

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, JUNE 29, 2017
2310 BROENING HIGHWAY, BALTIMORE, MD 21224

OPEN SESSION

R. Earl Lewis, Acting Chairman

MEMBERS ATTENDING:

Katherine B. Armstrong
P. Jack Basso
William H. Cox, Jr.
William Ensor
W. Lee Gaines
John Von Paris

STAFF ATTENDING:

Roan Bennett
Gara Carter
Donna DiCerbo
Tina Dorn
Trudy Edwards
Clay Fischer
Chantelle Green
Robert Harrison
Jaclyn Hartman
Natalie Henson
Meshelle Howard
Col. Jerry Jones
Bob Jordan
Heather Koeberle
Jonathan Lockett
Jeanne Marriott
Peter Mattejat
Jody McCurley
Kimberly Millender, Esquire
Megan Mohan
Tonya Morant
Kevin C. Reigrut
Mike Rice
Darol Smith
Cheryl Sparks
Christina Thompson
Tim Wendt
Dan Williams
Melissa Williams

OTHERS ATTENDING:

Catherine Provost, Senator Chris Van Hollen's office

At 9:00 a.m. Acting Chairman R. Earl Lewis called the meeting of the Maryland Transportation Authority (MDTA) Board to order.

APPROVAL – OPEN SESSION MINUTES OF MAY 25, 2017

Upon motion by Member William Cox and seconded by Member William Ensor, the Closed and Open meeting minutes of the MDTA Board meeting held on May 25, 2017 were unanimously approved.

APPROVAL – FISCAL YEAR (FY) 2018 FINAL OPERATING BUDGET

Ms. Christina Thompson requested approval of the FY 2018 (FY18) Final Operating Budget. The Trust Agreement requires approval of the final budget on or before July 1. This item was reviewed by the Finance Committee and recommended for approval.

The FY18 Final Operating Budget totals \$313,144,685. This represents an increase of \$5,860,880, or 1.9%, above the FY18 Preliminary Operating Budget and an increase of \$9,113,679, or 3.0%, above the FY 2017 amended budget. Reimbursable expenses for law enforcement services provided at the Port of Baltimore and the Baltimore/Washington International Thurgood Marshall Airport total \$27,391,068 (8.7%) of the budget. These costs are paid by the Maryland Port Administration and the Maryland Aviation Administration.

Upon motion by Member Peter Basso and seconded by Member Katherine Bays Armstrong, the Members unanimously approved the FY 2018 Final Operating Budget in the amount of \$313,144,685.

APPROVAL – DRAFT FISCAL YEAR (FY) 2018-2023 CONSOLIDATED TRANSPORTATION PROGRAM (CTP)

Ms. Jeanne Marriott requested approval of the FY 2018-2023 Consolidated Transportation Program (CTP). This item was reviewed by the Capital and Finance Committees and has been recommended for approval.

The six-year FY 2018-2023 budget in the proposed CTP is \$2.6 billion. The proposed CTP reflects a net increase in the six-year FY 2018-2023 budget of \$63.1 million. The net FY 2018-2023 increase is the result of 1) Increase in the six-year CTP budget by \$173.5 million for all projects except Nice Bridge, Intercounty Connector (ICC), Express Toll Lanes (ETL), and reserves; 2) Decrease in the allocated and unallocated reserves by \$121.4 million; 3) Increase in the six-year CTP budget by \$8.7 million for the Nice Bridge Replacement project; 4) Decrease in the six-year ICC budget by \$7.3 million; and 5) A rollover of the ETL budget from FY 2017 to the FY 2018-2023 time period of \$9.7 million.

The proposed CTP reflects a net increase in the six-year FY 2017-2022 budget of \$9.6 million over the same six-year period in the Final FY 2017-2022 CTP. The net FY 2017-2022 increase is the result of 1) Increase in the six-year CTP budget by \$116.1 million for all projects except Nice Bridge, ICC, ETL, and reserves; 2) Decrease in the allocated and unallocated reserves by \$101.4 million; 3) Increase in the six-year CTP budget by \$4.3 million for the Nice Bridge Replacement project; 4) decrease in the six-year ICC budget by \$9.3 million; and 5) No change to the ETL budget in the FY 2017-2022 period.

Upon motion by Member W. Lee Gaines, Jr and seconded by Member Cox, the Members unanimously approved the FY 2018-2023 Consolidated Transportation Program as outlined above.

APPROVAL – PARTIAL CASH PAYOFF OF SERIES 2007 BONDS

Ms. Jaclyn Hartman requested approval of the partial cash payoff of the Series 2007 Bonds. This item was reviewed by the Finance Committees and has been recommended for approval.

In February 2017, the MDTA Board approved Resolution No. 17-01 authorizing the MDTA to issue 2017 Refunding Bonds to take advantage of favorable market conditions to refund (refinance) the Series 2007 Bonds. There are \$282.650 million in outstanding bonds subject to an optional redemption on July 1, 2017, pursuant to an available 10-year call at par.

Based on current rates, a combination of a \$100 million cash payoff while refunding the remainder of the Series 2007 bonds will result in greater savings than a full refunding without a defeasance. (See below.) The defeasance also improves debt service coverage and provides additional debt capacity for future needs.

	Debt Service Savings	
	Annual	Through 2041
Refunding Only (no cash payoff)	\$2.5M	\$59.2M
Refunding with \$100 million cash payoff	\$8.7M	\$203.0M

Upon motion by Member Basso and seconded by Member Armstrong, the Members unanimously approved the partial cash payoff of \$100 Million for the Series 2007 Bonds.

APPROVAL – FINANCIAL FORECAST

Ms. Hartman requested approval of the Financial Forecast. This item was reviewed by the Finance Committee and has been recommended for approval.

Throughout the six year period (FY 2018 – 2023), the MDTA will remain above financial goals and legal standards.

The forecast adheres to the Budget Reconciliation and Financing Act (BRFA) of 2015 and is generally improved from the January 2017 forecast. These improvements include: 1) No system wide toll increases are needed in the six years; 2) Bonds to be issued during the six year forecast period have been reduced \$10 million to \$365 million with the first bond issuance indicated (FY 2021) is \$55 million, increased from \$20 million; 3) Outstanding indebtedness in FY 2023 is reduced by \$113 million to \$2.198 billion due to the partial cash payoff of bonds; 4) Maximum outstanding indebtedness within the period is \$2.198 billion in FY 2023 which is below the statutory cap of \$3 billion; 5) Debt service paid over the six year period (\$789 million) is reduced by some \$21 million due to the cash payoff of bonds; and 6) Debt service coverage is improved slightly: 2.98 in FY 2023 vs. 2.85 in the January forecast.

Upon motion by Member Armstrong and seconded by Member Ensor, the Members unanimously approved the Financial Forecast.

APPROVAL – CONTRACT AWARDS

- **CONTRACT NUMBERS: AE-3008-0000, AE-3009-0000, AND AE-3010-0000 NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM (NPDES) AND ENVIRONMENTAL COMPLIANCE SERVICES**

Ms. Donna DiCerbo requested approval to execute Contract Numbers: AE-3008-0000, AE-3009-0000, and AE-3010-0000 for National Pollution Discharge Elimination System (NPDES) and Environmental Compliance Services for the MDTA. This procurement was reviewed by the Capital Committee and recommended for approval, and 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 comprehensive environmental engineering, compliance, and remediation services to assist the MDTA in meeting environmental regulatory requirements statewide.

The Office of Engineering and Construction (OEC) and the Office of Environment, Safety and Risk Management (OESRM) propose to utilize Consultant services to perform data collection, database development, environmental management system development, storm drain and storm water Best Management Practices (BMP) mapping, environmental design, engineering, compliance, inspections, and remediation for the MDTA.

Services include, but are not limited, to the following: 1) Provide administrative, technical, and managerial services to meet the compliance with National Pollution Discharge Elimination System (NPDES) general permits for MS4 (Municipal Separate Storm Sewer System) Phase II and Industrial Storm Water Discharge; 2) Provide administrative, technical, and managerial services to procure multiple and diverse permits or approvals for development and remedial projects from local, State, or federal regulatory agencies; and coordinate associated mitigation; and 3) Provide services to address environmental site issues at MDTA facilities.

These three (3) task-based contracts will be cost plus fixed fee Contracts, valued at Three Million Dollars (\$3,000,000) with a total Not-to-Exceed cost of Nine Million Dollars (\$9,000,000). The project was initially approved by Secretary of Transportation Pete K. Rahn on August 31, 2015.

The Minority Business Enterprise participation goal for each contract is 24% with sub-goals of six percent (6%) for African American-owned firms, two percent (2%) Hispanic American-owned firms, and nine percent (9%) Women-owned firms, and the contract has a one percent (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 3008-0000 in the amount of \$3,000,000 is Johnson, Mirmiran & Thompson, Inc./Gannett Fleming, Inc. – Joint Venture. Its sub-consultants are:

Straughan Environmental, Inc. – MBE;
iDesign Engineering, Inc. – MBE;
Rossi Transportation Group, Inc. – MBE;
Navarro & Wright Consulting Engineers, Inc. – MBE;
Findling, Inc. – MBE;
Athavale, Lystad & Associates, Inc. – MBE;
NMP Engineering Consultants, Inc. – MBE; and
Olson Surveying, LLC. – VSBE

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

The firm selected for award for Contract No. AE 3009-0000 in the amount of \$3,000,000 is Rummel, Klepper & Kahl, LLP/AECOM Technical Services, Inc. – Joint Venture. Its sub-consultants are:

Chesapeake Environmental Management, Inc. – MBE;
Straughan Environmental, Inc. – MBE;
Findling, Inc. – MBE;
Navarro & Wright Consulting Engineering, Inc. – MBE; and
CS Consulting Engineers, Inc. - VSBE

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

The firm selected for award for Contract No. AE 3010-0000 in the amount of \$3,000,000 is EA Engineering, Science and Technology, Inc/McCormick Taylor, Inc. – Joint Venture. Its sub-consultants are:

BATTA Environmental Associates – MBE;
Chesapeake Environmental Management, Inc. – MBE;
Environmental Research Group, LLC. – VSBE;
Findling, Inc. – MBE;
Mercado Consultants, Inc. – MBE;
The SEMCAS Group, LLC – MBE; and
Straughan Environmental, Inc – MBE

The recommended firm has committed to the established MBE goal and sub-goals and the VSBE 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 the Board of Public Works (BPW) Advisory 1995-1.

Upon motion by Member Cox and seconded by Member John Von Paris, the Members unanimously approved the Contract Nos.: AE-3008-0000, AE-3009-0000, and AE-3010-0000 for National Pollution Discharge Elimination System (NPDES) and Environmental Compliance Services in the amount of \$3,000,000 each to the Firms and Sub-Consultants as outlined above.

APPROVAL – EXERCISE CONTRACT RENEWAL OPTIONS

- **CONTRACT RENEWAL NUMBER: 20150001 – MAINTENANCE, REPAIR AND INSECTION OF OVERHEAD, BUILDING AND TOLL BOOTH DOORS**

Ms. DiCerbo requested approval to execute the renewal option for Contract No. 20150001 with Bob's Overhead Door Repair & Service, Inc. for the Maintenance, Repair & Inspection of Overhead, Building & Toll Booth Doors. This item was reviewed by the Finance Committee and recommended for approval.

The scope of work includes providing all labor, materials, specialized equipment, service, and transportation necessary to perform full maintenance and repairs on an as needed basis for all overhead, building, and toll booth doors at all MDTA facilities.

The original contract term was from February 1, 2015 through January 31, 2018, with a base Not-To-Exceed (NTE) value of \$311,975; and one (1) 2-Year Renewal Option valued at \$194,650, for a total Contract value of \$506,625 NTE. The contract was originally approved by the Board of Public Works (BPW) on January 7, 2015.

This Contract Renewal exceeds the delegated authority of the Executive Director pursuant to Resolution 15-01 dated January 23, 2015; therefore, it is anticipated to be presented for BPW approval on July 5, 2017.

Upon motion by Member Armstrong and seconded by Member W. Lee Gaines, Jr., the Members unanimously approved the one (1) 2-year renewal option for Contract No. 20150001 with Bob's Overhead Door Repair & Service, Inc. for the Maintenance, Repair & Inspection of Overhead, Building & Toll Booth Doors in the amount of \$194,650 and a Not-To-Exceed value of \$506,625.

- **CONTRACT RENEWAL NUMBER: 20140003 – ELEVATOR PREVENTATIVE AND REPAIRS**

Ms. DiCerbo requested approval to execute the renewal option for Contract No. 20140003 with G.C. Jones Elevator Inc., for Elevator Preventive Maintenance and Repair Services. This item was reviewed by the Finance Committee and recommended for approval.

The scope of work provides 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.

The original contract term was from December 1, 2014, through November 30, 2017, with a base Not-To-Exceed (NTE) value of \$529,150; and one (1) 2-Year Renewal Option valued at \$324,900, for a total Contract value of \$854,050 NTE. The contract was originally approved by the Board of Public Works (BPW) on October 29, 2014.

This Contract Renewal exceeds the delegated authority of the Executive Director pursuant to Resolution 15-01 dated January 23, 2015; therefore, it is anticipated to be presented for BPW approval on July 5, 2017.

Upon motion by Member Basso and seconded by Member Armstrong, the Members unanimously approved the one (1) 2-year option for Contract Renewal No. 20140003 with G.C. Jones Elevator Inc., for Elevator Preventive Maintenance and Repair Services in the amount of \$324,900 and a Not-To-Exceed value of \$529,150.

UPDATE – AUDIT COMMITTEE

Member Von Paris provided an update on the Audit Committee that met on June 15, 2017. The Office of Audits has completed 9 of 15 audits in the Fiscal Year (FY) 2017 Audit Plan. Two audits are in progress and will be completed in time to report the results at the next Audit Committee meeting in September. The Audit Committee is satisfied with Management's progress.

UPDATE – RESOLUTION 17-02 – DIRECTING THE ESTABLISHMENT OF TOLL VIDEO ENFORCEMENT RELATED ISSUES WORKSHOP – PART 3 – ACCOUNT, PAYMENT AND ENFORCEMENT TRENDS

Mr. Bob Jordan and Mr. Roan Bennett updated the Members on the progress of the Working Group and provided additional information to follow-up from the presentation given during the May Board Meeting. Specifically, the Video Toll Enforcement – Resolution 17-02 workbooks were updated with additional materials under Tab VI. Tab VI is an overview of account, payment, and enforcement trends. The analysis provided a national overview followed by a more in-depth discussion of surrounding states’ practices. Data was gathered from eighty-one tolling agencies by reviewing the agencies’ websites and conducting conversations with those agencies.

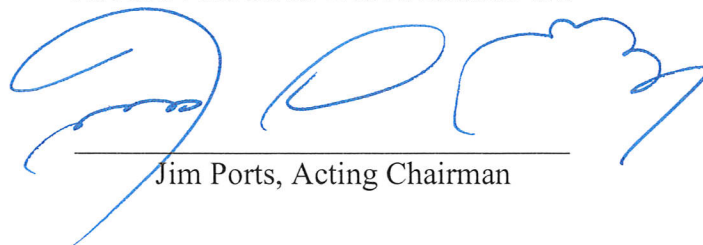
UPDATE – EXECUTIVE DIRECTORS UPDATE

Mr. Kevin Reigrut spoke to the Members about State Employee Risk Management Administration (SERMA) Award that MDTA received, more information to be presented at the next Board Meeting. He spoke about the second outreach event that was held “Getting Your Foot in the Door”, MDTA Day, and, he asked the Members to congratulate employee, Eric Willison who went above and beyond to help a motorist in need on I-395.

There being no further business, the meeting of the MDTA Board was adjourned by general consensus at 10:24 a.m.

The next MDTA Board Meeting will be held on July 27, 2017, at 9:00 a.m. at 2310 Broening Highway, Baltimore, MD 21224

APPROVED AND CONCURRED IN:



Jim Ports, Acting Chairman