

FINANCE COMMITTEE MONTHLY MEETING
TUESDAY, SEPTEMBER 9, 2014
POINT BREEZE HEADQUARTERS BUILDING
BALTIMORE, MARYLAND

OPEN SESSION

MEMBERS ATTENDING: Jack Basso
 Mary Beyer Halsey
 Arthur Hock

STAFF ATTENDING: Donna DiCerbo
 Tina Dorn
 Patrick Fleming
 Gordon Garrettson
 Bruce Gartner
 Sherita Harrison, Esq.
 Jaclyn Hartman
 Carroll Hicks
 Doug Hutcheson
 Cheryl Jordan
 Will Pines
 Deborah Sharpless
 Dennis Simpson
 Cheryl Sparks
 Paul Truntich
 Dan Williams

At 9:00 a.m., Member Jack Basso, Chair of the Finance Committee, asked for a motion to call the Finance Committee Meeting to order. Member Mary Halsey made the motion, and Member Art Hock seconded the motion; and the motion was unanimously passed.

Approval – Meeting Minutes – August 12, 2014 Open Session

Member Basso called for the approval of the Open Session Minutes of the August 12, 2014 Finance Committee meeting. Member Halsey made a motion to approve the minutes, and Member Hock seconded the motion. The minutes were unanimously approved as submitted.

Recommend for Approval – Contract No. 20140003 – Elevator Preventive Maintenance and Repair

Ms. Tina Dorn requested a recommendation for approval from the Finance Committee to the full MDTA Board for Contract No. 20140003, Elevator Preventive Maintenance and Repair.

This is a Fixed-price Contract to provide all labor, materials, equipment and supervision necessary and incidental preventive, repair, and emergency maintenance and inspection services on elevators and chair lifts at various locations for the MDTA.

This contract has a base term of three years with one two-year renewal option. The total contract term is five years and the total contract value is \$854,050.00. This contract was designated as a Small Business Reserve (SBR) contract with no Minority Business Enterprise (MBE) or Veteran-owned Small Business Enterprise (VSBE) goals established.

Three bids were received, and G. C. Jones Elevator Co., Inc. was the lowest responsive and responsible bidder and is therefore recommended for award. They have successfully performed similar work on prior MDTA contracts. MDTA will seek approval by the Board of Public Works for this contract on October 1, 2014. Notice-to-Proceed (NTP) for this Contract is anticipated for October 3, 2014.

Member Basso called for a motion to recommend approval of this item to the full MDTA Board at its next scheduled meeting. Member Hock made the motion, and Member Halsey seconded the motion, which was unanimously approved.

Recommend for Approval – Contract No. 20140018 – Scrap Tire & Rubber Removal

Mr. Paul Truntich requested a recommendation for approval from the Finance Committee to the full MDTA Board for Contract No. 20140018, Scrap Tire & Rubber Removal.

The purpose of this contract is to obtain tire and rubber recycling services where possible and/or feasible in order for the MDTA to realize recycling credits. The work to be performed shall include but not be limited to the removal and disposal of all scrap tires and providing acceptable scrap tire/rubber collection containers placed at various locations.

This contract has a base term of three years with one two-year renewal option. The total contract term is five years and the total contract value is \$68,400.00. Due to the limited scope of work, there were no MBE or VSBE goals or SBR designation for this contract.

Three bids were received, and Auston Contracting Inc. was the lowest responsive and responsible bidder and is therefore recommended for award. They are the current incumbent for this contract. NTP for this Contract is anticipated in September 2014.

Member Basso called for a motion to recommend approval of this item to the full MDTA Board at the next scheduled meeting. Member Halsey made the motion, and Member Hock seconded the motion, which was unanimously approved.

Recommend for Approval – Contract No. 20140019 – Bay Bridge Drive-over Services

Mr. Gordon Garrettson requested a recommendation for approval from the Finance Committee to the full MDTA Board for Contract No. 20140019, Bay Bridge Drive-over Services. Ms. Deborah Sharpless advised that the approval would be contingent upon the vendor obtaining Maryland Public Service Commission (PSC) certification.

The purpose of this contract is to obtain drive-over services at the Bay Bridge for bicycles and riders who are prohibited by Maryland law from operating their bicycles on the bridge and for drivers and all passengers who are unable, for any reason, to drive their vehicles across the Bay Bridge.

This is a Fixed-price Contract. The vendor will be able to charge up to \$30 directly to the customer. The MDTA will pay a \$10 subsidy per trip to the vendor. This contract has a base term of two years with one two-year renewal option. The total contract term is four years and the total contract value is \$560,000.00, which includes \$420,000.00 paid directly by the customer to the contractor and \$140,000 paid by MDTA to the contractor.

One bid was received and the responsive bid was from Drive Overs with Christine. Drive Overs is a newly established certified Small Business. Due to the limited scope of work and vendors providing this type of service within reasonable proximity to the Bay Bridge, there were no MBE or VSBE goals or SBR designation for this contract. NTP for this contract is anticipated in October 2014.

Member Basso questioned why MDTA is subsidizing this service. Member Halsey noted that MDTA previously provided this service in-house at no charge to customers, which was a full subsidy, and that providing a subsidy allows MDTA to ensure the quality of the service. Executive Director Bruce Gartner agreed and further explained that the drive-over service is an important tool for the active biker community in that area who would otherwise be prohibited from using the Bay Bridge. Member Basso noted his objection to the MDTA subsidy.

Member Basso called for a motion to recommend approval of this item to the full MDTA Board at the next scheduled meeting contingent upon the vendor obtaining PSC certification. Member Halsey made the motion, and Member Hock seconded the motion, which was unanimously approved.

Recommend for Approval – Sale of Retired Vehicle Recovery Unit Truck

Mr. Bruce Gartner requested a recommendation for approval from the Finance Committee to the full MDTA Board for the sale of a retired Vehicle Recovery Unit Truck to the Community Fire Company of Perryville.

In April 2014, Delegate David Rudolph asked MDTA to donate a Vehicle Recovery Truck, including lights, sirens and arrow board to the Community Fire Company of Perryville. The Fire Company station is located on MDTA property at the interchange of I-95 and MD 222. This location allows the company to provide a high level of service to MDTA at the Tydings Bridge and the I-95 corridor.

Member Basso called for a motion to recommend approval of this item to the full MDTA Board at the next scheduled meeting. Member Halsey made the motion, and Member Hock seconded the motion, which was unanimously approved.

Recommend for Approval – Use of “Quick Take” Authority on MDTA Highway Projects

Mr. Dennis Simpson requested a recommendation for approval from the Finance Committee to the full MDTA Board to approve the use of “Quick Take” authority on MDTA highway projects and delegate the authority to the Executive Director to take necessary actions to exercise Quick Take Authority where appropriate in order to meet project deadlines. This item was presented to the Capital Committee at their September 4, 2014 meeting.

The concept of “Quick Take” allows the State to file condemnation on an impacted property after conducting good faith negotiations with the property owner on “highway” projects. This “Quick Take” authority may only occur on partial acquisitions where the ownership of the property is clearly established and there are no displacements through the Relocation Assistance Program.

MDTA used the State Roads Commission’s (SRC) Quick Take authority for property acquisitions for the I-95 Improvements with the Express Toll Lanes project through resolution adopted by the MDTA Board. This was exercised by the State Highway Administration (SHA) through the SRC. Staff recommends that for the Canton Viaduct project as well as other MDTA projects, as appropriate, that MDTA exercises Quick Take authority directly with the SRC with SHA involvement. SHA has limited resources to assist MDTA because they are assisting the Maryland Transit Administration with acquisitions for the Red and Purple Lines.

Member Basso called for a motion to recommend approval of this item to the full MDTA Board at the next scheduled meeting. Member Hock made the motion, and Member Halsey seconded the motion, which was unanimously approved.

Update – 2014 Annual Consolidated Transportation Program Tour

Mr. Bruce Gartner updated the Finance Committee about the upcoming 2014 Annual Consolidated Transportation Program (CTP) Tour and potential issues or discussion items at each of these meetings.

Annually, the Maryland Department of Transportation (MDOT) travels across the State and visits each county to discuss projects in the draft CTP. MDTA attends the meetings for the ten counties in which it has facilities. Mr. Gartner provided the dates for each meeting and reviewed projects and potential discussion items for each meeting.

Update – Lessons Learned from Large Bridge Projects

Mr. Will Pines briefed the Finance Committee on a recent Lessons Learned workshop hosted by MDTA featuring national experts of several recent large bridge projects. Attendees included MDTA staff and a Board member, MDOT staff, and SHA staff.

In a meeting held in July, experts from seven recent or ongoing bridge replacement mega-projects around the country shared information and experiences about their projects. The purpose of the session was to seek insights and lessons learned during all phases of project development that would help MDTA with its pending decision on project delivery methods for the proposed Harry W. Nice Bridge Replacement Project and other large bridge projects. Topics discussed included procurement, cost estimates and financing, general design and construction, and bridge types and aesthetics.

Update – Quarterly Update on the Finance Division

Ms. Jaclyn Hartman briefed the Finance Committee on attainment of the Finance Division's FY 2014 goals, reviewed the goals for FY 2015, and provided an update on vacancies within the Division.

In FY 2014, the MDTA completed its first Comprehensive Annual Financial Report (CAFR) and submitted it to the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting Programs. In June 2014, we received notice of award of the Certificate of Achievement for Excellence in Financial Reporting.

During FY 2014, a lot of time and effort was focused on staff development and the implementation of several IT projects. For the last two years, Finance has been hard at work on the revised Chart of Accounts and implantation of the Project Controller and Contract Manager modules in Dynamics SL. Currently, Finance is working to educate the field about these changes and the system will Go Live on October 1, 2014. Also in FY 2014, a review of both the operating and capital budgets took place to identify ways to improve the rate of spending. A number of changes have been implemented which will improve underspending.

In FY 2015, Finance will continue training and deployment of the new Chart of Accounts and Project Controller and Contract Manager modules, as well as implement a new purchasing card system and an upgrade from FRx reporting to Management Reporter. Efforts on staff retention and development will continue and a standardized training module for all new employees will be developed. Finally, Finance will be actively involved in supporting analysis of the delivery method and financing for the Nice Bridge.

Update – ETL Opening Activities

Mr. Dennis Simpson updated the Finance Committee on the issues and activities underway to support the opening of the ETL. This is a regular monthly update on the ETL until its opening. Opening of the ETL is expected in December.

Ms. Cheryl Sparks advised that she will be giving a full briefing at the next Board meeting concerning all activities surrounding the opening of the ETL.

Update – Video Toll and Citation Program

Ms. Deborah Sharpless briefed the Finance Committee on the activities that have taken place to support the implementation of the video toll and citation process approved in House Bill 420 of the 2013 Legislative Session.

There is a significant backlog of cases for the courts to deal with. MDTA staff is working with the courts to address this backlog and additional staff attorneys may be hired. Those violators who did not appear for court or did not pay will be referred to the Motor Vehicle Administration (MVA) to flag their vehicle registration for non-renewal or immediate suspension depending on the amount owed.

Update – Traffic and Revenue

Ms. Jaclyn Hartman advised that the data is still being reviewed for the traffic and revenue for August 2014 and will be presented at the next Finance Committee meeting.

There being no further business, the meeting of the Finance Committee adjourned at 10:47 a.m., following a motion by Member Halsey and seconded by Member Hock.