

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, OCTOBER 23, 2014
2310 BROENING HWY, BALTIMORE, MD 21224

OPEN SESSION

Leif Dormsjo, Acting Chairman

MEMBERS ATTENDING:

P. Jack Basso
Rev. Dr. William Calhoun – by telephone
Katrina J. Dennis, Esq.
Mary Beyer Halsey
William K. Hellmann
Arthur Hock
A. Bradley Mims
Michael Whitson

STAFF ATTENDING:

Cathy Beasley-Pope
Percy Dangerfield
Donna DiCerbo
Trudy Edwards
Bob Farley
Patrick Fleming
Aarion Franklin
Rebecca Freeberger
Gordon Garrettson
Bruce Gartner
David Greene
Meshelle Howard
Doug Hutcheson
Bob Jordan
Col. Mike Kundrat
Kelly Melhem
Kimberly Millender, Esquire
Ramona Pierre-Saunders
Dennis Simpson
Cheryl Sparks
Dan Williams

OTHERS ATTENDING:

Sam Sidh – MDOT

At 9:02 a.m. Acting Chairman Leif Dormsjo called the meeting of the Maryland Transportation Authority (“MDTA”) Board to order.

APPROVAL – CLOSED AND OPEN SESSION MINUTES OF SEPTEMBER 25, 2014

Upon motion by Member Michael Whitson and seconded by Member P. Jack Basso, the Closed and Open Session meeting minutes of the MDTA Board Meeting held on September 25, 2014 were unanimously approved.

RESOLUTION – YEARS OF SERVICE RECOGNITION

Mrs. Deborah Sharpless read Corporal Scott Bosley, Lieutenant Neil Jester and 1st Sergeant Charlie Vaughan’s resolutions. During their careers, the Officers carried out their duties in the most professional and competent manner and their extraordinary commitment will be missed by all MDTA employees who worked with them.

The Chairman and Members of the MDTA expressed their most sincere appreciation for their excellence and commitment. Their Resolutions are entered into the minutes of the MDTA Board Meeting of October 23, 2014, and a copy, appropriately framed, will be delivered to Corporal Scott Bosley, Lieutenant Neil Jester and 1st Sergeant Charlie Vaughan as an expression of the MDTA Board’s appreciation and esteem.

APPROVAL – TRUCK DISCOUNT PROGRAM – I-895/CHILDS STREET AND MD 695 NORTHBOUND TURNAROUND

Mr. Dennis Simpson requested approval to proceed with seeking public comment on the proposed discount program for trucks using the Childs Street Ramps on I-895 and the turnaround to MD 695 Northbound at the Francis Scott Key Bridge. This item was presented to the Capital and Finance Committee’s and recommended for approval.

The MDTA has had preliminary discussions with the Maryland Motor Truck Association and the communities near the Baltimore Harbor Tunnel Thruway regarding the potential for a discount for trucks that enter or exit I-895 at Childs Street without ever using the tunnel. In addition, MDTA staff recognized there was a similar issue at the Francis Scott Key Bridge where vehicles enter MD 695 to travel northbound and never use the Francis Scott Key Bridge.

The Childs Street ramps provide access to I-895 to and from the south. The ramps are just north of the Baltimore Harbor Tunnel (BHT) toll plaza. Motorists who are heading northbound on I-895 and wish to access Childs Street currently pay the full toll as a function of vehicle and payment class. This is true of the reciprocal movement for motorists on Childs Street wishing to access I-895 southbound.

It is understood that currently a portion of trucks with origins and destinations in the industrial parks of Shoreline, Fairfield and Wagner’s Point are avoiding Childs Street ramps to I-895 and the toll at BHT and accessing the expressway system from I-695 via the Pennington/Curtis Avenue and Ordnance Road corridors.

Motorists accessing northbound MD 695 from Broening Highway travel through the rightmost cash toll lane in the southbound direction of the FSK toll plaza and collect a voucher. This voucher allows motorists to access service road #3 and make a U-turn and pass through the northbound toll plaza without paying a second toll. The opposite movement is conducted the same way for motorists on MD 695 from the north accessing Broening Highway.

It is anticipated that with the expansion of the Panama Canal truck traffic wishing to make this movement could increase. With this in mind, the Maryland Port Administration (MPA) has a project to add a new exit from the Port that will support this movement.

MDTA staff analyzed the traffic and toll revenue by vehicle and payment class at the BHT toll plaza from motorists to and from Childs Street under multiple alternative discounted toll schedules to determine if there is an applicable toll schedule that may maintain toll revenue and reduce diverting truck traffic. The alternative which had the least impact on toll revenue was to reduce the toll for these movements to \$2 per axle. This toll rate will reduce annual toll revenue by \$983,310.

MDTA staff analyzed the traffic and toll revenue impact of discounting toll rates for vehicles at FSK. It is anticipated that the lowering of tolls could induce traffic that currently accesses points north via roadways other than MD 695 at the FSK toll plaza to move to this turnaround option. The alternative which had the least impact on toll revenue was to reduce the toll for this movement to \$2 per axle. This toll rate will reduce annual toll revenue by \$23,191.

This proposed toll discount for both the I-895/Childs Street and MD 695 Northbound Turnaround will benefit truckers and the communities impacted by trucks who avoid using the toll roads. The MDTA has significantly increased tolls for trucks in the past several years. Given the importance of freight movement to the State and regional economy, we recommend that the MDTA take this proactive step to encourage industrial and port related activity where truck movements will not have an impact on our signature structures, i.e. the Baltimore Harbor Tunnel and the Francis Scott Key Bridge. Also, this toll reduction will move some trucks out of residential areas and back onto the freeway system. This is a win for both truckers and the communities impacted by truckers who use residential streets to avoid the full toll for these movements.

This toll reduction would not require any public involvement and/or public hearings. However, we are recommending that for transparency sake that we hold public hearings on this proposal in Baltimore City and Baltimore County in spring 2015. Also, the provisions of *Transp. Art., §4-312(c) (4)* would still be applicable, and MDTA would be required to provide information to the Senate Budget and Taxation Committee, Senate Finance Committee, House Appropriations Committee, and House Ways and Means Committee on the proposed changes.

Upon motion by Member Rev. Dr. Wm. C. Calhoun, Sr. and seconded by Member Katrina Dennis, the Members unanimously approved to proceed with seeking public comment on the proposed discount program for trucks using the Childs Street Ramps on I-895 and the turnaround to MD 695 Northbound.

APPROVAL – CONVERT EXPIRED LEASES AND PERMITS TO AIR SPACE LEASES FOR PROPERTIES UNDER I-95, I-395 AND I-895

Mr. Simpson and Mrs. Cathy Beasley-Pope requested approval to proceed with implementation of new air space leases for all current tenants under I-95, I-395 and I-895 and to delegate authority to execute these leases to the Executive Director. This action would bring this current use of land into compliance with Federal Highway Administration requirements. This item was presented to the Capital and Finance Committees and recommended for approval. This action also requires approval from the Board of Public Works (BPW).

The fee simple ownership and responsibility for I-95 and I-395 within the City limits were transferred to the MDTA via deed in April 1996. The deed is registered in the Baltimore City Land Records, in Liber 5597/157. MDTA owns one parcel within the vicinity of I-895, which was not purchased with federal funding. MDTA is still subject to federal compliance because the property is part of an interstate.

As part of the transfer, the MDTA assumed the stewardship and management of land, columns, piers and subterranean footings, piles and restrictive covenants that apply to the properties being leased under I-95 and I-395. When the transfer took place in 1996, the majority of the leases were expired or under temporary month-to-month lease agreements. Although the tenants continued to pay temporary rental rates, they have maintained their lease compliance as required in the Federal Highway Administration's (FHWA) Airspace Guidelines (23 CFR 710.43-710.407).

Prior to 2005, the MDTA did not have a dedicated Real Estate staff. It has taken some time to research ownership of the properties deeded to us by Baltimore City. The first time there were internal discussions about converting these expired leases to Airspace Leases at market value was in 2008, and a decision was made to hold off. The Real Estate staff continued to receive pressure from FHWA to address this issue and threatened to audit the MDTA. Real Estate assured FHWA that we were working on the issue. Appraisals were ordered in 2013. Airspace appraisals are a unique type of appraisal and SHA did not have the experience to perform these types of appraisals. So these appraisals took additional time to complete. FHWA relayed concerns with how MDTA's leased parcels were being managed and requested that the Real Estate staff facilitate development of leases that comply with Federal requirements. We have the ability to negotiate the rent based on certain federal requirements and will likely be able to stagger these increases over the 5-year term of the new air space leases. It will be clear when presenting this information to the Board of Public Works (BPW) that we have the ability to negotiate these rents based on certain federal requirements. The basis for being able to consider reduced rent values are tied to social, economic or environmental benefits. If the rents are reduced from the fair market value, the information will be shared with the BPW.

The Members asked questions regarding the proposed term for the new leases. Staff indicated that the anticipated term is five years with a possibility of renewals. Member Halsey indicated that with renewals we should ensure that the leases contain an appropriate price escalation clause.

Upon motion by Member Whitson and seconded by Member Halsey, the Members unanimously approved proceeding with implementations of new air space leases for all current tenants under I-95, I-395 and I-895 and delegating authority to the Executive Director to execute the leases.

APPROVAL – TRAVEL PLAZA LEASE AND CONCESSION AGREEMENT

Mr. Percy Dangerfield and Mr. Bruce Gartner requested approval to proceed with a negotiated settlement offer with Areas USA (“Areas”) in relation to work done as part of the Travel Plazas Lease and Concession Agreement (“Agreement”) and to delegate authority to the Executive Director to finalize and execute documents for the settlement of claims for additional work for the waterline connection and contaminated soil removal costs at the Maryland House. This item was reviewed by the Capital and Finance Committees and recommended for approval.

Areas has presented a request for consideration of a total \$1,909,862 that includes additional costs for work related to the installation of a new Water Line required for the Maryland House in the amount of \$1,305,891.00 and for additional costs for work related to removal of contaminated soil required for redevelopment at the Maryland House in the amount of \$603,971.00.

Staff has requested and reviewed the documents and additional information provided by Areas to consider the circumstances that led to the Maryland House Additional/Unforeseen Waterline Connection Costs and the challenges that were presented regarding the contaminated soil removal. A letter has been sent to Areas offering a full and final settlement in the amount of \$1,476,223.29, which represents \$1,044,712.80 for the new Water Line and \$431,510.49 for the contaminated soil removal.

For comparison, the total amount of rent credits that are associated with additional work items represents 7.6% (\$4.3M) of the total construction cost (\$56M) of the project.

On September 25, 2014, Areas accepted the proposed negotiated settlement offer.

Upon motion by Member Whitson and seconded by Member Mary Halsey, the Members unanimously approved and delegated authority to the Executive Director to finalize and execute documents for the settlement of claims for additional work for the waterline connection in the amount of \$1,044,712.80, and contaminated soil removal costs, in the amount of \$431,510.49 at the Maryland House.

APPROVAL CONTRACT – AWARD

• **CONTRACT NO. 20140012 – HVAC MAINTENANCE REPAIR MDTA WIDE**

Ms. Donna DiCerbo requested approval for Contract 20140012 HVAC Maintenance and Repair MDTA Area wide. This contract is designated as a Small Business Reserve (SBR) and was reviewed by the Finance Committee and recommended for approval.

This is a Fixed-Price Contract to provide all labor, materials, equipment, supervision and incidental materials necessary to ensure the satisfactory performance and efficient operation of the heating, air conditioning equipment, associated controls and ancillary equipment located at the various MDTA facilities.

This Contract included \$275,000 in Allowance items in total for all Regions, which consists of \$40,000 for deficiency repairs identified upon initial inspection, and \$235,000 for replacement parts. These allowances will only be used if necessary and will not be used without prior approval of the Project Manager.

The MDTA solicited Competitive Sealed Bids for these services, pursuant to the Code of Maryland Regulations (COMAR) 21.06.03.02 B(1)5.01.02.

Four bids were received. The MDTA reserved the right to award up to three (3) contracts for the required services: one (1) contract per MDTA defined region to the lowest responsive and responsible Bidder for each region. The MDTA Regions were defined as follows:

1. Central Region: Fort McHenry Tunnel, Baltimore Harbor Tunnel, Francis Scott Key Bridge, William Preston Lane Bridge, and Point Breeze facilities;
2. Northern Region: John F. Kennedy Administration/Toll/Barracks Complex, John F. Kennedy Maintenance 1 Bldg., John F. Kennedy Maintenance II Bldg., and the Thomas Hatem Bridge; and
3. Southern Region: Harry W. Nice Bridge.

The responsive and responsible Bid results are as follows:

Bidder	Central	#	Northern	#	Southern	#
Keep-It-Cool, LLC	No Bid	n/a	No Bid	n/a	\$253,250.00	2
Kelly HVAC, Inc.	\$1,282,710.00	3	\$734,130.00	3	\$257,705.00	3
LPC Services, Inc.	\$ 999,090.00	2	\$600,300.00	2	\$230,020.00	1
M&E Sales, Inc.	\$ 942,319.00	1	\$500,046.50	1	No Bid	n/a

LPC Services, Inc. is the lowest responsive and responsible bidder for the Southern Region for Contract A. This contract has a base term of three (3) years valued at \$139,520.00, with one (1) 2-year renewal option valued at \$90,500.00, for a total contract term of five (5) years for a total contract value of \$230,020.00.

M&E Sales, Inc. is the lowest and responsive and responsible bidder for the Central and Northern Regions for Contract B. Specifically, the Central Region has a base term of three (3) years valued at \$573,345.00, with one (1) 2-year renewal option valued at \$369,974.00, for a total contract term of five (5) years for a total contract value of \$942,319.00.

The Northern Region has a base term of three (3) years valued at \$302,857.50, with one (1) 2-year renewal option valued at \$197,189.00, for a total contract term of five (5) years for a total contract value of \$500,046.50.

This combined contract has a base term of three (3) years valued at \$876,202.50, with one (1) 2-year renewal option valued at \$566,163.00, for a total contract term of five (5) years with a total contract value of \$1,442,365.50.

Both Contractors have successfully performed similar work on prior MDTA contracts.

This Contract was designated as a Small Business Reserve (SBR), with no Minority Business Enterprise (MBE) or Veteran Owned Small Business Enterprise (VSBE) goals established.

These contracts require the approval of the Board of Public Works.

Upon motion by Member P. Jack Basso and seconded by Member Katrina J. Dennis, Esq., the Members unanimously approved Contract No. 20140012 HVAC Maintenance and Repair MDTA Area Wide to LPC Services, Inc., for the Southern Region in the amount of \$230,020.00; M&E Sales, Inc., for the Central and Northern Region in the combined amount of \$1,442,365.50.

- **CONTRACT NO. BB 2763-000-001/6 BAY BRIDGE PRIORITY STRUCTURAL REPAIRS AND MISCELLANEOUS MODIFICATIONS**

Ms. DiCerbo requested approval for Contract No. BB 2763-000-001/6 Bay Bridge Priority Structural Repairs and Miscellaneous Modifications. This item was reviewed by the Capital Committee and recommended for approval.

This contract consists of three types of repairs: Priority Repair Unit 1, Priority Repair Unit 2, and On-Call. The Unit 1 repairs are high priority structural repairs and the Unit 2 repairs are priority structural repairs. Both Unit 1 and Unit 2 repairs involve structural steel and concrete repairs on the Bay Bridge.

The On-Call portion of the contract includes providing labor, equipment, materials, etc. necessary to perform miscellaneous structural and other types of repairs, upgrades, replacements, and new construction as directed by the Engineer. These repairs may be performed on the twin structures, as well as WPL facility which includes the toll plaza, sign structures, gantries, etc.

Such repairs will include the following, but are not limited to: Repair and replacement of piers, pier caps, pedestals, abutments, and barriers; Jacking bridge steel beams and other superstructure components under traffic and restoring bearings on piers and abutments; Repair or replace beams, girders, and other structural members via plating and other structural methods; Repair or replace damaged bridge fender systems and/or dolphins; Repair cracks in structural steel and/or welds of bridge beams/girders including cleaning and painting of the structural steel as required; Destructive and non-destructive testing as necessary to determine existing condition of structures; Repair or replace concrete at bridge abutments and pier caps as well as concrete repairs to slope protections at abutments; Repair or replace damaged toll booths, canopies, and concrete toll islands; Fabricate and Install Bridge Hangers; Miscellaneous repairs, enhancements and modifications, which may be security related or potentially emergency related; Construction, repair, retrofit, or replacement of concrete bridge barriers; Construction, repair, or replacement of concrete bridge deck repairs; Repair piers in water and install pile protective devices; Placement of riprap, grout filled bag, and other methods of scour protection; Providing access for in-depth inspections of facility components, including, but not limited to suspension cables, suspender ropes, truss members, other superstructure and substructure elements, etc.; Repair of suspension cables, cable wrappings, suspender ropes, and other cable components; Cleaning and painting of various components not incidental to structural repairs; Installation, repair, and maintenance of various electronic systems and instrumentation such as acoustic monitoring devices, strain gages, and testing equipment for load tests; Construction,

repair, or upgrade to various highway components including roadway, signs, sign structures, lights, light poles, guardrails, impact attenuators, travel plazas, parking lots, etc.; Scheduled general maintenance and greasing of mechanical components as directed by the Engineer; Construction, fabrication, repair, replacement, or installation of toll gantry structural components; Drainage system repairs and replacement, including joint seals, troughs, drop inlets, pipes and culverts, under drains, scuppers, downspouts, etc.; Subsurface investigations and foundation work.

To ensure the expeditious repair of the highest priority Unit 1 repairs, the contract includes a \$2,500 per day incentive/disincentive provision for the completion of these specific items within 365 days from Notice to Proceed. The maximum incentive the contractor can earn is capped at \$100,000 while the maximum disincentive the contractor can be assessed has no limitations.

An allowance of \$625,000 was included in the Invitation for Bids (IFB) for materials for structural on-call repairs, specialized equipment and specialized contractors for on-call repairs. These items will only be used if necessary and will not be used without prior approval of the Engineer.

Five (5) bids were received ranging from 3.19% to 43.36% above the Engineers Estimate of \$14,271,650. M.D. Miller, Inc. (The Marksmen, Co.) is the lowest responsive and responsible bidder. This company has successfully performed work on prior MDTA projects.

This was advertised with a Minority Business Enterprise (MBE) goal of Twenty Nine Percent (29%) with sub-goals of Seven Percent (7%) for African American-owned companies and Four Percent (4%) for Asian American-owned companies; and a One Percent (1.0%) Veteran-owned Small Business Enterprise (VSBE) goal. M.D. Miller, Inc. (The Marksmen Company), submitted MBE and VSBE plans that meet the goals.

Upon motion by Member Calhoun and seconded by Member William Hellmann, the Members unanimously approved Contract No. BB 2763-000-001/6 Bay Bridge Priority Structural Repairs and Miscellaneous Modifications to M.D. Miller, Inc. (The Marksmen Company), in the amount of \$14,727,324.

APPROVAL CONTRACT - RENEWAL

- **CONTRACT NO. 91131511 BAY BRIDGE LANE USE SIGNAL FIELD HARDWARE MAINTENANCE CONTRACT RENEWAL**

Ms. DiCerbo requested approval for Contract No. 91131511 Bay Bridge Lane Use Signal Field Hardware Maintenance Contract Renewal. This item was reviewed by the Finance Committee and recommended for approval.

The contract is to provide all labor, supervision, materials, parts, hardware, software, supplies, tools, equipment, transport, expenses and all unspecified incidental items to provide a comprehensive corrective and preventative maintenance service contract for the existing Lane Use Signal (LUS) field hardware and related systems at the Bay Bridge. The work includes but is not limited to the preventive maintenance, inspection, repair, and adjustment services, and on-call emergency repair services (which includes a four (4) hour response time).

The original contract term was from January 1, 2013 through January 2, 2015, with two (2) one-year renewals, with Day & Son, Inc. The contract value for this one (1) year renewal option is \$131,225.00. The contract was originally approved by the Board of Public Works (BPW) on December 5, 2012. Day & Son, Inc., has successfully performed the scope of work for this contract.

This request is for approval to exercise the first renewal option for a term of January 2, 2015 thru January 2, 2016, at a Not to Exceed (NTE) cost of \$131,225.00

A 25% MBE goal was established for this contract with no sub goals. Only one (1) task has been assigned to date and this task contained no sub-contractible components; therefore, Day and Son, Inc., is currently achieving 0% MBE compliance.

In accordance with BPW Advisory 1995-1, this Renewal will be reported to the BPW via the Procurement Agency Activity Report (PAAR); therefore, BPW approval is not required.

Upon motion by Member Halsey and seconded by Member Mims, the Members unanimously approved the first renewal of Contract No. 91131511 Bay Bridge Use Signal Field Hardware Maintenance Contract Renewal in the amount of \$131,225 to Day & Son, Inc.

UPDATE – HUMAN RESOURCE (HR) COMMITTEE

Member Mims gave an update on the October 16, 2014 HR Committee Meeting and indicated that the following topics were discussed:

- The Committee was officially notified that Ms. Marjorie Nesbitt, former MDTA Director of Human Resources and Workforce Development, has accepted a promotional opportunity with the Maryland Transit Administration as the Deputy Chief Administration Officer. On behalf of the Committee, Member Mims acknowledged Marjorie's service to the MDTA; and her years of leadership and contributions to the MDTA. She will be missed.
- Percy Dangerfield introduced Mr. Charles Flook, as the Acting Director. Charles has been the Deputy Director of HR; and we are confident that he will manage the office effectively while the Authority begins its recruitment efforts.
- The Committee was advised of the on-going workforce utilization efforts. These efforts include participation in:
 - Greater Baltimore Committee (GBC) Maryland Scholars Speakers Bureau;
 - Science, Technology, Engineering and Math, "Specialists in the Classroom" Programs
 - Career Fair for the Center of Urban Families – Strive Program and ;
 - Upcoming participation in "Mock Senior Interviews" with Lansdowne and Woodlawn Senior High Schools.
- The MDTA staff has embraced these outreach initiatives and have shown increased participation.
- The Committee was briefed regarding workforce development initiatives. These initiatives include the Mentoring Program; the Management Leadership Program, and the Advanced Leadership Program. Each program is geared toward providing employees the competencies and tools necessary to be prepared for professional advancement opportunities.

- Mr. Gartner and Mr. Dangerfield provided the Committee an update regarding upcoming FOP and AFSCME CY2015 intentions to negotiate. Management is beginning the process of preparing items for consideration during the negotiation process.
- Management will be hosting a communications workshop with AFSCME local representatives on October 24, 2014. The workshop will focus on improving the communication strategies between management and the union.
- The Committee was introduced to the new Employee Relations Manager, Mr. Neil Merkel; along with receiving an update on the current HR vacancies.

UPDATE – BAY BRIDGE SUMMER TRAVEL SAFETY CAMPAIGN

Ms. Cheryl Sparks introduced Becky Freeberger who updated the Members on the results of the 2014 education campaign that promoted new safety features and best times to travel at the Bay Bridge.

UPDATE – UPCOMING MDTA EVENTS

Ms. Cheryl Sparks updated the Members on the upcoming events from late October through early December 2014.

There being no further business, the meeting of the MDTA Board was adjourned by general consensus at 10:01 a.m.

The next MDTA Board Meeting will be held on November 20, 2014 at 9:00 a.m. at I-95 ETL Offices, 8019 Corporate Drive, White Marsh, Maryland.