newly painted water tower along with the temporary pressure system in place for the painting operations, it is not feasible to obtain multiple cost proposals. A breakdown of the cost, \$139,540, for the work was reviewed by the project staff and appears to be reasonable.

Upon motion by Mr. Hellmann and seconded by Mr. Whitson, the Members unanimously recommended approval to the full MDTA Board at its next regularly scheduled meeting the I-95 Travel Plazas Public Private Partnership Lease and Concession Agreement – Contract Modification Additional Work for repairs to Chesapeake House Water Tower.

**LETTER OF AGREEMENT WITH THE HORSESHOE BALTIMORE CASINO FOR SIGNING**

Mr. Dennis Simpson and Mr. James Harkness presented this request to seek a recommended approval from the Capital Committee to enter into a letter of agreement (LOA) with the Horseshoe Baltimore Casino to install guide signs to the Baltimore Casino from MDTA roadways and to delegate authority to the Executive Director to execute the LOA to the full MDTA Board at its next scheduled meeting.

This LOA between the MDTA and the Horseshoe Casino (Casino) sets forth the agreement between the parties pertaining to the installation of five supplemental signs to be installed along the MDTA right-of-way

The proposed signs are specifically along northbound and southbound I-95, northbound I-395, northbound I-395 ramp to West Lee Street, and the northbound I-395 Martin Luther King Boulevard spur, providing access to the Horseshoe Baltimore Casino (1525 Russell Street, Baltimore, MD). The signs will have the following messages:

Northbound I-95 – Horseshoe Casino Exit 52

Southbound I-95 – Horseshoe Casino Exit 53

Northbound I-395 – Casino Use Russell Street

Northbound I-395 Ramp to West Lee Street – Casino (with a Left Arrow)

Northbound I-395 Martin Luther King Boulevard Spur – Casino (with a Through Arrow).

The MDTA is requiring the Casino to pay the costs associated with the installation of the five signs. The anticipated traffic generated by the Casino is expected to increase substantially upon opening in August 2014. The signs will provide motorists with proper guidance to the Casino in a manner consistent with other casinos in Maryland. The cost to install the signs is estimated to be Twenty-Six Thousand Dollars and 00/100 Cents (\$26,000), including design, construction inspection and contingencies.

The Casino has agreed to be responsible for one hundred percent (100%) of the costs incurred by the MDTA for the design, fabrication, construction and installation of the signs. The MDTA will use an MDTA on-call signing contractor for the installation of the signs.

Upon motion by Mr. Hellmann and seconded by Mr. Mims, the Members unanimously recommended approval to the full MDTA Board at its next regularly scheduled meeting the Letter of Agreement with the Horseshoe Baltimore Casino for signing and delegated authority to the Executive Director to execute the LOA.

## **LONG RANGE CAPITAL NEEDS**

Mr. Doug Hutcheson and Mr. Dennis Simpson presented this request to brief the Capital Committee regarding the annual process undertaken to identify the Authority's Capital Needs and to present the newly revised FY2015–2040 Long Range Needs.

MDTA updates its long range capital needs (LRCN) annually. This 25-year look ahead is a collaborative effort between the Office of Engineering and Construction, Planning and Program Development, and Operations. Updates occur in the first quarter of each calendar year. Stakeholders are solicited for comments regarding reconfirmation of previously identified needs and for determination of new needs. Needs may be based on identified defects, routine system preservation, life cycle replacements/rehabs, or operational and safety enhancements. Candidate needs are compiled into a single listing for further analysis. A series of meetings is then held to discuss the proposed needs with all engineering discipline leads, facility administrators, and senior managers from OEC, Planning and Program Development and Operations. Once each need is confirmed, then the priority and appropriate project timeframe is established.

Following these meetings, the LRCN document is finalized in conjunction with the development of the Draft 6-year Consolidated Transportation Program (CTP). Projects are programmed based on availability of funds, priority, and coordination with other work planned or already in progress on each facility.

The LRCN update process runs from the end of January thru the end of April/early May each year.

## **DRAFT FY 2015-2020 CONSOLIDATED TRANSPORTATION PROGRAM (CTP)**

Mr. Dennis Simpson, Mr. Doug Hutcheson and Mr. Suhair Alkhatib presented this request to seek recommendation for approval for the proposed Draft FY 2015-2020 CTP. The Draft CTP will be also presented to the Finance Committee on June 10, 2014 and to the full MDTA Board for final approval on June 26, 2014. Also, included in this presentation is a review of factors contributing to the underspending in the CTP and steps taken to minimize it.

### **A. Adjustments to Cash Flows and Estimating**

Mr. Doug Hutcheson noted that the MDTA has underspent its Capital Program budget each of the last five years by as much as 36%. The following factors were studied as possible contributors to underspending:

- 1) Schedule change
  - a) Advertisement and NTP dates; and
  - b) Completion of the construction project in the specified time.
- 2) Accuracy of assumption that Engineering costs are 15% of neat construction as-bid amounts.

- 3) Ability of engineer's to accurately estimate bid amounts.
- 4) Assumption that 10% of bid amount is necessary for Extra Work Authorization (EWA) contingency.
- 5) Assumption that 12% of bid amount is necessary for CMI charges.
- 6) Cash flow at Construction project completion.
- 7) Level of Programming in 6-year CTP.

The review is based on data from projects that closed between FY 2011 and FY 2013. The review findings confirmed some long-standing business processes and assumptions and refuted others. Recommendations implemented include adjusting construction cash flow start and end times, adjusting the Engineering additive percentage and budgeted percentage for EWA Contingency, and revising the level of programming within the 6-year CTP. These recommendations have been integrated into the updated Long Range Capital Needs (LRCN) and the Draft FY 2015-2020 CTP.

Members commented on the outstanding job done on the underspending report, adjustments to cash flows and estimating report. Chairman Calhoun stated that these reports are commendable for our future forecast.

### **B. Project Additions and Changes**

Mr. Dennis Simpson and Mr. Suhair Alkhatib noted that the proposed CTP reflects a decrease in the six-year budget of \$276.5 million over the same six-year period in the Final FY 2014-2019 CTP. The net budget decrease is the result of the following changes:

- Increase in the six-year CTP budget by \$69.7 million for all projects except ICC, ETL and reserves
- Decrease in the system preservation allocated and unallocated reserves by \$346.2 million
- No change in ICC and ETL budgets

FY 2014 expenditure is projected to be \$376.8 million vs. \$417.7 million projected in the Final FY 2014-2019 CTP. FY 2014 underspending is projected to be \$40.9 million and has been rolled over into the Draft FY 2015-2020 CTP.

Highlight of changes to CTP budget that have been incorporated in the proposed Draft FY 2015-2020 CTP.

- **Added New Projects**  
Funded 9 new system preservation projects for a total of \$8.8 million transferred from the reserves.

- **Added Construction Phase**  
Funded the construction phase of 7 projects for a total of \$63.3 million transferred from reserves as design reached 60% level and cost estimates are developed based on a fully developed scope.
- **Reduced Unallocated Reserve**  
Reduced unallocated reserve from \$110.4 million to \$75 million to fund projects identified in the Long Range Capital Needs assessment.
- **Modified Project Budget to Reflect Bids Received**  
Transferred \$7.9 million to the CTP reserve which is the net result of construction budget adjustment due to bids received. Four contracts came in lower than Engineer's Estimate, which resulted in budget reductions of \$9.0 million while two contracts came in higher than Engineer's Estimate, which resulted in budget increases of \$1.1 million.
- **Modified Budget to Reflect Completed/Closed-Out/Deleted Projects**  
Transferred \$6.2 million to the CTP reserve from unspent funds in 14 completed and deleted projects.
- **Added Projects Identified in LRCN Assessment**  
Allocated \$247.8 million in the CTP reserve to fund engineering and construction budgets for 44 new system preservation projects identified as a result of an update to the LRCN assessment.
- **Added Construction Phase Budget to Projects in Reserve**  
Allocated \$50.4 million in the CTP reserve to fund future construction budgets for 8 existing system preservation projects.
- **Modified Active Projects Due to Budget Change**  
Funded changes in engineering and/or construction budgets for 69 projects for a net budget increase of \$11.8 million.

The proposed Draft FY 2015–2020 CTP reflects a decrease of \$276.5 million which still allowed us to fund \$278.8 million in system preservation capital needs identified in the annual update to the LRCN assessment.

Members agreed that the presentations were done very well and they were able to understand the information more clearly.

Upon motion by Mr. Whitson and seconded by Mr. Mims, the Members unanimously recommended approval to the full MDTA Board at its next regularly scheduled meeting the Draft FY 2015-2020 CTP.

**VIDEO TOLL AND CITATIONS PROJECT**

Ms. Sharpless presented this update to the Capital Committee on the issues and activities underway to support the implementation of the video toll and citation process approved in HB420.

- Begin hearings for citations contested to court
  - Baltimore City – June 5
  - Montgomery County – June 16
  - Charles County – June 19
  - Cecil County – June 24
  - Prince George's County – June 25
  - Baltimore County – June 27
  - Anne Arundel County – June 27
- Refine county scheduling volumes
- Complete development of NIXIE (bad address) module
- Deploy NIXIE module
- Complete development of updated MVA referral module
- Resolve timing for referrals to MVA and CCU

There being no further business, the meeting of the MDTA Capital Committee was adjourned by general consensus at 10:35 a.m. following a motion by Mr. Whitson and seconded by Mr. Hellmann.

The next meeting of the MDTA Capital Committee is scheduled for Thursday, July 10, 2014 at 9:00 a.m., at Point Breeze Headquarters, 2310 Broening Highway, Baltimore, Maryland.