

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, JULY 24, 2014
2310 BROENING HWY, BALTIMORE, MD 21224

OPEN SESSION

Wilson Parran, Acting Chairman

MEMBERS ATTENDING:

P. Jack Basso
Rev. Dr. William Calhoun
Katrina J. Dennis, Esq.
Mary Beyer Halsey
William K. Hellmann
Arthur Hock (via Telephone)
A. Bradley Mims
Michael Whitson (via Telephone)

STAFF ATTENDING:

Kim Arborgast
Percy Dangerfield
Donna DiCerbo
Trudy Edwards
Dave Ferrara
Bruce Gartner
David Greene
Jaelyn Hartman
Meshelle Howard
Doug Hutcheson
Derek Jones
Col. Mike Kundrat
Kimberly Millender, Esquire
Deb Sharpless
Dennis Simpson
Cheryl Sparks
Christina Thompson
Dan Williams
Eric Willison

OTHERS ATTENDING:

Myles Harris – Mid Atlantic Network
Sandy Rich – GRI Fund, LLP
Sam Sidh – MDOT

At 9:03 a.m. Acting Chairman Wilson Parran called the meeting of the Maryland Transportation Authority (“MDTA”) Board to order.

APPROVAL – CLOSED AND OPEN SESSION MINUTES OF JUNE 26, 2014

Upon motion by Member A. Bradley Mims and seconded by Member Katrina J. Dennis, Esq., the Closed and Open Session meeting minutes of the MDTA Board Meeting held on June 26, 2014 were unanimously approved.

RESOLUTIONS:

Mr. Bruce Gartner recognized the service for three employees who retired from the Maryland Transportation Authority, Mr. Frederick Dukes, Mr. Anthony L. Ware and Mr. Lawrence W. Whytsell, Jr. The Chairman and Members of the Maryland Transportation Authority hereby express their most sincere appreciation for their excellence and commitment.

Mr. Bruce Gartner recognized Ms. Trudy Edwards for her four years of perfect attendance and presented her with an Award of Excellence that she was nominated for by her peers for her commitment and professionalism.

Member Katrina Dennis recused herself from the next item and left the room.

APPROVAL CONTRACT – MODIFICATION

Mr. Percy Dangerfield requested approval to proceed with a contract Modification to the I-95 Travel Plazas Public Private Partnership Lease and Concession Agreement (“Agreement”) for the Maryland House and Chesapeake House to clarify certain payments from gross revenue will be based on commissions, to request retroactive approval for this clarification, and delegate authority to the Executive Director to finalize and execute the documents. This item was reviewed by the Finance Committee and recommended for approval by the MDTA Board.

Through the Maryland Transportation Authority’s (MDTA) contract for Financial Consulting and Management Services contract, SC&H Group (SC&H), was engaged by the MDTA Office of Audits to conduct a review of the controls over the revenue payments and related operations of the I-95 Travel Plaza Concessionaire, AREAS USAMDTP, LLC (AREAS). The audit was mainly conducted during the months of January and February 2014 and the transactions reviewed were from September 16, 2012 through October 31, 2013.

SC&H found that AREAS calculated revenue payments based on the commissions paid to them by subcontractors rather than the subcontractors’ total gross revenues as required in the Agreement, and that AREAS did not perform any validation for the outsourced concepts to ensure sales reported are accurate.

After further review of the audit findings, staff recommends clarifying the Agreement so that revenue payment calculations for certain defined items are based on commissions for lottery sales and commissions paid on lottery prizes instead of total gross revenues because MDTA's intent was never to collect more than what AREAS was receiving from a particular service.

Upon motion by Member P. Jack Basso and seconded by Member Art Hock, the Members unanimously approved the contract Modification to the I-95 Travel Plazas Public Private Partnership Lease and Concession Agreement for the Maryland and Chesapeake Houses to clarify certain payments from gross revenue will be based on commissions, for retroactive approval for this clarification, and delegate authority to the Executive Director to finalize and execute documents.

Member Dennis returned to the meeting

APPROVAL CONTRACT – AWARD

- **CONTRACT NO. 20130018 – TRAFFIC & REVENUE FINANCIAL FORECASTING SERVICES**

Ms. Donna DiCerbo requested approval for Contract No. 20130018 Traffic & Revenue Financial Forecasting Services. This item was presented to the Finance Committee and recommended to the MDTA Board for approval. Approval of this Contract is contingent upon the approval of the Department of Budget and Management.

The contract will provide Traffic & Revenue Forecasting Services for the MDTA and assist in the continual refinement of the agency's traffic and revenue projections for use in planning to meet the agency's operating costs and capital investment needs to include projections to support the sale of Revenue Bonds and other debt financings. Additionally, the Contractor will also provide advice in the development of tolling practices and policy; will assist in the review of proposed financing participation by the MDTA in public-private partnerships and other projects; and represent the MDTA's interests with respect to revenue projections in financial market environments.

The Contract term is for three (3) years, with one (1), 2-year Renewal option.

The MDTA solicited Competitive Sealed Proposals for these professional services, pursuant to the Code of Maryland Regulation (COMAR) 21.05.01.02. This is a Not-To-Exceed, Fixed Price, Indefinite Quantity Contract (IQC). The Contract has a budget allocation of \$2,000,000.00 (in aggregate) for five (5) years. The Request for Proposals (RFP) gave equal weight to technical and financial criteria. Three (3) bids were received.

The Evaluation Committee reviewed the Technical Proposals wherein all Offerors were determined to be reasonably susceptible of being selected for award. There were no discussions held with Offerors, and one (1) Technical Best and Final Offer (BAFO) was requested, and received from all Offerors. Upon completion of the Technical BAFO evaluation, the Price Proposals were opened and evaluated, and a Price Proposal BAFO was requested and received.

CDM Smith was ranked second Technically, and first Financially for an Overall ranking of first. CDM Smith met the minimum qualifications as stated in the Request for Proposals and successfully demonstrated their technical qualifications in Organizational Expertise and Qualifications, General Quality, Clarity and Adequacy of the Response, Past History of Performance, Financial Capabilities and Statements, and Economic Benefits Impact. In that there was no significant difference in demonstrated technical ability to perform these services between the first and second Technically ranked firms, and considering CDM Smith's lowest fair and reasonable Financial Proposal, the Evaluation Committee recommended CDM Smith for award, as they provided the most advantageous offer to the State.

Debriefings were conducted on July 10, 2014, and the protest period has passed.

This Solicitation included a five percent (5%) Minority Business Enterprise (MBE) participation goal, with no sub-goals, and CDM Smith submitted a MBE plan that meets the established goal.

Upon motion by Member Basso and seconded by Member Mary Halsey, the Members unanimously approved Contract No. 20130018 Traffic & Revenue Financial Forecasting Services to CDM Smith in the amount of \$829,546, which award is contingent on approval from the Board of Public Works.

Member Rev. Dr. William Calhoun joined the meeting.

- **CONTRACT NO. 20140013 CLEAR DATABASE SERVICES (West Government Services, Thomas Reuters)**

Ms. DiCerbo requested approval for Contract No. 20140013 Clear Database Services with West Government Services, Thomas Reuters. This item was presented to the Finance Committee and recommended to the MDTA Board for approval. Approval of this Contract is contingent upon the approval of the Board of Public Works (BPW).

Clear Database Services provides data/information for investigative research to government and law enforcement agencies. CLEAR Database Service collectively provides: business identification, identity verification, business affiliation, location of persons and assets, vehicle registration data, access to phone data, access to credit data, property data, real estate property data, and warrant detection. No other law enforcement database service provides this extensive data collectively from a single source. This new Contract will provide accurate database services for a term of five (5) years at a cost of Nine Hundred Ninety-Nine Dollars and Seventy Six Cents (\$999.76) per month. The total amount of this contract shall not exceed \$75,000.

This Contract fits the Sole Source criteria as stated in COMAR 21.05.02.02(1) and (2), (1) when only one source exists which meets the requirements; (2) when the compatibility of equipment, accessories, or replacement parts is the paramount consideration. There are no other providers of a similar product in the industry.

As this is a Sole Source Contract, no Minority Business Enterprise, Small Business Reserve, or Veteran-Owned Business Enterprise participation is included.

Upon motion by Member Basso and seconded by Member Katrina Dennis, the Members unanimously approved this Sole Source Contract No. 20140013 Clear Database Services (West Government Services, Thomas Reuters) to Clear Database Service in the amount of \$999.76 per month, with a Not-To-Exceed amount of \$75,000, and this Contract is contingent on approval from the Board of Public Works.

- **CONTRACT NO. MA 2695-000-006 UPGRADE AND REPLACE EXISTING WEIGH STATIONS**

Ms. DiCerbo requested approval for Contract No. MA 2695-000-006 Upgrade and Replace Existing Weigh Stations. This item was reviewed by the Capital Committee and recommended to the MDTA Board for approval. Approval of this Contract is contingent upon the Board of Public Works (BPW).

The work to be performed under this contract is located at the John F. Kennedy (JFK) Toll Plaza, Thomas J. Hatem Memorial Bridge (TJH) Toll Plaza and the William Preston Lane, Jr. Memorial (Bay) Bridge Toll Plaza located in Anne Arundel and Cecil Counties.

The scope of work includes replacement of the static scales at the MDTA's weigh stations at the JFK (Northbound and Southbound I-95), TJH (Eastbound and Westbound US 40), and Bay Bridge (Eastbound and Westbound US50-301).

The Office of Engineering and Construction requested approval of this Sole Source contract. The MDTA reviewed the Sole Source justification and deemed the justification to be in accordance with the Code of Maryland Regulation (COMAR) 21.05.05.02 A, which state a Sole Source procurement is not permissible unless a requirement is available from a single vendor. The following are some examples of circumstances which could necessitate Sole Source procurement: when only one source exists which meets the requirements; or when the compatibility of equipment, accessories, or replacement parts is the paramount consideration.

The Maryland Transportation Authority Police (MDTAP) Motor Carrier Division (MCD), the Maryland State Police (MSP) Commercial Vehicle Enforcement Division (CVED), and the Commercial Vehicle Safety Unit (CVSU) are responsible for the safe movement of commercial motor vehicles (CMV) along Maryland highways. As part of that enforcement, the MDTAP are responsible for checking CMV for compliance with state and federal safety laws including size and weight requirements. Overweight vehicles, in addition to being a potential safety hazard to highway traffic, put a strain on existing pavement and the design life expectancy of roads and bridges.

The MSP and State Highway Administration (SHA) currently use the Mettler-Toledo (MT) systems at their truck weigh stations, statewide. Purchasing the MT system allows for standardized CMV weighing at all truck weighing stations statewide and ensures consistency for CMV drivers. The

compatibility of MDTA's vehicle enforcement with other State enforcement agencies is paramount for the safe and efficient travel for Maryland's motorists. In addition, MT's system is one that allows the user to weigh vehicles quickly and accurately, while exceeding the required American Society for Testing and Materials (ASTM) specifications. Each truck weigh station vendor has unique load cells, predictive diagnostic signaling, weigh-in-motion scales, and parts; however, to achieve the compatibility and complete "interchangeableness" among State enforcement agencies, it is recommended that MDTA procure the same specific weigh station system as other State agencies.

MDTA has worked collaboratively with MT to identify and quantify project requirements and considerations. Unique factors impacting the ultimate cost include but are not limited to: Significant amount of work to be subcontracted; Longer contract duration than originally anticipated; Numerous mobilizations required throughout the term of the contract; Administrative costs, such as contract risk, project management oversight, comprehensive software development and testing, overall administration, and contract bonding requirements; Construction requirements and sequencing for the scale systems including temporary shoring, demolition, and construction of a dynamic message sign (DMS).

After numerous discussions with MT, the final Engineer's Estimate was determined to be \$11,639,796.00, which is within 7% of the contractor's bid. Mettler-Toledo, LLC, was determined to be a responsive and responsible Offeror.

The Minority Business Enterprise (MBE) participation goal for this contract is Twenty Percent (20%) with Seven Percent (7%) African American and Four Percent (4%) for Asian American sub-goals. Mettler-Toledo, LLC submitted a MBE plan that meets the goals.

Upon motion by Member Calhoun and seconded by Member Mims, the Members unanimously approved this Sole Source Contract No. MA 2695-000-006 Upgrade and Replace Existing Weigh Stations in the amount of \$12,473,535.93, and this Contract is contingent on approval from the Board of Public Works.

- **CONTRACT NO. HB 2687-000-006 HVAC REPLACEMENT AT THE HATEM BRIDGE ADMINISTRATION BUILDING**

Ms. Donna DiCerbo requested approval for Contract No. HB 2687-000-006 HVAC Replacement at the Thomas J. Hatem (TJH) Memorial Bridge Administration Building. This item was reviewed at the Capital Committee Meeting and recommended to the MDTA Board for approval.

The scope of work for this project includes but is not limited to: the replacement of the aged HVAC systems at the TJH Memorial Bridge Administration Building, including but not limited to replacing: the air conditioning unit for the computer room, electric unit heaters, fan coil units, air handler unit 1, air handler motors, for units 2 & 3, and existing boilers 1 & 2 with gas-fired boilers; and removing the existing underground fuel storage tank per the Contract Drawings. Baltimore Gas and Electric (BGE) will design and install new gas line extension.

Five bids were received ranging from 45.95% to 2.01% above the Engineers Estimate of \$511,431.56. An allowance of \$46,900 was included in the Invitation For Bids (IFB) for Miscellaneous Construction which will only be used if necessary, and will not be used without prior approval of the Construction Manager.

Fresh Air Concepts, LLC was the lowest responsive and responsible bidder. This was advertised as a Small Business Reserve Only contract with no Minority Business Enterprise (MBE) goal requirements. Fresh Air Concepts, LLC is a certified Small Business.

As their bid was two point zero one percent (2.01%) higher than the Engineers Estimate, no bid justification was conducted. Fresh Air Concepts, LLC's bid was determined to be fair and reasonable. This company has performed work on prior MDTA projects.

Upon motion by Member Calhoun and seconded by Member Mims, the Members unanimously approved Contract No. HB 2657-000-006 HVAC Replacement at the Thomas J. Hatem Memorial Bridge Administration Building to Fresh Air Concepts, LLC in the amount of \$521,698.

UPDATE – HR COMMITTEE

Member Mims gave an update on the July 17, 2014 HR Committee Meeting and indicated that the following topics were discussed:

- Workforce Utilization Strategies
- Greater Baltimore Committee Volunteers
- Union Update
- Workforce Development Update
- Recruitment and Examination Highlight

UPDATE – TRAVEL PLAZA REDEVELOPMENT PROJECT

Mr. Bruce Gartner presented an update on the Maryland House and Chesapeake House Travel Plazas. The opening of the Chesapeake House is expected on August 4, 2014. Mr. Gartner reviewed topics for each Travel Plaza including Exterior Views, Exterior Improvements, Interior Improvements, Employee Safety and Opportunities; and at the Chesapeake House the Retaining Pond, Maryland Women in Military Service Monument and Sponsorship and Partnerships.

Member Michael Whitson ended his participation in the meeting.

UPDATE – OVERVIEW OF THE PRELIMINARY FISCAL YEAR 2014 REVENUES AND ATTAINMENT VS. FORECASTED

Ms. Jaclyn Hartman presented an overview on the Fiscal Year (FY) 2014 toll revenues. Across all facilities, revenues totaled \$613.5 million and continue to perform largely as expected despite toll increases that took place in FY2012 and 2014 on the legacy facilities. System-wide, over half of all revenues are generated from the Fort McHenry Tunnel and John F. Kennedy Highway.

UPDATE – MID-YEAR POLICE REPORT

Chief Michael Kundrat presented the first half year overview of staffing, crime trends, traffic accidents, and security issues that are being managed by the Maryland Transportation Authority Police.

At 10:33 a.m. upon motion by Member Calhoun and seconded by Member Katrina Dennis, the Members unanimously voted to move into Closed Session pursuant to Section 10-508(a)(8) of the State Government Article of the Annotated Code of Maryland to consult with staff, consultants, or other individuals about pending litigation in federal court in the matter filed by Renee Basil. The following persons were present during the Closed Session: Wilson Parran, Acting Chairman, Rev. Dr. William Calhoun, Katrina Dennis, Esquire, Mary Beyer-Halsey, William K. Hellmann, P. Jack Basso, Arthur Hock (via telephone), A. Bradley Mims, Bruce Gartner, Kimberly Millender, Esquire, Percy Dangerfield, Trudy Edwards, Colonel Michael Kundrat, Police Chief, Sam Sidh, Deborah Sharpless and Cheryl Sparks.

At 10:52 a.m. a motion was made by Member Calhoun and seconded by Member Mims, with the unanimous approval of the Members, to adjourn the Closed Session and return to Open Session.

NO ACTIONS WERE TAKEN DURING CLOSED SESSION

There being no further business, the meeting of the MDTA Board was adjourned by general consensus at 10:52 a.m.

The next MDTA Board Meeting will be held on August 28, 2014 at 9:00 a.m. at MDTA's Point Breeze Headquarters, 2310 Broening Highway, Baltimore, Maryland 21224.

APPROVED AND CONCURRED IN:

James T. Smith, Jr., Chairman



MARYLAND TRANSPORTATION AUTHORITY

STATEMENT FOR CLOSING A MEETING

LOCATION: Maryland Transportation Authority
Point Breeze Headquarters Building
2310 Broening Highway.
Baltimore, Maryland 21224

DATE: July 24, 2014

TIME: 9:00 a.m.

MOTION BY: Member Calhoun

SECONDED BY: Member Dennis

VOTE TO CLOSE SESSION:

Table with 5 columns: Name, AYE, NAY, ABSTAIN, ABSENT. Rows include Rev. Dr. William C. Calhoun, Sr., Michael J. Whitson, Peter J. Basso, Mary Beyer Halsey, A. Bradley Mims, Arthur Hock, William K. Hellmann, P.E., Katrina J. Dennis, Esq., and Chairperson.

STATUTORY AUTHORITY TO CLOSE SESSION
STATE GOVERNMENT ARTICLE, §10-508(a)

- (1) [] To discuss:
(i) the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or
(ii) any other personnel matter that affects 1 or more specific individuals.
(2) [] To protect the privacy or reputation of individuals with respect to a matter that is not related to public business.
(3) [] To consider the acquisition of real property for a public purpose and matters directly related thereto.
(4) [] To consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State.

STATEMENT FOR CLOSING A MEETING

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- (5) [] To consider the investment of public funds.
- (6) [] To consider the marketing of public securities.
- (7) [] To consult with counsel to obtain legal advice.
- (8) [X] To consult with staff, consultants, or other individuals about pending or potential litigation.
- (9) [] To conduct collective bargaining negotiations or consider matters that relate to the negotiations.
- (10) [] To discuss public security, if the public body determines that public discussion would constitute a risk to the public or to public security, including:
 - (i) the deployment of fire and police services and staff; and
 - (ii) the development and implementation of emergency plans.
- (11) [] To prepare, administer, or grade a scholastic, licensing, or qualifying examination.
- (12) [] To conduct or discuss an investigative proceeding on actual or possible criminal conduct.
- (13) [] To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter.
- (14) [] Before a contract is awarded or bids are opened, discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

TOPICS TO BE DISCUSSED:

The meeting will be closed under Section 10-508(a)(8) of the State Government Article of the Annotated Code of Maryland to discuss pending litigation in federal court in the matter filed by Renee Basil.

REASON FOR CLOSING:

To discuss matters permitted by statute to be discussed during a closed session of a meeting of a public body.



PRESIDING OFFICER