

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, APRIL 27, 2017
2310 BROENING HIGHWAY, BALTIMORE, MD 21224

OPEN SESSION

Pete K. Rahn, Chairman

MEMBERS ATTENDING:

P. Jack Basso
Katherine B. Armstrong
William H. Cox, Jr.
William Ensor
William K. Hellmann
John Von Paris

STAFF ATTENDING:

Roan Bennett	Jonathan Luckett
Percy Dangerfield	Jody McCurley
Donna DiCerbo	Kimberly Millender, Esquire
Trudy Edwards	John O'Neill
Chantelle Green	William Pines
Michele Gross	Kevin Reigrut
Jim Harkness	Deborah Sharpless
Jaclyn Hartman	Darol Smith
Amber Harvey	Cheryl Sparks
Natalie Henson	Dan Williams
Meshelle Howard	Melissa Williams
Col. Jerry Jones	

OTHERS ATTENDING:

Samantha Bennett
Jimmy Harkness
Ed McDonald, MDOT
Paul Shelton, McKennon, Shelton, Henn, LLC
Kirsten Reigrut
Regan Reigrut
Sami Williams

At 9:06 a.m. Chairman Pete Rahn called the meeting of the Maryland Transportation Authority (“MDTA”) Board to order.

APPROVAL – OPEN SESSION MINUTES OF MARCH 27, 2017

Upon motion by Member P. Jack Basso and seconded by Member William Cox, the open meeting minutes of the MDTA Board meeting held on March 27, 2017 were unanimously approved.

APPROVAL – BOARD RESOLUTION 17-03 GARVEE REFUNDING 2017 BONDS

Ms. Jaclyn Hartman, Ms. Alison Williams, and Mr. Paul Shelton from McKennon, Shelton & Henn, LLP requested approval for Resolution 17-03 to authorize the issuance of the Grant and Revenue Anticipation Refunding Bonds, Series 2017, or the pursuit of other financing options, subject to certain conditions. This item was reviewed by the Finance Committee and recommended for approval.

Resolution 17-03 authorizes the MDTA to issue the 2017 Refunding Bonds to take advantage of favorable market conditions to refund (refinance) the Series 2007 and Series 2008 Grant and Revenue Anticipation Bonds (“Refunded Bonds”) for debt service savings. It also authorizes the funding of a debt service reserve fund, the paying of issuance costs, and the use of cash to increase savings. The Executive Director and Chief Financial Officer (CFO) will have the authority to manage the bond sale, either by competitive bids or a private negotiation (including a loan with a financial institution); the awarding of the 2017 Refunding Bonds to the successful bidder(s); the selection of providers; and the preparation and execution of all closing documents, certificates, and bond forms.

Resolution 17-03 has certain conditions that must be met, including:

- Par Amount Issued – not to exceed \$116,015 million;
- Net Present Value (“NPV”) savings – not less than three percent (3%) in aggregate;
- Final Maturity Date – not later than the final maturity date of the Refunded Bonds, which is March 1, 2020, to comply with tax regulations;
- Bond Sale Date – must occur by October 31, 2017; and
- Bond Sale Report on Results – provided by the Executive Director and CFO at the first Board meeting after the sale date.

Alternatively, a cash defeasance to retire the Refunded Bonds may also be considered, along with the negotiation of favorable loan repayment terms by the Executive Director, in consultation with the CFO, counsel, and staff.

Upon motion by Member Cox, and seconded by Member Basso, the Members unanimously approved Resolution 17-03 authorizing the issuance of the Grant and Revenue Anticipation Refunding Bonds, Series 2017, or the pursuit of other financing options, subject to certain conditions.

Members John Von Paris and William Hellmann recused themselves and left the meeting.

APPROVAL – CONTRACT AWARDS

- **CONTRACT NO. AE 3005-0000, AE 3006-0000 AND AE 3007-0000 – INTELLIGENT TRANSPORTATION SYSTEMS AND ELECTRICAL ENGINEERING SERVICES**

Ms. Donna DiCerbo requested approval for Contract No. AE 3005-0000, AE 3006-0000, and AE 3007-0000 for Intelligent Transportation Systems and Electrical Engineering Services. This item was reviewed by the Capital Committee and recommended for approval. Approval of these contracts is contingent upon the approval of the Transportation Professional Services Selection Board (TPSSB) and the Board of Public Works (BPW).

The services to be performed under these Contracts are Intelligent Transportation Systems and Electrical Engineering Services for MDTA.

The MDTA proposes to utilize Consultant services to perform design and consultation services related to the design, specification, construction, management, testing, and implementation of Intelligent Transportation Systems (ITS) for the MDTA.

The Consultant shall provide the resources and expertise needed to perform ITS services to include but not be limited to the following general areas: design and preparation of contract documents, Request for Proposal's, Invitation for Bids and similar specifications and documents for the expansion or continuation of Intelligent Transportation Systems; preparation of plans, specifications, and estimates for any form of ITS the MDTA may develop; troubleshooting, and technical support for ITS; electrical and utility design associated with ITS work; roadway, tunnel and other lighting analysis, calculations, and design (RP8 and RP22); attendance and participation at monthly, weekly, or as-needed progress and status meetings to include providing meeting minutes, general conduct administration support and coordination services; review and comment upon design documents and policy documents, and detailed design documents; inspection of the physical installation, software, machine configuration, network configuration, and other related equipment; review of schedules, including CPM type schedules, for delays, changes, and other project impacts; review of operations manuals and guidelines and verification of compliance; review and verification of network security; participation in testing programs for all aspects of the ITS; analysis of proposed changes in operations or systems design for impacts, potentially

unanticipated, to other components of operations and design; investigation of system design, business processes, and implementation issues to identify any needs for improvements, or changes. Analysis of compliance with various codes including NEC, Life Safety, MDOSHA and Fire Codes.

These three (3) task-based contracts will be cost based plus fixed fee Contracts, valued at Five Million Dollars (\$5,000,000), with a total Not-to-exceed cost of Fifteen Million Dollars (\$15,000,000). The project was initially approved by the Secretary of Transportation, Pete K. Rahn, on August 31, 2015.

The Minority Business Enterprise (MBE) participation goal for each contract is 34% with sub-goals of 6% for African American-Owned firms, 2% Hispanic American-Owned firms, and 9% Women-Owned firms; and a 1% Veteran-owned Small Business Enterprise (VSBE) participation goal. The prime contractors have submitted MBE and VSBE plans that meet the goals.

The firm selected for award of Contract No. AE 3005-0000 in the amount of \$5,000,000 is Jacobs Engineering Group, Inc. (the highest rated firm). Its sub-consultants are:

Glyndon Engineering and Technology Co. – MBE;
Integrated Control Systems, Inc.;
SQN Systems Corp – VSBE;
Kumi Construction Management Corporation – MBE;
Mercado Consultants, Inc. – MBE;
Plexus Installations, Inc. – MBE;
Skyline Network Engineering, LLC;
Transtech Engineering Consultants, Inc. – MBE; and
Whitney, Bailey, Cox & Magnani, LLC

The recommended firm has committed to the established MBE goal and sub-goals and the VSBE goal.

The firm selected for award of Contract No. AE 3006-0000 in the amount of \$5,000,000 is Sabra, Wang & Associates, Inc./WSP Parsons Brinkerhoff – Joint Venture (the second highest rated firm). Its sub-consultants are:

Transtech Engineering Consultants, Inc. – MBE;
Weigand Associates, Inc. – MBE;
Kumi Construction Management Corporation – MBE;
Eborn Enterprises, Inc. – MBE;
Mercado Consultants, Inc. – MBE;
Academy Solutions Group, LLC – VSBE; and
Integrated Control Systems, Inc.

The recommended firm has committed to the established MBE goal and the sub-goals and the VSBE goal.

The firm selected for award of Contract No. AE 3007-0000 in the amount of \$5,000,000 is AECOM Technical Services, Inc. (the third highest rated firm). Its sub-consultants are:

Johnson Mirmiran & Thompson;
GL Communications, Inc. – MBE;
Transtech Engineering Consultants, Inc. – MBE;
T3 Design Corporation – MBE;
Eborn Enterprises, Inc. – MBE;
Navarro & Wright Consulting Engineer's, Inc. – MBE;
CS Consulting Engineers, Inc. – VSBE; and
Integrated Control Systems, Inc.

The recommended firm has committed to the established MBE goal and sub-goals and the VABE goal.

The Contracts will be valid for a five (5) year period and include a provision authorizing an extension of one-third of the original base term in accordance with BPW Advisory 1995-1.

Upon motion by Member Kathy Bays Armstrong, and seconded by Member William Ensor, the Members unanimously approved Contract No. AE 3005-0000 Intelligent Transportation Systems and Electrical Engineering Services to Jacobs Engineering Group, Inc. and its sub-consultants as listed above in the amount of \$5,000,000; Contract No. AE 3006-0000 Intelligent Transportation Systems and Electrical Engineering Services to Sabra, Wang & Associates, Inc/WSP Parsons Brinckerhoff – Joint Venture and its sub-consultants as outlined above in the amount of \$5,000,000; and Contract No. AE 3007-0000 Intelligent Transportation Systems and Electrical Engineering Services to AECOM Technical Services, Inc. and its sub-consultants outlined above in the amount of \$5,000,000; all three task-based contracts will be cost plus fixed fee Contracts, with a Not-to-Exceed cost of \$15,000,000.

- **CONTRACT NO. MR 3009-0000 FACILITY WIDE CULVERT AND PIPE REHABILITATION – PHASE II**

Ms. DiCerbo requested approval for Contract No. MR 3009-0000 Facility Wide Culvert and Pipe Rehabilitation – Phase II. This item was reviewed by the Capital Committee and recommended for approval.

The work under this Contract includes the structural and environmental rehabilitation of 27 steel and concrete pipe culverts beneath the roadways along various MDTA facilities located in Anne Arundel, Baltimore, Cecil, Harford, Montgomery Counties, and Baltimore City. Such rehabilitation is in accordance with the latest MDE requirements. This work will involve placement of grout, concrete, steel plating and reinforcement, installation of trees, rip rap, and other mandatory repairs as required. This work shall include but not be limited to all labor,

equipment, materials, etc. necessary to perform the general repairs of the pipe culverts as per the plans and as directed by the Engineer.

There is an Allowance of \$100,000 for Miscellaneous Structural Repairs included in the Invitation for Bids (IFB). This allowance will only be used if necessary and with prior approval of the Engineer.

Four (4) bids were received, ranging from 159% above to 2% below the Engineer's Estimate of \$1,309,642. Proshot Concrete, Inc. was the lowest responsive and responsible Bidder. As its bid was two percent (2%) lower than the Engineer's Estimate, a bid justification was not performed. This company has performed work on prior MDTA projects successfully. One bid was determined nonresponsive and was rejected with the concurrence of Legal Counsel.

This project was advertised with an Overall Minority Business Enterprise (MBE) participation goal of 20% with no sub-goals. Proshot has submitted an MBE plan that exceeds the goal.

Upon motion by Member Armstrong, and seconded by Member Cox, the Members unanimously approved Contract No. MR 3009-0000 Facility Wide Culvert and Pipe Rehabilitation – Phase II in the amount of \$1,280,500 to Proshot Concrete, Inc.

- **CONTRACT NO. KB 2837-0000, KB 3009-0000 AND KB 3010-0000 – MECHANICAL, ELECTRICAL AND STRUCTURAL REHABILITATION OF THE I-695 BRIDGE OVER CURTIS CREEK**

Ms. DiCerbo requested approval for Contract No. KB 2837-0000, KB 3009-0000, and KB 3010-0000 for the Mechanical, Electrical and Structural Rehabilitation of the I-695 Bridge over Curtis Creek and to approve the negotiated Guaranteed Maximum Price (GMP) for Contract No. KB 3010-0000 in a determined not-to-exceed amount. This item was reviewed by the Capital Committee and recommended for approval.

MDTA pursued a new project delivery method called Construction Management at Risk (CMAR) under which the work and services were procured. The original Request for Proposal (RFP) was advertised on April 5, 2016 and two proposals were received on May 24, 2016. After a thorough evaluation, the project was awarded for preconstruction services to Cianbro Corporation on October 27, 2016 under Contract No. KB 2837 (Phase I) in the amount of \$376,120.

After the initial award for contract preconstruction services, the project has two additional anticipated stages to secure long lead time materials and then actual construction. Cianbro has the option to provide bids on the two additional phases of work and negotiate a GMP for each phase.

Phase II under Contract No. KB 3009 is to secure the long lead time materials for the mechanical and electrical rehabilitation of the Curtis Creek Bridge. The scope of work includes providing labor, equipment, materials, storage, shipping, etc. necessary to purchase, fabricate, manufacture, test, etc. the mechanical and electrical components such as, differential speed

reducers, planetary speed reducers, planetary forging, floating shaft couplings, bearing forging, bronze bushings for bearings motor coupling, motor brakes, machinery brakes, motors and motor drives, and provide testing and maintenance until installed.

For Phase II, Contract No. KB 3009, MDTA received a GMP price proposal from Cianbro on March 1, 2017. The price proposal was 2% below the Engineer's Estimate of \$4,290,000; therefore, a bid justification was not required for this bid. Additionally, the CMAR process utilizes an Independent Cost Estimator (ICE), and MDTA and the ICE reviewed the Contractor's bid in detail and determined that it was fair, balanced, and reasonable.

Phase III will be to provide the actual construction services of the equipment listed above and other repairs at the bascule span, structural steel, concrete repairs, and drainage system upgrades at the approach spans, as well as architectural repairs at the bridge tender house under Contract No. KB 3010-0000. Based on our design progression with Cianbro to date, MDTA has estimated the cost of construction services for Phase III to be \$15,500,000. Therefore the estimated project costs are as follows:

<u>Phase</u>	<u>Project Cost</u>
KB 2837 (Phase I)	\$ 376,120.00
KB 3009 (Phase II)	\$ 4,197,716.64
<u>KB 3010 (Phase III)</u>	<u>\$15,500,000.00</u>
Total	\$20,073,836.64

Analysis for KB 3010

The design plans are approximately at 60% completion level. They include additional mechanical and electrical work at the bascule plan such as center lock and tail lock machinery rehabilitation, replacing limit switches, sump pumps, panelboards, lighting system, wiring and conduit system, installing backup emergency generator, concrete and steel repairs, roadway joint modification at the approach spans, and architectural repairs at the bridge tender house. A GMP for Phase III will be negotiated up to a not-to-exceed amount of \$15,500,000.

The MBE goal for KB 3010 (Phase III) will be determined by the Procurement Review Group (PRG) after the design is complete.

Upon motion by Member Ensor, and seconded by Member Armstrong, the Members unanimously approved Contract No. KB 3009-0000 (Phase II) GMP and KB 3010 (Phase III) for the Not-to-Exceed amount of \$15,500,000; and the additional amount of \$19,697,716.64 (Phase II and III) for a project grand total of \$20,073,836.64 (Phases I, II and III).

Members Von Paris and Hellmann rejoined the meeting.

UPDATE – SV 3024-0000 FINANCIAL AUDIT SERVICES

Ms. DiCerbo presented an update on Contract SV 3024-0000 Financial Audit Services. This procurement was procured under the Maryland Department of Budget and Management (DBM) Statewide Master Contract.

Pursuant to the Code of Maryland Regulations (COMAR) and Resolution 15-01 dated January 23, 2015, the MDTA has no delegated authority over \$100,000 to procure services. Accordingly, the DBM is the primary procurement unit responsible for the review, approval, and oversight of non-delegated Service procurements. As a result, the DBM issues certain Master Contracts to enable State agencies to procure services in a timely and economical manner. Through DBM Contracts, the State has a flexible means of obtaining Financial Audit Services quickly, efficiently, and cost effectively by issuing task orders specific to its needs.

The scope of work to be provided under this contract requires a licensed Maryland Certified Public Accounting (CPA) firm to perform/provide, including but not limited to, the following: Annual Financial Statement Audit; the Comprehensive Annual Financial Report (CAFR) Audit; the Annual SSAE-18 Report of the electronic tolling system (E-ZPass); the Uniform Grant Guidance, subpart F (Single Audit) (if MDTA meets the \$750,000 minimum); and the Federal Highway Administration Section 129 Loan Attestation Report for the Fort McHenry Tunnel, the Express Toll Lanes, and the Intercounty Connector. In addition, the selected accounting firm will provide guidance concerning the implementation of all Governmental Accounting Standards Board pronouncements that will require implementation by the MDTA.

This is a Not-To-Exceed \$274,707.81, task-based Contract with a three (3) year term.

This solicitation was advertised as a Task Order Request for Proposals (TORFP) with a thirty percent (30%) Minority Business Enterprise (MBE) participation goal, with MBE sub goals of seven percent (7%) African American, four percent (4%) Asian, and twelve percent (12%) Women. In addition, there was a Veteran Small Business Enterprise (VSBE) participation goal of five percent (5%) required for this Contract. Direct solicitation by the DBM Procurement Officer was conducted to the approved Master Contractors via electronic correspondence to 17 firms.

As stated the TORFP, the Evaluation Committee was required to give equal weight to Technical and Financial factors. The Evaluation Committee conducted a final review of all submitted documentation, ranked the Proposals overall, and made its recommendation to the Procurement Officer. The Evaluation Committee provided the following ranking for each Offeror:

<u>OFFEROR</u>	<u>TECHNICAL RANK</u>	<u>PRICE RANK</u>	<u>BAFO RANK</u>	<u>OVERALL RANK</u>
SB & Company	2	\$297,036.31 (1)	\$274,707.81 (1)	1
CliftonLarsonAllen	1	\$443,120.00 (3)	\$438,575.00 (2)	2
Cohn Reznick	3	\$304,500.00 (2)	\$698,700.00 (3)	3

The Evaluation Committee conducted an evaluation of the Master Contractors and the proposed work plans to ensure that the Master Contractors met the specified TORFP minimum qualifications and that the proposed work plans were adequate to accomplish the task as specified in the TORFP.

SB & Company (SBC) is currently working with many clients to include the State of Maryland, the Maryland Department of Transportation, and the State Retirement and Pension System. SBC has demonstrated a good understanding of the TORFP requirements and has provided a well-laid out plan to execute. They will provide a strong focus on customer service with the goal to deliver outstanding quality, focusing on the key elements that matter – product, relationships, and value to the clients.

There were no significant differences in demonstrated Technical ability to perform these services between the first and second technically ranked firms, and the first Technically ranked firm's Financial Offer was \$163,867.19 higher; therefore, the Committee could not justify the difference in price between these firms.

SB & Company, a Master Contractor and a certified Minority Business Enterprise firm, has successfully demonstrated its capability to provide the services needed for the MDTA Financial Audit Services Contract. Upon receipt of the signed Evaluation Committee Spreadsheet outlining the overall rankings of the Offerors, the Department of Budget and Management will issue the Task Order Award.

UPDATE – AUDIT COMMITTEE

Member Von Paris reported the Office of Audits is on track to complete 10 of the 15 audits in the Fiscal Year (FY) 2017 Audit plan by June 15th. Due to other commitments during the year, the commence dates of the remaining audits were delayed. The new commence dates for these audits range from March 3, 2017 to June 9, 2017, and the audits are expected to be completed by September 2017.

Two internal audit reports were presented: License Plate Readers (LPR) Compliance Audit and the Audit of Toll Collection Enforcement and Citation Process. The Committee was satisfied with the results, but expressed the importance for management to follow through with its corrective actions even though the procedural deficiencies cited were not significant.

UPDATE – RESOLUTION 17-02 – DIRECTING THE ESTABLISHMENT OF TOLL VIDEO ENFORCEMENT RELATED ISSUES WORKSHOPS – PART I – STATUTE & CURRENT PROCESS

Ms. Deborah Sharpless and Mr. Darol Smith provided an update on the progress of the Working Group authorized under Resolution 17-02 to gather, research, analyze, and present information regarding video toll enforcement related issues, specifically focused on the \$50 civil penalty as established in the Code of Maryland Regulations (COMAR) 11.07.07.09. Since the approval

of the resolution, the Working Group has spent the last three weeks working on the first set of tasks. Ms. Sharpless and Mr. Smith presented a detailed overview of the history of video tolling for MDTA and the various past legislative efforts to modify the law and a detailed explanation of the current video toll process.

UPDATE – EXECUTIVE DIRECTORS UPDATE

Mr. Kevin Reigrut introduced Ms. Natalie Henson. Natalie started yesterday and has joined the Executive Office working alongside Trudy Edwards supporting the Executive Director and Executive Staff as a Special Assistant/Special Projects Coordinator. Today is Bring Your Sons and Daughters To Work Day. Mr. Reigrut introduced the young attendees in the room. Mr. Reigrut stated the quarterly Excellerator program meeting is this week.

There being no further business, the meeting of the MDTA Board was adjourned by general consensus at 10:38 a.m.

The next MDTA Board Meeting will be held on May 25, 2017, at 9:00 a.m. at 2310 Broening Highway, Baltimore, MD 21224

APPROVED AND CONCURRED IN:

Jim F. Ports, Chairman