

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, SEPTEMBER 29, 2016
2310 BROENING HIGHWAY, BALTIMORE, MD 21224

OPEN SESSION

Pete K. Rahn, Chairman

MEMBERS ATTENDING:

Katherine B. Armstrong
P. Jack Basso
William H. Cox, Jr.
William Ensor
W. Lee Gaines, Jr.
William K. Hellmann
Randall Nixon, Esquire (via telephone)
John Von Paris

STAFF ATTENDING:

Milt Chaffee
Donna DiCerbo
Trudy Edwards
Clay Fisher
David Goldsborough
David Greene
Michele Gross
Colonel Jerry Jones
Jim Harkness
Jaelyn Hartman
Meshelle Howard
Reta Kabtimer
Jody McCurley
Kelly Melhem
Bob Michael
Kimberly Millender, Esquire
Tonya Morant
John O'Neill
Mike Rice
Deb Sharpless
Dennis Simpson
Cheryl Sparks
Dan Williams

OTHERS ATTENDING:

Ed McDonald, Chief of Staff, MDOT
Jacob Smith, STV, Inc.

At 9:16 a.m. Chairman, Pete Rahn, called the meeting of the Maryland Transportation Authority (“MDTA”) Board to order.

APPROVAL – OPEN SESSION MINUTES OF AUGUST 25, 2016

Upon motion by Member William Cox, and seconded by Member Jack Basso, the open meeting minutes of the MDTA Board meeting held on August 25, 2016 were unanimously approved.

APPROVAL – CANTON BOARD

Ms. Deborah Sharpless requested approval of the proposed Canton Board of Directors and designation of the Executive Director and/or Deputy Executive Director and/or the Chief Administrative Officer as proxy to attend the Annual Meeting of stockholders of the Canton Development Company, Inc. on October 26, 2016 to vote to approve the election of the Canton Board of Directors.

Upon motion by Member William Hellmann and seconded by Member Basso, the Members unanimously approved proposed Canton Board of Directors and approved the designation of the Executive Director and/or Deputy Executive Director and/or the Chief Administrative Officer as proxy to attend the Annual Meeting of stockholders of the Canton Development Company, Inc. on October 26, 2016 to vote to approve the election of the Canton Board of Directors.

APPROVAL – REVENUE POLICY

Ms. Jaclyn Hartman requested approval of changes to the Board Policy on Revenue. The item was reviewed by the Finance Committee and recommended for approval.

The Board Policy on Revenue was first adopted in 2009 to provide guidance for setting toll rates, discount rates, and administrative fees. MDTA staff, financial advisors, and legal counsel periodically review Board policies to ensure that policies remain current and reflect changes in best practices, the financial or tolling industry, federal and State laws and regulations, and MDTA business practices.

The following changes were recommended based on the most recent review: Change the frequency of review of revenue sufficiency from biennially to annually. This frequency refers only to the formal review process whereby revenues are stated to be sufficient. Every time the financial forecast is updated, the impact on toll rates are known; Combine Policy Statements 3, 13 and 14 into Policy Statement 4. State law and regulations establish requirements for public involvement and legislative notification of changes to toll rates and fees. Policy Statement 3.2 defers to the requirements contained in law and regulations; Incorporate the Board Policies on Debt Management and Investment Management by reference; Add specific reference to the financial coverage requirements; Transfer responsibility for the toll revenue management process from the Division of Business Policy, Planning and Performance to the Division of Finance. This change also requires a change to the Board Policy code; Update references from Executive Secretary to Executive Director or designee; and Renumber Policy Statements as needed.

Upon motion by Member Basso and seconded by Member John Von Paris, the Members unanimously approved the changes to the Revenue Policy.

APPROVAL – CONTRACT AWARD

• **CONTRACT NO. PB 3003-0000 MDTA 2330 BROENING HIGHWAY BUILDING RENOVATIONS**

Ms. Donna DiCerbo requested approval for Contract No. PB 3003-0000 MDTA 2330 Broening Highway Building Renovations. This item was reviewed by the Capital Committee and recommended for approval, this item also requires approval from the Board of Public Works.

The work consists of the complete interior renovation and extensive exterior envelope rehabilitation of the building located at 2330 Broening Highway, Baltimore, MD. The work also includes the removal and/or replacement of sidewalks and paving, utility installation, and reconfiguration of storm drain, sanitary sewer, and fire service piping around the building.

There is an allowance of \$650,000 for Miscellaneous Construction included in the Invitation for Bids. This allowance will only be used if necessary and with prior approval of the Engineer.

Two (2) Bids were received ranging from 2% to 3% below the Engineer's Estimate of \$7,162,341.90.

Tech Contracting Co., Inc. (Tech) is the lowest and responsive and responsible Bidder. This company has performed work on prior MDTA projects.

This project was advertised with a Minority Business Enterprise (MBE) overall participation goal of Thirty percent (30%) with sub-goals of Seven percent (7%) for African American owned firms, Four percent (4%) for Asian American owned firms. This project was also advertised with a Veterans Small Business Enterprise (VSBE) participation goal of One percent (1%). Tech has submitted a MBE and VSBE plan that meets the goal.

Upon motion by Member Cox and seconded by Member Randall Nixon, the Members unanimously approved Contract No. PB 3003-0000 MDTA 2330 Broening Highway Building Renovations to Tech Contracting Co., Inc. in the amount of \$6,976,682.

• **CONTRACT NO. KB 3003-0000 MAINTENANCE AND REPAIR OF CURTIS CREEK DRAW BRIDGES**

Ms. DiCerbo requested approval for Contract No. KB 3003-0000 Maintenance and Repair of Curtis Creek Draw Bridges. This item was reviewed by the Capital Committee and recommended for approval.

This project is to perform maintenance, repair, and rehabilitation of the draw bridge and approach spans for both Curtis Creek bridges. Repairs and rehabilitation include but are not limited to structural steel, concrete, drainage and joint devices, bearings, ancillary structures, and electro-mechanical work. Maintenance work includes providing general housekeeping, mechanical, and electrical maintenance of both bridges.

There are allowances of \$100,000 for Miscellaneous Repairs, \$200,000 for Materials for Bridge Repairs, \$20,000 for Specialized Equipment for Bridge Repairs and \$20,000 for Specialized Subcontractors for Bridge Repairs included in the Invitation for Bids. These allowances will only be used if necessary and with prior approval of the Engineer.

Two (2) Bids were received ranging from 100% to 4% above the Engineer's Estimate of \$2,498,144.

Cianbro Corporation is the lowest responsive and responsible Bidder. As their bid was Fourteen percent (14%) higher than the Engineer's estimate, a bid justification was conducted and the bid has been determined to be fair and reasonable. This company has performed work on prior MDTA projects.

This project advertised with an Overall Minority Business Enterprise (MBE) participation goal of Nineteen Percent (19%) with no sub-goals. Cianbro Corporation has submitted a MBE plan that exceeds the goal.

Upon motion by Member Hellmann, and seconded by Member Nixon, the Members unanimously approved Contract No. KB 3003-0000 Maintenance and Repair of Curtis Creek Draw Bridges to Cianbro Corporation in the amount of \$2,856,650.

• **CONTRACT NO. MR 3003-0000 MISCELLANEOUS PAVING REPAIRS**

Ms. DiCerbo requested approval for Contract No. MR 3003-0000 Miscellaneous Paving Repairs. This item was reviewed by the Capital Committee and recommended for approval.

This project provides Miscellaneous Paving Repairs by grinding and replacement of bituminous concrete paving at bridge approaches, toll plazas, shoulders, acceleration and deceleration lanes, ramps, parking lots, joint repairs, slab failures, and mainline roadways which are experiencing surface distortion or distress. This contract also provides for Portland cement concrete repairs and roadway pavement markings. The work on this contract is intended to be "on call" in nature and will consist of task assignments that may be of a routine or non-emergency nature and/or that may be of an emergency nature.

There is an allowance of \$700,000 for Contingent Miscellaneous Repairs, included in the Invitation for Bids that will only be used if necessary and with prior approval of the Engineer.

Two (2) Bids were received, ranging from 8% to 3% above the Engineer's Estimate of \$7,119,900.

P. Flanigan & Sons, Inc. is the lowest responsive and responsible Bidder. This company has performed work on prior MDTA projects.

This project was advertised with an Overall Minority Business Enterprise (MBE) participation goal of Nineteen Percent (19%) with no sub-goals. P. Flanigan & Sons, Inc. has submitted a MBE plan that meets the goal.

Upon motion by Member Cox, and seconded by Member William Ensor, the Members unanimously approved Contract No. MR 3003-0000 On-Call Miscellaneous Paving Repairs to P. Flanigan & Sons, Inc. in the amount of \$7,366,182.

- **CONTRACT NO. MR 3005-0000 ON-CALL STRUCTURAL REPAIRS AND MISCELLANEOUS MODIFICATIONS**

Ms. DiCerbo requested approval for Contract No. MR 3005-0000 On-Call Structural Repairs and Miscellaneous Modifications. This item was reviewed by the Capital Committee and recommended for approval.

The scope of work includes providing labor, equipment, materials, etc. necessary to perform miscellaneous structural, concrete, and other types of repairs, upgrades, replacements, and new construction as directed by the Engineer. This work may be required on any portion (bridge, tunnel, highway, building, and all appurtenances) of any of the MDTA facilities.

This is a \$15,000,000 Not-To-Exceed On-Call Contract.

There are allowances of \$230,000 for Reimbursable Railroad Permit Expenses, \$1,610,000 for Materials for Structural Repairs, \$920,000 for Specialized Equipment for Structural Repairs, and \$1,150,000 for Specialized Subcontractors included in the Invitation for Bids. These allowances will only be used if necessary and with prior approval of the Engineer.

Six (6) Bids were received ranging from 17% above to 13% below the Engineer's Estimate of \$13,485,625.

MBP Contracting, Inc. (MBP) is the lowest responsive and responsible Bidder. This company has performed work on prior MDTA projects.

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

Upon motion by Member W. Lee Gaines, Jr., and seconded by Member Kathleen Armstrong, the Members unanimously approved Contract No. MR 3005-0000 On-Call Structural Repairs and Miscellaneous Modifications to MBP Contracting, Inc. in the amount of \$15,000,000.

• **CONTRACT NO. PB 3005-0000 ON-CALL FACILITY REPAIRS**

Ms. DiCerbo requested approval for Contract No. PB 3005-0000 On-Call Facility Repairs. This Contract was reviewed by the Capital Committee and was recommended for approval. This contract will require the Board of Public Works approval

The scope of work shall include providing labor, equipment, materials, etc. necessary in performing miscellaneous Facility and other types of repairs, upgrades, replacements, and new construction as directed by the Project Manager.

This is a \$1,500,000 Not-To-Exceed On-Call Contract.

There are allowances of \$30,000 for Specialized Contractors, \$13,580 for Specialized Equipment for Facility Repairs, \$7,000 for Premium Overtime Labor Rate, \$300,000 for Facility Materials and Incidentals, and \$10,000 for Miscellaneous Repairs and Modifications included in the Invitation for Bids. These allowances will only be used if necessary and with prior approval of the Engineer.

Two (2) Bids were received ranging from 22% to 8% above the Engineer's Estimate of \$1,499,996.84.

Brawner Builders, Inc. (Brawner) is the lowest responsive and responsible Bidder. This company has performed work on prior MDTA projects.

This project was advertised with a Minority Business Enterprise (MBE) overall participation goal of Nineteen percent (19%) with no sub-goals and a Veteran Small Business Enterprise (VSBE) participation goal of One percent (1%). Brawner has submitted a MBE and VSBE plan that meets the goal.

Upon motion by Member Cox, and seconded by Member John Von Paris, the Members unanimously approved the contract renewals for Contract No. PB 3005-0000 On-Call Facility Repairs to Brawner Builders, Inc. in the amount of \$1,500,000.

APPROVAL – ALLIANCE FOR TOLL INTEROPERABILITY HUB (ATI)

Ms. Deborah Sharpless requested approval to participate in a "hub" providing interoperability for electronic toll collection with non-*E-ZPass*[®] tolling agencies.

The hub operated by the Alliance for Toll Interoperability (ATI) would allow: Maryland *E-ZPass* customers to use their account to pay tolls at facilities owned by other hub members, (toll transactions will be recorded and charged to the *E-ZPass* account using the vehicle license plate), and Out-of-state drivers with participating non-*E-Zpass* accounts, (e.g., Florida's SunPass), to use their "native" toll account to electronically pay tolls at Maryland facilities (toll transactions will be recorded and charged to the non-*E-Zpass* account using the vehicle license plate).

The benefits are two-fold: added convenience for Marylanders traveling on participating out-of-state facilities and increased net revenues accruing to MDTA from out-of-state users of Maryland facilities. Setting aside start-up costs, (approximately \$90,000), our participation in the hub will be revenue neutral in the near term and increase as additional toll operators join the hub.

Upon motion by Member Cox, and seconded by Member Ensor, the Members unanimously approved MDTA's participation in the Alliance for Toll Interoperability hub.

UPDATE – AUDIT COMMITTEE

Member Randall Nixon presented an update on the Audit Committee's meeting that was held on September 13, 2016. The status of the audits in the FY2017 Audit Plan were presented and the Office of Audits is making good progress in completing the audits.

UPDATE – PORT COVINGTON

Mr. Dennis Simpson and Jacob Smith reviewed a PowerPoint presentation that covered project need in the ongoing and planned development in the Port Covington peninsula that will result in increased transportation demand to Port Covington and increased traffic on I-95; Support the economic development and land use changes at Port Covington; Existing capacity and roadway geometry not adequate to meet projected traffic demands; and Limited multi-modal connections around and across I-95 in the vicinity of Port Covington. Mr. Simpson and Mr. Smith also discussed the proposed NEPA schedule.

UPDATE – EXECUTIVE DIRECTOR'S REPORT

Mr. Milt Chaffee presented an update on the Annual Review of the Credit Reporting Agencies. Our current rating is an AA reported by Standard and Poors, Moody's and Fitch. Fitch upgraded our outlook from stable to positive. Milt thanked Member Hellman for being the Grand Marshall for the Special Olympics Fort McHenry Tunnel Run, we had 600 participants and raised \$28,000.

There being no further business, the meeting of the MDTA Board was adjourned by general consensus at 11:01 a.m.

The next MDTA Board Meeting will be held on October 27, 2016 at 9:00 a.m. at 2310 Broening Highway, Baltimore, Maryland 21224 in the Louise Hoblitzell Board Room.

APPROVED AND CONCURRED IN:



Pete K. Rahn, Chairman