

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, JUNE 30, 2016
4330 BROENING HIGHWAY, BALTIMORE, MD 21222

OPEN SESSION

R. Earl Lewis, Acting Chairman

MEMBERS ATTENDING:

P. Jack Basso
Rev. Dr. William C. Calhoun, Sr.
William H. Cox, Jr.
William Ensor
W. Lee Gaines, Jr.
William K. Hellmann
Randall Nixon, Esquire
Michael Whitson

STAFF ATTENDING:

Nafiz Alqasem
Milt Chaffee
Percy Dangerfield
Joyce Diepold
Luther Dolcar
Trudy Edwards
David Goldsborough
Clay Gottlieb
Jim Harkness
Jaclyn Hartman
Meshelle Howard
Col. Jerry Jones
Jeanne Marriott
Jessica Mettle
Kimberly Millender, Esquire
Tonya Morant
Will Pines
Mike Rice
Larry Schwager
Dennis Simpson
Cheryl Sparks
Christina Thompson
Mark Travers
Paul Trentalance

OPEN SESSION

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

APPROVAL – OPEN SESSION MINUTES OF MAY 26, 2016

Upon motion by Member P. Jack Basso, and seconded by Member William Ensor, the open meeting minutes of the MDTA Board meeting held on May 26, 2016 were unanimously approved.

APPROVAL – FISCAL YEAR 2017 FINAL OPERATING BUDGET

Ms. Christina Thompson requested approval of the Fiscal Year (FY) 2017 Final Operating Budget for the MDTA. This item was reviewed by the Finance Committee and recommended for approval. The Trust Agreement requires the approval of a final budget on or before July 1.

The FY 2017 Final Operating Budget totals \$294,439,188. This represents an increase of \$18,050,046, or 6.5%, compared to MDTA FY 2016 budget of \$276,389,142. The FY 2017 Final Operating Budget represents an increase of \$9,629,807, or 3.4%, from the FY 2017 Preliminary Operating Budget. Reimbursable expenses for law enforcement services provided at the Port of Baltimore and the Baltimore/Washington International Thurgood Marshall Airport total \$24,880,326 (8.5%) of the budget. These costs are paid by the Maryland Port Administration and the Maryland Aviation Administration.

Upon motion by Member Basso and seconded by Member William Hellmann, the Members unanimously approved Fiscal Year 2017 Final Operating Budget in the amount of \$294,439,188.

APPROVAL – DRAFT FISCAL YEAR 2017-2022 CONSOLIDATED TRANSPORTATION PROGRAM

Ms. Jeanne Marriott requested approval of the proposed Draft Fiscal Year (FY) 2017-2022 Consolidated Transportation Program (CTP). This item was reviewed by the Capital and Finance Committees and recommended for approval.

The six-year FY 2017-2022 budget in the proposed CTP is \$2.0 billion. The proposed CTP reflects a net increase in the six-year FY 2017-2022 budget of \$94.6 million. The net FY 2017-2022 increase is the result of the following changes: 1) Increase in the six-year CTP budget by \$231.5 million for all projects except InterCounty Connector (ICC), Express Toll Lanes (ETL), and reserves. 2) Decrease in the allocated and unallocated reserves by \$136.3 million. 3) A small shift of the ETL budget by \$610 thousand from FY 2017 to FY 2016.

The proposed CTP reflects a net increase in the six-year FY 2016-2021 budget of \$123.3 million over the same six-year period in the Final FY 2016-2021 CTP. The net FY 2016-2021 increase is the result of the following changes: 1) Increase in the six-year CTP budget by \$217.8 million for all projects except ICC, ETL and reserves. 2) Decrease in the allocated and unallocated reserves by \$94.5 million. 3) There were no changes to the ICC and ETL budgets in the FY 2016-2021 period.

The proposed Draft FY 2017-2022 CTP reflects an increase of \$123.3 million in the six-year FY 2016-2021 budget and an increase of \$94.6 million in the six-year FY 2017-2022 budget both of which include the rollover of FY 2016 unspent funds (\$13.1 million).

Upon motion by Member Hellman and seconded by Member Rev. Dr. William C. Calhoun, Sr., the Members unanimously approved Fiscal Year Consolidated Transportation Program in the amount of \$1,996,000.

APPROVAL – FINANCIAL FORECAST

Ms. Jaclyn Hartman requested approval for the Fiscal Year (FY) 2017-2022 Financial Forecast. Maryland State Law requires the approval of a Financial Forecast on or before July 1.

Throughout the six-year period (FY 2016-2022), the MDTA will remain above its financial goals and legal standards. Relative to adherence to standards, the forecast is largely unchanged from the January 2016 forecast.

Throughout the six-year period (FY 2017-2022) the MDTA remains above its financial goals. The MDTA remains above its trust agreement rate covenant. The forecast adheres to the Budget Reconciliation and Financing Act (BRFA) of 2015. The forecast projects no system wide toll increases or the need to issue bonds during the six-year forecast period. Outstanding indebtedness in FY 2022 is unchanged. The maximum outstanding indebtedness within the period is unchanged at \$2.264 billion in FY 2017. This is above the statutory caps of \$2.325 billion through FY 2020 and \$3 billion beginning in FY 2021. Debt service over the six-year period is unchanged (\$837 million).

Upon motion by Member Basso and seconded by Member Randall Nixon, Esq., the Members unanimously approved the six-year (FY 2017-2022) Financial Forecast.

APPROVAL – CONTRACT AWARD

- **CONTRACT NO. HT 2649-000-006 BALTIMORE HARBOR TUNNEL (BHT) - TUNNEL VENTILATION FAN REPLACEMENT**

Ms. Jessica Mettle requested approval for Contract No. HT 2649-000-006 BHT - Tunnel Ventilation Fan Replacement. This item was reviewed by the Capital Committee and recommended for approval.

The scope of work of this project is to construct new ventilation exhaust stacks and lighting protection and replace all tunnel ventilation fans, damper motors, electrical feeders, lighting, and roofs in the ventilation buildings of the Baltimore Harbor Tunnel. The new equipment shall be compliant with American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standards for road tunnel applications and upgraded in accordance with the latest requirements of National Fire Protection Association (NFPA) Standard 502 for smoke flow control during large vehicular fires and high temperature exposure. The facility will remain operational throughout the construction of the project.

There is an allowance of \$3,300,000 for Miscellaneous Repairs included in the Invitation for Bids (IFB). This allowance will only be used if necessary and with prior approval from the Engineer.

Four (4) Bids were received ranging from 34% above to 6% below the Engineer's Estimate of \$61,166,208.

Cianbro Corporation was the lowest responsive and responsible Bidder. As its bid was Six Percent (6%) lower than the Engineer's Estimate, a bid justification was not conducted and the bid was determined to be fair and reasonable. The company has performed work on prior MDTA projects.

This project was advertised with an Overall Minority Business Enterprise (MBE) participation goal of 10% with no sub-goals and a 0.5% Veteran Small Business Enterprise (VSBE) participation goal. Cianbro Corporation submitted a MBE plan that exceeds the goal and a VSBE plan that meets the goal.

Upon motion by Member W. Lee Gaines, Jr. and seconded by Member Nixon, the Members unanimously approved Contract No. HT 2649-000-006 Baltimore Harbor Tunnel – Tunnel Ventilation Fan Replacement to Cianbro Corporation in the amount of \$57,747,000.

- **CONTRACT NO. KH 2783-000-001 JOHN F. KENNEDY (JFK) FACILITY BRIDGE CLEANING AND DRAINAGE SYSTEM REPAIR**

Ms. Mettle requested approval for Contract No. KH 2783-000-001 JFK facility Bridge Cleaning and Drainage System Repair. This item was reviewed by the Finance Committee and was recommended for approval.

The work to be performed under this contract is located at the John F. Kennedy Highway in Baltimore, Harford and Cecil Counties. The scope of work includes: Cleaning bridge decks, approach slabs, expansion joints, medians, curbs, parapets, concrete barriers, sidewalks, abutment beam seats, and pier beam seats by collecting and properly disposing of trash and debris; pressure cleaning of bridge deck and horizontal surfaces and vertical faces of the parapets or concrete barriers; pressure cleaning abutments including backwalls, pedestals beam seats, breast walls and beam ends; pressure cleaning horizontal and vertical surfaces of pier caps including pedestals and beam ends; cleaning the drainage system (scuppers and downspouts); and repair of the drainage system, where applicable.

There is an allowance of \$120,000 for Miscellaneous Repairs included in the Invitation for Bids (IFB) that will only be used if necessary and with prior approval of the Construction Manager.

Seven (7) bids were received ranging from 112% above to 10% below the Engineer's Estimate of \$1,269,767.50. One (1) bid was rejected.

Titan Industrial Services, Inc. was the lowest responsive and responsible Bidder. As its bid was Ten Percent (10%) below the Engineer's Estimate, a bid justification was not conducted and the bid was determined to be fair and reasonable. This company has performed work on prior MDTA projects.

This project was advertised with an over Minority Business Enterprise (MBE) participation goal of Twenty-Nine Percent (29%) with sub-goals of Seven Percent (7%) for African American-owned firms and Four Percent (4%) for Asian American-owned firms. This project was also advertised with a Veteran Small Business Enterprise (VSBE) participation goal of One Percent (1%). Titan Industrial Services, Inc. submitted MBE and VSBE plans that meet these goals.

Upon motion by Member William Ensor, and seconded by Member Nixon, the Members unanimously approved Contract No. KH 2783-000-001 John F. Kennedy Facility Bridge Cleaning and Drainage System Repair to Titan Industrial Services, Inc. in the amount of \$1,141,695.

- **CONTRACT NO. HT 2822-000-006 SUBSTRUCTURE AND SUPERSTRUCTURE REHABILITATION TO VARIOUS BRIDGES ON I-895 NORTH OF BALTIMORE HARBOR TUNNEL TO I-95**

Ms. Mettle requested approval for Contract No. HT 2822-000-006 Substructure and Superstructure Rehabilitation to Various Bridges on I-895 North of Baltimore Harbor Tunnel to I-95. This item was reviewed by the Capital Committee and recommended for approval.

The work to be performed under this Contract is located in Baltimore City for repairs to twenty-one (21) steel multi-beam bridges and eleven (11) reinforced concrete retaining walls located along the Baltimore Harbor Tunnel (BHT) Thruway (I-895), north of the tunnel, from the Boston Street overpass to the I-95 interchange. The bridges carry I-895 or local and state roads over city streets, State roads, interstates, several railroads including Amtrak, CSX, Norfolk Southern, and Canton Railroad, as well as the Herring Run and Moores Run waterways.

There is an allowance of \$100,000 for Railroad Expenses and \$500,000 for Miscellaneous Repairs included in the Invitation for Bids (IFB). These allowances will only be used if necessary and with prior approval of the Engineer.

Four (4) Bids were received ranging from 5% above to 21% below the Engineer's Estimate of \$10,777,673.84.

M.D. Miller Co., Inc. t/a The Marksmen Co. (Marksmen) was the lowest responsive and responsible Bidder. As its bid was Twenty-one percent (21%) below the Engineer's Estimate, a bid justification was conducted and the bid was determined to be fair and reasonable. The company has performed work on prior MDTA projects.

This project was advertised with a Minority Business Enterprise (MBE) overall participation goal of Thirty-One percent (31%) with sub-goals of Seven percent (7%) for African American-owned firms, Four percent (4%) for Asian American-owned firms and a Veteran Small Business Enterprise (VSBE) participation goal of One percent (1%). Marksmen submitted MBE and VSBE plans that meet the goal.

Upon motion by Member Gaines, and seconded by Member Nixon, the Members unanimously approved Contract No. HT 2822-000-006 Substructure and Superstructure Rehabilitation to Various Bridges on I-895 North of Baltimore Harbor Tunnel to I-95 to M. D. Miller Co., Inc. t/a The Marksmen Co. in the amount of \$8,510,768.

APPROVAL – CONTRACT MODIFICATION

- **CONTRACT NO. 20140022 ARC FLASH HAZARD STUDIES AT VARIOUS LOCATIONS**

Ms. Mettle requested approval to execute the Modification to extend Contract No. 20140022, Arc Flash Hazard Study at Various Locations. This proposed Modification was reviewed by the Finance Committee and recommended for approval, and requires Board of Public Works (BPW) approval.

Contract No. 20140022 was awarded on July 16, 2015 for the provision of an Arc Flash Hazard Study at various MDTA locations. The Contract provides short circuit coordination and arc flash hazard study analysis for the electrical distribution systems at various MDTA facilities/buildings and includes all labor, materials, specialized equipment, service and transportation necessary to perform the required services under the terms of the Contract.

The effective start date of this Contract was August 3, 2015 with an expiration date of July 27, 2016.

The original Contract contained an overall Minority Business Enterprise (MBE) participation goal of 7%. With MBE compliance of 42.76%, the Contractor has exceeded the overall goal to date.

During the course of this Contract, Shah & Associates, Inc. has encountered delays in the completion of its tasks due to lead time on equipment, access to information related to the electrical energy consumption, billing account number and demand data from MDTA and Baltimore Gas and Electric (BGE), as well as delays in receiving utility data from multiple utility companies. MDTA requested a no cost time extension of One Hundred Days (100) to allow Shah & Associates, Inc. to complete tasks under the Contract. There are negotiations currently underway related to delay claims for this contract which may result in a future monetary modification. The new expiration date will be November 5, 2016.

Upon motion by Member Calhoun, and seconded by Member Nixon, the Members unanimously approved the contract modification for a no cost time extension of One Hundred (100) days, and a new contract expiration date of November 5, 2016 to Shah & Associates, Inc. for Contract No. 20140022 Arc Flash Hazard Studies at Various Facilities.

• **CONTRACT NO. FT 2771-000-006 I-95 & I-395 SUPERSTRUCTURE AND PIER MODIFICATIONS**

Mr. Will Pines requested a contract modification to increase the Executive Director's delegated authority for Contract No. FT 2771-000-006 I-95 & I-395 Superstructure and Pier Modifications.

The original construction budget reflected the low bid amount of \$5,754,144. MDTA requested to increase the delegated authority to \$2,879,881.37 or 50.05% for extra work due to the incompatibility of the Micro-Pile Design and the existing ground conditions. This extra work addresses contractor delay costs and construction costs associated with Micro-Pile to H-Pile re-design. The revised authorized budget is \$8,634,025.37. This Extra Work Authorization (EWA) will also grant a 328 compensable calendar day time extension to the contract. The new contract completion date will be April 19, 2017.

Upon motion by Member Hellmann, and seconded by Member Ensor, the Members unanimously approved the contract modifications for Contract No. FT 2771-000-006 I-95 & I-395 Superstructure and Pier Modifications. The modifications approved are for extra work associated with contractor and construction costs associated with Micro-Pile and H-Pile re-design; increasing the delegated authority to the Executive Director (\$2,879,881.37) and a 328 compensable calendar day time extension to the Contract. The new Contract amount is \$8,634,025.37 and the new contract completion date is April 19, 2017 for the Joseph B. Fay Company.

UPDATE – AUDIT COMMITTEE

Member Whitson stated the Audit Committee met on July 21, 2016. The Office of Audits has completed 10 of 16 audits in the Fiscal Year (FY) 2016 Audit Plan. Due to several unscheduled assignments that were assigned to the Office of Audits during recent months, the start of five audits was delayed. The Office of Audits submitted a plan to complete these audits during the first quarter of FY 2017 and will present at the September 2016 Audit Committee meeting its FY 2017 audit plan for the full year. Mr. Whitson reported updates were presented by Management on the progress it has made in implementing corrective actions for the audit findings from two prior audits: Audit of Real Estate Leases and Audit of IT Project Management Methodology. The Audit Committee is satisfied with Management's progress.

UPDATE – PORT COVINGTON

Mr. Dennis Simpson reported MDTA is working with Sagamore and the Consultant Team. Staff met with the Environmental Regulatory Agencies and a meeting with the Federal Highway Administration is scheduled for June 30, 2016. A Memorandum of Understanding with Sagamore regarding use of consulting resources from STV, Inc. has been executed.

OPEN SESSION
JUNE 30, 2016
PAGE 8 OF 8

UPDATE – EXECUTIVE DIRECTOR'S REPORT

Mr. Milt Chaffee reported briefly on the progress of PCI Compliance for Xerox and Bikes on the Hatem. Mr. Chaffee requested Jaelyn Hartman join him at the head of the table to present to her GFOA's Award for Excellence in Comprehensive Annual Financial Reporting, this is the third year MDTA has received this award.

Mr. Chaffee stated that this was the last MDTA Board Meeting for Members Whitson and Calhoun. He extended his sincerest gratitude and thanks for their dedication.

Member Whitson stated that it was a pleasure to work with all the MDTA staff and wished everyone well.

Member Calhoun stated as this too was a pleasure. Mr. Calhoun expressed that MDTA needs diversity on the Board and he wants to see the Nice Bridge built.

There being no further business, the meeting of the MDTA Board was adjourned by general consensus at 10:20 a.m.

The next MDTA Board Meeting will be held on July 28, 2016 at 9:00 a.m. at 2310 Broening Highway, Baltimore, Maryland 21224 in the Louise Hoblitzell Board Room.

APPROVED AND CONCURRED IN:

Jim F. Ports, Acting Chairman