



Maryland Transportation Authority

FINANCE AND ADMINISTRATION
COMMITTEE

THURSDAY, JANUARY 15, 2026

MARYLAND TRANSPORTATION
AUTHORITY
2310 BROENING HWY
BALTIMORE, MD 21224



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Kathryn Thomson, Chair

Board Members:
Dontae Carroll Cynthia D. Penny-Ardinger
Maricela Cordova Jeffrey S. Rosen
William H. Cox, Jr. Samuel D. Snead, MCP, MA
Mario J. Gangemi, P.E. John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: John von Paris, Chair
Dontae Carroll
Cynthia D. Penny-Ardinger
Jeffrey Rosen

FROM: Chantelle Green, Director of Finance

SUBJECT: Finance and Administration Committee Meeting

DATE: January 9, 2026

Enclosed are your materials for the Finance and Administration Committee Meeting on Thursday, January 15, 2026. The meeting will begin at 9:00 a.m. and will be conducted via Microsoft Teams. In accordance with the Open Meetings Act, the meeting information will be published on the MDTA's website to allow members of the public to observe the meeting. As a reminder, the meeting will be livestreamed.

Below please find the directions to log into the meeting:

- Open the Microsoft Teams app on your MDTA issued iPad
- Once in the app, go to the Microsoft Teams calendar
- The Finance Committee meeting will appear on the calendar for the appropriate date
- Click the button that says "Join"
- Make sure you have your Video On and your Sound on Mute unless speaking
- Your video will remain on the duration of the meeting.

If I can provide additional assistance, please email or call me at the following:

Chantelle Green
Director of Finance
Office: 410-537-5751
Cell: 443-915-7739
Email: cgreen2@mdta.maryland.gov

cc: Bruce Gartner, Executive Director
 Percy Dangerfield, Chief Administrative Officer

ATTACHMENTS

Informational Items:

- Financial Report
- Investment Report
- Rate Covenant

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA
January 15, 2026 – 9:00 a.m.

This meeting will be livestreamed on the [Finance and Administration Committee Meeting Archive | MDTA \(maryland.gov\)](#)

NOTE: This is an Open Meeting being conducted via livestreaming. The public is welcomed to watch the meeting at the link listed above. *If you wish to comment on an agenda item please email your name, affiliation, and agenda item to cgreen2@mdta.state.md.us no later than noon on Wednesday, January 14, 2026. You **MUST** pre-register in order to comment.* Once you have pre-registered you will receive an email with all pertinent information.

AGENDA

OPEN SESSION

Call to Order

1. **Approval** December 4, 2025 - Open Meeting Minutes Chairman von Paris 5 min.
2. **Approval** Contract No. J01B3400081 - NetApp Storage Hardware David Goldsborough 5 min.
3. **Approval** Contract No. J01B6600028 - Rubrik Identity Resiliency Software David Goldsborough 5 min.
4. **Approval** Financing Resolution 26-01, Series 2026 BWI PFC Bonds Kevin Cullity 10 min.
5. **Update** Update on Non-Recourse Debt and Loans Yaw Berkoh 15 min.
6. **Update** Credit Ratings Update Kevin Cullity 5 min.

Vote to Adjourn

ITEM

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FINANCE AND ADMINISTRATION COMMITTEE MONTHLY MEETING
THURSDAY, DECEMBER 4, 2025
OPEN MEETING VIA LIVESTREAM

OPEN SESSION

MEMBERS ATTENDING: Cynthia Penny-Ardinger
Dontae Carroll
John von Paris

STAFF ATTENDING: Yaw Berkoh
Betty Conners
Kevin Cullity
Jeffrey Davis
Lynn Fry
Allen Garman
Bruce Gartner
Chantelle Green
Natalie Henson
Kendra Joseph
Heather Lowe
Megan Mohan, Esq.
Kenneth Montgomery
Russell Radziak
Timothy Sheets
Cheryl Sparks
Patricia Tracey
Melissa Williams

At 9:00 a.m., Member John von Paris, Chair of the Finance and Administration Committee, called the Finance and Administration Committee Meeting to order.

APPROVAL – OPEN MEETING MINUTES FROM NOVEMBER 13, 2025 MEETING

Member John von Paris called for the approval of the meeting minutes from the open meeting held on November 13, 2025. Member Dontae Carroll made the motion, and Member Cynthia Penny-Ardinger seconded the motion, which was unanimously approved.

APPROVAL - FINANCING RESOLUTION 25-02, SERIES 2026 BONDS

Mr. Allen Garman requested a recommendation of approval from the Finance and Administration Committee to advance MDTA Board Resolution 25-02 to the full Maryland Transportation Authority (MDTA) Board for approval. The resolution authorizes the issuance of toll revenue bonds to finance a portion of capital projects in calendar 2026.

Mr. Garman advised that the upcoming bond financing will be sized to account for the capital program, net operating revenues, bond premium, debt service reserve funding, and costs of issuance. The \$600 million limit contained in the resolution is based on the most recent official forecast approved by the MDTA Board in November 2025. Resolution 25-02 amends Resolution 25-01 by extending the deadline to issue toll revenue bonds from December 2025 to December 2026.

Member von Paris called for a motion to recommend approval of this item to the full MDTA Board at its next scheduled meeting. Member Penny-Ardinger made the motion, and Member Carroll seconded the motion, which was unanimously approved.

UPDATE - CHESAPEAKE BAY CROSSING STUDY - TIER 2 NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) ALTERNATIVES REVIEW

Ms. Melissa Williams provided an overview of the Chesapeake Bay Crossing Study: Tier 2 NEPA. Ms. Williams discussed the study schedule, the purpose and need, study limits, the seven key elements that were used to develop alternatives, the options for each key element, the retained alternatives, environmental resources, and next steps.

UPDATE – PROPERTY INSURANCE – AN UPDATE ON PROPERTY INSURANCE FOR THE MDTA’S TUNNELS AND BRIDGES

Ms. Lynn Fry provided an overview of the MDTA’s insurance policies as well as an update on a recent change to the MDTA’s Bridges and Tunnels Property Insurance Policy renewal limit. Ms. Fry advised that based on recent information obtained from the State Treasurer’s Office that other State agencies have increased their insurance policy limits to help mitigate rising values due to inflation. The MDTA’s senior management, including the Chief Financial Officer, determined that it was in the best interest of the agency to increase its policy limit. As such, the MDTA increased its policy limit from \$350 million to \$500 million. Ms. Fry further indicated that the decision to increase the policy limit was made expeditiously because of the December 1, 2025 deadline to renew the MDTA’s bridges and tunnels property insurance. The modification will increase the insurance premium by \$1.1 million annually. The additional expense will be reflected in the Final FY 2027 Operating Budget.

OPEN SESSION
DECEMBER 4, 2025
PAGE THREE OF THREE

There being no further business, the Finance & Administration Committee adjourned at 9:47 a.m., following a motion by Member Penny-Ardinger, and seconded by Member Carroll.

John von Paris, Chairman

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Maryland Transportation Authority

Wes Moore, Governor

Aruna Miller, Lt. Governor

Kathryn Thomson, Chair

Board Members:

Dontae Carroll

Cynthia D. Penny-Ardinger

Maricela Cordova

Jeffrey S. Rosen

William H. Cox, Jr.

Samuel D. Snead, MCP, MA

Mario J. Gangemi, P.E.

John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: Finance & Administration Committee
FROM: Director/CIO, Division of Information Technology, David Goldsborough
SUBJECT: J01B3400081, NetApp Storage Hardware
DATE: January 15, 2026

PURPOSE OF MEMORANDUM

To seek approval from the Finance & Administration Committee to present Contract No. J01B3400081, NetApp Storage Hardware, to the full MDTA Board at its next scheduled meeting.

SUMMARY

This Contract is for the provision of NetApp Storage Hardware and Manufacturers Extended Warranty to support MDTA's software defined infrastructure for hybrid cloud environments at the John F. Kennedy and Intercounty Connector Facilities. MDTA has been utilizing NetApp storage hardware for over fifteen years to support composing physical and virtual computing. This contract will provide storage resources to support mission critical databases and applications that are used by MDTA business units. Without the NetApp storage hardware refresh, MDTA will not be able to continue providing the infrastructure necessary to service the MDTA business units that rely on it to perform its daily operations. The total amount for this contract is \$3,999,880.00. As this contract falls under MDTA's delegated authority, the award of this contract will be pending approval at the soonest available full MDTA Board scheduled meeting. The highest ranked Offeror, CAS Severn, Inc., was determined to be susceptible for award.

RECOMMENDATION(S)

To obtain approval by the Finance & Administration Committee to present Contract No. J01B3400081, NetApp Storage Hardware, to the full MDTA Board at its next scheduled meeting.

ATTACHMENT(S)

- Finance & Administration Committee Project Summary



CAPITAL/FINANCE & ADMINISTRATION COMMITTEE PROJECT SUMMARY

J01B3400081 NetApp Storage Hardware

PIN NUMBER TBD
CONTRACT NUMBER J01B3400081
CONTRACT TITLE NetApp Storage Hardware

PROJECT SUMMARY This Contract is for the provision of NetApp Storage Hardware and Manufacturers Extended Warranty to support MDTA's software defined infrastructure for hybrid cloud environments at the John F. Kennedy and Intercounty Connector Facilities. MDTA has been utilizing NetApp storage hardware for over fifteen years to support composing physical and virtual computing. This contract will provide storage resources to support mission critical databases and applications that are used by MDTA business units. Without the NetApp storage hardware refresh, MDTA will not be able to continue providing the infrastructure necessary to service the MDTA business units that rely on it to perform its daily operations. The highest ranked Offeror, CAS Severn, Inc., was determined to be susceptible for award.

SCHEDULE
ADVERTISEMENT DATE 10/9/2025
ANTICIPATED NTP DATE 2/10/2026
DURATION (CALENDAR DAYS) 1825

MBE PARTICIPATION
OVERALL MBE
AFRICAN AMERICAN
ASIAN AMERICAN
VSBE

ADVERTISED GOAL (%)	PROPOSED GOAL (%)
0.00%	0.00%
0.00%	0.00%
0.00%	0.00%
0.00%	0.00%

ENGINEER'S ESTIMATE (EE) (\$)
\$4,000,000.00

BID RESULTS
Cas Severn, Inc. \$3,999,880.00
DISYS Solutions \$4,592,316.62

% VARIANCE	TO EE	Incumbent
0.00%	Yes	
14.81%		

BID PROTEST

YES	NO
<input type="checkbox"/> Check	<input checked="" type="checkbox"/> Check

ITEM

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Maryland Transportation Authority

Wes Moore, Governor

Aruna Miller, Lt. Governor

Kathryn Thomson, Chair

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Samuel D. Snead, MCP, MA

Mario J. Gangemi, P.E.

John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: Finance & Administration Committee
FROM: Director/CIO, Division of Information Technology, David Goldsborough
SUBJECT: J01B6600028, Rubrik Identity Resiliency Software
DATE: January 15, 2026

PURPOSE OF MEMORANDUM

To seek approval from the Finance & Administration Committee to present Contract No. J01B6600028, Rubrik Identity Resiliency Software, to the full MDTA Board at its next scheduled meeting.

SUMMARY

This Contract is for the provision of Rubrik Identity Resiliency Software which enables the MDTA to have enhanced protection of Microsoft Active Directory (AD) Forests and domain controllers. By enhancing our Rubrik backup infrastructure, MDTA will be able to enable protection of AD Forests and domain controllers with global orchestration, ensuring backups are enforced across distributed environments. The enhanced protection also allows MDTA to support forest and domain controller-level recovery, with options for recovery to the same or new hosts, ensuring fast return to business operations after a cyberattack. The granular object-level recovery option will allow MDTA to restore individual AD objects (users, groups, etc.) with full attribute and relationship preservation, eliminating the need for manual rebuilds during recovery. The total amount for this contract is \$751,060.00. As this contract falls under MDTA's delegated authority, the award of this contract will be pending approval at the soonest available full MDTA Board scheduled meeting. The highest ranked Offeror, CAS Severn, Inc., was determined to be susceptible for award.

RECOMMENDATION(S)

To obtain approval by the Finance & Administration Committee to present Contract No. J01B6600028, Rubrik Identity Resiliency Software, to the full MDTA Board at its next scheduled meeting.

ATTACHMENT(S)

- Finance & Administration Committee Project Summary



CAPITAL/FINANCE & ADMINISTRATION COMMITTEE PROJECT SUMMARY

J01B6600028 - Rubrik Identity Resiliency Software

PIN NUMBER TBD
CONTRACT NUMBER J01B6600028
CONTRACT TITLE Rubrik Identity Resiliency Software

PROJECT SUMMARY This Contract is for the provision of Rubrik Identity Resiliency Software which enables the MDTA enhanced protection of Microsoft Active Directory (AD) Forests and domain controllers. By enhancing our Rubrik backup infrastructure, MDTA will be able to enable protection of AD Forests and domain controllers with global orchestration, ensuring backups are enforced across distributed environments. The enhanced protection also allows MDTA to support forest and domain controller-level recovery, with options for recovery to the same or new hosts, ensuring fast return to business operations after a cyberattack. The granular object-level recovery option will allow MDTA to restore individual AD objects (users, groups, etc.) with full attribute and relationship preservation, eliminating the need for manual rebuilds during recovery. The highest ranked Offeror, CAS Severn, Inc., was determined to be susceptible for award.

SCHEDULE
ADVERTISEMENT DATE 11/13/2025
ANTICIPATED NTP DATE 3/5/2026
DURATION (CALENDAR DAYS) 890

MBE PARTICIPATION
OVERALL MBE
AFRICAN AMERICAN
ASIAN AMERICAN
VSBE

ADVERTISED GOAL (%)	PROPOSED GOAL (%)
0.00%	0.00%
0.00%	0.00%
0.00%	0.00%
0.00%	0.00%

ENGINEER'S ESTIMATE (EE) (\$)
\$725,000.00

BID RESULTS
Cas Severn, Inc.
Applied Technology Services

BID AMOUNT (\$)
\$751,060.00
\$900,972.00

% VARIANCE	TO EE	Incumbent
3.59%	N/A	
24.27%	N/A	

BID PROTEST

YES	NO
<input type="checkbox"/> Check	<input checked="" type="checkbox"/> Check

ITEM

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Maryland Transportation Authority

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Board Members:
Dontae Carroll Cynthia D. Penny-Ardinger
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Mario J. Gangemi, P.E. John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: Finance and Administration Committee
FROM: Director of Treasury and Debt Kevin Cullity
Debt Administrator Yaw Berkoh
MAA Chief Tanya Wojtulewicz
SUBJECT: MDTA Board Resolution 26-01, Bond Financing
DATE: January 15, 2026

PURPOSE OF MEMORANDUM

To explain the purpose of MDTA Board Resolution 26-01 for Municipal Financing and request recommendation of the Finance and Administration Committee to present the authorizing resolution to the full Board for approval.

The resolution authorizes the issuance of Passenger Facility Charge (PFC) backed bonds to finance a portion of BWI Airport capital projects in fiscal 2027 and 2028. The PFC revenue backed bonds are issued under a separate trust agreement and are solely secured by PFC revenues.

SUMMARY

The Municipal Financing Resolution authorizes the issuance of up to \$130 million of bonds to finance a portion of capital projects for an approximately two-year period through fiscal 2028. The financing is expected during the second half of 2026 and will be sized to account for the capital program, passenger facility charge revenues, bond premium, debt service reserve funding, and costs of issuance.

- Design – New Air Traffic Control Tower
- Capacity Project – Concourse D/E Bag Claim Expansion
- State of Good Repair Projects
 - Concourse C/D Connector
 - Concourse C/D Baggage Handling System
 - Concourse B Projects – Roof Replacement, Passenger Movement Modernization (Terminal Vestibule Doors, Elevators, Escalators, Moving Walkways)

Resolution 26-01, Municipal Financing
Page Two

The projects and the PFC backed bonds are expected to receive approval from the FAA in spring 2026. Additionally, concurrence of the General Assembly's Budget Committees is expected in early 2026.

The \$130 million limit contained in the resolution is based on the most recent official forecast submitted by MAA finance staff in December 2025. This resolution is currently needed as delegated authority to engage bond counsel in the development of the Official Statement and generally begin the financing process that comfortably requires 90-days to complete.

The Executive Director and Chief Financial Officer (CFO) will have the authority to manage the bond sale and closing, including the award of the 2026 bonds to the successful underwriting firm(s) or negotiation of terms for a private placement. The resolution also provides for authority to select other service providers and to prepare and execute all closing documents, certificates, and bond forms.

Resolution 26-01 contains the following limiting and reporting provisions:

1. Par Amount – Limited to \$130 million.
2. Bond Sale Date – No later than December 31, 2026.
3. Bond Sale Reports on Results – Provided by the Executive Director and CFO at the first Board meetings after the sale dates.

RECOMMENDATION

Management requests the Finance and Administration Committee's concurrence and recommendation to move to the full board for approval of the Municipal Financing Resolution.

ATTACHMENTS

Board Resolution 26-01, Municipal Financing

MARYLAND TRANSPORTATION AUTHORITY
RESOLUTION 26-01

A RESOLUTION REGARDING THE ISSUANCE BY THE MARYLAND TRANSPORTATION AUTHORITY (THE “MDTA”) OF ONE OR MORE SERIES OF ITS SPECIAL OBLIGATION PASSENGER FACILITY CHARGE REVENUE BONDS BALTIMORE/WASHINGTON INTERNATIONAL THURGOOD MARSHALL AIRPORT (THE “SERIES 2026 PFC BONDS”) FOR THE PURPOSE OF (I) FINANCING AND REFINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN AIRPORT FACILITY PROJECTS, (II) FUNDING DEBT SERVICE RESERVE FUNDS, AND (III) PAYING THE COSTS RELATED TO ISSUANCE OF THE SERIES 2026 PFC BONDS; APPROVING THE PREPARATION AND DISTRIBUTION OF THE PRELIMINARY AND FINAL OFFICIAL STATEMENTS, A SUPPLEMENTAL TRUST AGREEMENT, A FINANCING AGREEMENT, AND A LEASING AGREEMENT AND ANY OTHER NECESSARY AND APPROPRIATE TRANSACTION DOCUMENTS; AUTHORIZING THE SOLICITATION AND SELECTION OF PROVIDERS OF PROFESSIONAL SERVICES; AUTHORIZING CERTAIN OFFICERS TO DETERMINE MATTERS PERTAINING TO THE SALE AND ISSUANCE OF THE SERIES 2026 PFC BONDS, INCLUDING THE FINANCING STRUCTURE AND TERMS; AND AUTHORIZING, SPECIFYING, DETERMINING AND APPROVING CERTAIN OTHER MATTERS PERTAINING TO THE SERIES 2026 PFC BONDS.

WHEREAS, the Maryland Transportation Authority, an agency of the State of Maryland (the “MDTA”) is authorized under Sections 4-101 through 4-406 of the Transportation Article of the Annotated Code of Maryland (2020 Replacement Volume, as amended and supplemented from time to time) (the “Act”) to finance “transportation facilities projects” (as defined in the Act), to issue revenue bonds for the purpose of financing the cost of transportation facilities projects (which includes airport facilities), to issue revenue bonds for the purpose of financing and refinancing transportation facilities projects and to perform any actions necessary or convenient to carry out the powers granted in the Act; and

WHEREAS, the Maryland Aviation Administration, an agency of the State of Maryland and a unit within the Maryland Department of Transportation (the “MDOT MAA”) is authorized pursuant to Section 5-404 of the Transportation Article of the Annotated Code of Maryland (2020 Replacement Volume, as amended and supplemented from time to time) to establish or operate airports and airport facilities utilizing funds available under the Act; and

WHEREAS, the MDOT MAA requested that the MDTA issue one or more series of its Special Obligation Passenger Facility Charge Revenue Bonds Baltimore/Washington International Thurgood Marshall Airport (the “Series 2026 PFC Bonds”) for the purpose of financing and refinancing improvements at Baltimore/Washington International Thurgood Marshall Airport (“BWI Marshall Airport”); and

WHEREAS, the MDTA entered into the Trust Agreement dated as of December 1, 2003 (as previously amended and supplemented, the “PFC Trust Agreement”), with Manufacturers and Traders Trust Company, as trustee, to issue revenue bonds secured by passenger facility charge revenues generated from the operation of the airport facilities at BWI Marshall Airport (the “PFC Revenues”); and

RESOLUTION 26-01

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WHEREAS, the MDOT MAA has asked the MDTA to issue the Series 2026 PFC Bonds for the purpose of financing three state of good repair projects, one capacity project, and the design for a new Air Traffic Control Tower (collectively referred to as the 2026 PFC Projects). The state of good repair projects to be financed with the Series PFC Bonds include the Concourse C/D Connector, the Concourse C/D Baggage Handling System, and the Concourse B Projects (Roof Replacement, Passenger Movement Modernization Terminal Vestibule Doors, Elevators, Escalators, Moving Walkways). The capacity project to be financed with the Series PFC Bonds is for a Concourse D/E Bag Claim Expansion.

WHEREAS, Section 2.05 of the PFC Trust Agreement provides that the MDTA may from time to time issue Additional Bonds (as defined in the PFC Trust Agreement) in accordance with the terms and conditions set forth in the PFC Trust Agreement for the purpose of paying all or any part of the cost of any additional Airport Facilities Projects (as defined in the PFC Trust Agreement); and

WHEREAS, the MDTA desires to adopt this Resolution to authorize the execution and delivery of a supplement to the PFC Trust Agreement (the “**Supplemental PFC Trust Agreement**”) that will include, among other provisions, the terms of the Series 2026 PFC Bonds as Additional Bonds, the pledge of PFC Revenues as security for the Series 2026 PFC Bonds, other legally available revenues generated from operation of the airport facilities, as deemed appropriate by the Executive Director of the MDTA (the “**Executive Director**”), and the issuance of one or more additional series of PFC Bonds, for the purpose of (i) financing and refinancing the costs of the 2026 PFC Projects, (ii) funding a debt service reserve fund, and (iii) paying the costs related to issuance of the Series 2026 PFC Bonds, provided that certain conditions set forth in this Resolution are met.

NOW, THEREFORE, BE IT RESOLVED BY THE MARYLAND TRANSPORTATION AUTHORITY, as follows:

Section 1. The MDTA hereby authorizes the issuance of one or more series of PFC Bonds designated as its “Passenger Facility Charge Revenue Bonds, Series 2026, Baltimore/Washington International Thurgood Marshall Airport,” or such other or further designation as may be deemed appropriate by the Executive Director, in a total aggregate principal amount not to exceed One Hundred Thirty Million Dollars (\$130,000,000), for the purpose of (i) financing and refinancing the costs of the 2026 PFC Projects, (ii) depositing funds into a debt service reserve fund, and (iii) paying the costs related to the issuance of the Series 2026 PFC Bonds, subject to the limitations set forth below in Section 3(b).

Section 2. The Series 2026 PFC Bonds will be issuable as fully registered bonds without coupons, and may be issued in such denominations as the Executive Director may determine, in consultation with the Chief Financial Officer of the MDTA (the “**Chief Financial Officer**”), the Chief Financial Officer to the Maryland Department of Transportation (the “**Department CFO**”), the Chief Financial Officer of MDOT MAA (the “**MAA CFO**”), and the financial advisors and bond counsel to the MDTA, as appropriate. The Series 2026 PFC Bonds are special obligations of the MDTA payable, as to principal and interest, solely from the revenues and funds pledged thereto under the PFC Trust Agreement, as amended and supplemented, and are not and shall not be deemed (i) to be general obligations of the MDTA, (ii) to constitute

RESOLUTION 26-01

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obligations of the Maryland Department of Transportation (the “**Department**”) or the MDOT MAA, or (iii) to constitute a debt or a pledge of the faith and credit of the State of Maryland or any political subdivision thereof. The revenues pledged under the Second Amended and Restated Trust Agreement dated as of September 1, 2007, (as amended and supplemented, the “**Toll Facilities Trust**”) derived from the Transportation Facilities Projects or the General Account Projects (as such terms are defined in the Toll Facilities Trust) will not be pledged as security for the Series 2026 PFC Bonds or any other bonds issued under the PFC Trust Agreement, as supplemented and amended. Therefore, the limitation on the outstanding principal amount of toll revenue bonds issued by the MDTA and secured by toll revenues set forth in Section 4-306(b) of the Act does not apply to the Series 2026 PFC Bonds.

Section 3. Bond Sale.

(a) The MDTA hereby authorizes its Executive Director to sell one or more series of the Series 2026 PFC Bonds by one or more competitive sales or by negotiated sales (including but not limited to a direct placement with a financial institution), upon terms determined by the Executive Director, with the advice of the Chief Financial Officer, the Department CFO, the MAA CFO, its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, the MDOT MAA and the Department, to be the most advantageous for the MDOT MAA, provided that such sale or sales must occur no later than December 31, 2026, unless a later sale date is approved by future resolution of the MDTA, and subject to the limitations set forth below in paragraph (b).

(b) The Executive Director is authorized to determine, with the advice of the Chief Financial Officer, bond counsel, financial advisors and, as appropriate, other officers and staff of the MDTA, the terms of the Series 2026 PFC Bonds, including, but not limited to: (i) the rate or rates of interest to be borne by the Series 2026 PFC Bonds or the method of determining the rates for such bonds, provided that the true interest cost, determined by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments to the date of the Series 2026 PFC Bonds and to the price for such bonds, shall not exceed 6%, (ii) the dates of principal and interest payments and final maturity of the Series 2026 PFC Bonds, provided that the final maturity of the Series 2026 PFC Bonds shall not exceed 30 years, and (iii) the appropriate designation for the Series 2026 PFC Bonds that may reflect a different year of issuance and other modifications.

(c) If the Executive Director determines to negotiate the terms of the sale of all or a portion of the Series 2026 PFC Bonds, the MDTA hereby authorizes the Executive Director, with the assistance of the Chief Financial Officer, its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, (1) to solicit and accept proposals for the sale of the Series 2026 PFC Bonds on a private, negotiated basis, and (2) if the sale is negotiated, to negotiate the terms of an agreement for the purchase of the Series 2026 PFC Bonds (a “**Bond Purchase Agreement**”), in accordance with the limitations set forth in this Resolution.

(d) If the Executive Director determines to sell all or a portion of the Series 2026 PFC Bonds by the solicitation of competitive bids, the MDTA hereby authorizes the Executive Director, with the assistance of the Chief Financial Officer, its bond counsel, its financial advisors and, as appropriate, other officers and staff of the MDTA, (i) to determine the

RESOLUTION 26-01

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means for the submission of competitive bids, including but not limited to electronic bids via such service provider as the Executive Director deems appropriate, (ii) to determine the terms and conditions for such sale, including but not limited to, the conditions for acceptance of bids and the criteria for the selection of a winning bidders, subject to the limitations set forth in this Resolution, (iii) to prepare a notice of sale setting forth the terms and conditions of such sales (the “**Notice of Sale**”), and (iv) to advertise such sale, including but not limited to publication of the Notice of Sale or a summary thereof by any electronic medium, financial journal, or such other manner as the Executive Director deems appropriate, at least ten days before the date set for the receipt of bids.

(e) The Executive Director and the Chief Financial Officer shall provide a report of the results of the sale of the Series 2026 PFC Bonds at the first meeting of the MDTA occurring after the sale of the Series 2026 PFC Bonds.

Section 4. The Executive Director is hereby authorized to engage, as appropriate, the services of a trustee, a registrar, a paying agent, an underwriter, a feasibility consultant, engineers, accountants, printers and such other service providers as the Executive Director deems appropriate from time to time with respect to the Series 2026 PFC Bonds.

Section 5. The MDTA hereby authorizes the Executive Director, Chief Financial Officer and other staff of the MDTA, with the assistance of its counsel, bond counsel and its financial advisors, to prepare a preliminary official statement, a final official statement, a private placement memorandum or any other form of offering and disclosure documents (each referred to herein as, an “**Official Statement**”) for the sale related to the Series 2026 PFC Bonds and to distribute each Official Statement to the entities that they shall deem appropriate.

Section 6. The MDTA hereby authorizes the Executive Director, with the assistance of counsel, bond counsel and appropriate officers and staff of the MDTA, to negotiate the terms of any lease agreements, including supplements and amendments to existing agreements (collectively, the “**Lease Agreements**”), and any financing agreements, including supplements and amendments to existing agreements (collectively, the “**Financing Agreements**”), related to issuing and financing the 2026 PFC Projects.

Section 7. Subject to the terms set forth in this Resolution, the MDTA hereby authorizes its Executive Director, with the assistance of other officers of the MDTA, counsel to the MDTA, its bond counsel, financial advisors, and staff, to prepare (i) a Fifth Supplemental PFC Trust Agreement to secure the payment of one or more series of PFC Bonds with the PFC Revenues for the purpose of financing the 2026 PFC Projects, (ii) one or more bond certificates for the Series 2026 PFC Bonds (each, a “**Bond Certificate**”), and (iii) a continuing disclosure agreement (“**Continuing Disclosure Agreement**”) to assist the underwriters of the Series 2026 PFC Bonds in complying with the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 8. The Chairman of the MDTA (the “**Chairman**”) and the Executive Director are hereby authorized to execute and deliver on behalf of the MDTA each Bond Certificate by their manual or facsimile signatures. The Executive Director of the MDTA is hereby authorized

RESOLUTION 26-01

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to cause an original or facsimile of the official seal of the MDTA to be imprinted on each Bond Certificate.

Section 9. The MDTA hereby authorizes the Chairman and the Executive Director, or either of them, to execute and deliver on behalf of the MDTA, as appropriate, an Official Statement, the Fifth Supplemental PFC Trust Agreement, a Bond Purchase Agreement, a Continuing Disclosure Agreement, Lease Agreements, Financing Agreements and such other documents and agreements deemed necessary and appropriate by the Chairman or the Executive Director (collectively, together with the Bond Certificates, the “**Bond Documents**”). The execution and delivery by them of the Bond Documents shall be conclusive evidence of their final approval.

Section 10. The MDTA hereby covenants that it will take, or refrain from taking, any and all actions necessary to comply with the provisions of Section 103 and Sections 141 through 150, inclusive, of the Internal Revenue Code of 1986, as amended (the “**Code**”), applicable to the Series 2026 PFC Bonds in order to preserve the status of the interest on the Series 2026 PFC Bonds as excluded from gross income for federal income tax purposes. Without limiting the generality of the covenant set forth in the preceding sentence, (a) the MDTA will not use or permit the use (to the extent it exercises control or direction) of any of the proceeds of the Series 2026 PFC Bonds in such manner as would cause the interest on the Series 2026 PFC Bonds to be included in gross income for federal income tax purposes, (b) the MDTA will regulate the investment of the proceeds of the Series 2026 PFC Bonds (to the extent it exercises control or direction) so as not to cause any of the Series 2026 PFC Bonds to be an “arbitrage bond” within the meaning of Section 148 of the Code and the Income Tax Regulations thereunder, (c) the MDTA will, if and to the extent necessary make periodic determinations of the rebate amount and timely pay any rebate amount, or installment thereof, to the United States of America, (d) the MDTA will prepare and timely file Internal Revenue Service Form 8038-G, Information Return for Tax-Exempt Governmental Obligations, and/or Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues, and (e) the Executive Director and Chief Financial Officer are hereby authorized and directed to prepare or cause to be prepared and to execute and deliver any certificate, report or other document that may be required in order to assure compliance with the applicable provisions of Section 103 and Sections 141 through 150, inclusive, of the Code, and the Income Tax Regulations promulgated thereunder. The Chairman and the Executive Director are hereby authorized, pursuant to the provisions of Section 147(f) of the Code, to conduct a public hearing to hear any objections to the proposed issuance of the Series 2026 PFC Bonds subject to the requirements of Section 147(f) of the Code, following publication of a notice of public hearing in a newspaper or newspapers of general circulation in Anne Arundel County, Maryland and Baltimore County, Maryland at least 14 days in advance of the date set for such hearing.

Section 11. The Chairman and the Executive Director are hereby authorized to specify, prescribe, determine, provide for or approve, all within the limitations of this Resolution and the Act, all other matters, details, forms, documents and procedures pertaining to the sale, security, issuance, delivery and payment of or for the Series 2026 PFC Bonds, including (without limitation) the execution, acknowledgment, sealing and delivery of Bond Documents by the Chairman, Executive Director or any other duly qualified employee, agent or officer of the MDTA as are or may be necessary or appropriate to consummate the transactions contemplated by this Resolution

RESOLUTION 26-01

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and the option to pledge as security for all or some of the Series 2026 PFC Bonds, in addition to PFC Revenues, other legally available revenues generated from operation of the airport facilities at BWI Marshall Airport, as deemed appropriate by the Executive Director of the MDTA, in accordance with the Act and this Resolution.

Section 12. The MDTA hereby authorizes its Executive Director and all other proper officers of the MDTA to create, supplement, and amend the Bond Documents and to take such actions or cause to be taken such actions as shall be necessary, proper and convenient for carrying out the purposes of this Resolution, including, but not limited to, expending funds, incurring costs and holding any necessary public hearings.

Section 13. The MDTA hereby authorizes the Executive Director to approve all contracts relating to the Series 2026 PFC Bonds prior to submission to the Board of Public Works in accordance with the terms and conditions of the PFC Financing Agreements, the Lease Agreements, or any other Bond Documents entered into by and between the MDOT MAA and the MDTA.

Section 14. In exercising such authority, the Executive Director is hereby authorized generally to take such actions as may be appropriate to ensure compliance by the MDTA with the terms and conditions of the applicable Bond Documents and with the provisions of applicable law.

Section 15. The Executive Director will provide periodic updates to the Finance Committee and the MDTA Board of all contracts and project improvements approved by the Executive Director in accordance with this Resolution.

Section 16. This Resolution shall be effective immediately upon its adoption.

RESOLUTION 26-01

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Dated as of _____, 2026

WITNESS:

Bruce Gartner
Executive Director

MARYLAND TRANSPORTATION AUTHORITY

Kathryn Thomson
Chair

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:**

Megan Mohan
Assistant Attorney General

ITEM

5



Maryland Transportation Authority

Wes Moore, Governor
Aruna Miller, Lt. Governor
Kathryn Thomson, Chair

Board Members:
Dontae Carroll
Maricela Cordova
William H. Cox, Jr.
Mario J. Gangemi, P.E.

Cynthia D. Penny-Ardinger
Jeffrey S. Rosen
Samuel D. Snead, MCP, MA
John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: Finance and Administration Committee
FROM: Debt Administrator Yaw Berkoh
Director of Treasury and Debt Kevin Cullity
SUBJECT: Non-Recourse Debt Update
DATE: January 15, 2026

PURPOSE OF MEMORANDUM

To provide a required update on contracts and project improvements at BWI Marshall Airport that are funded from pledged passenger enplanement fees and consolidated rental car facility fees, as well as the status of other conduit financings and the loan to the Maryland Aviation Administration (MAA).

SUMMARY

Key Points

1. Passenger Facility Charge improvement account funds on hand and projected net revenues are sufficient to meet near term capital expenditure needs of projects approved by the MDTA. A bond financing is planned in 2026 for new projects.
2. Consolidated Rental Car Facility improvement account funds on hand and projected net revenues are sufficient to meet near term capital expenditure needs of projects approved by the MDTA.

Section 3 of Resolution 14-03 requires periodic updates to the Finance and Administration Committee and board on MAA contracts and project improvements that are funded from PFC Passenger Facility Charge (PFC) and Consolidated Rental Car Facility (CRCF) pledged revenues. The PFC Financing Agreements and the CRCF Financing Agreement require the MDTA Board approval of all contracts prior to MAA's submission to the Board of Public Works. The 2014 board resolution delegated authority to the Executive Director to approve contracts funded from pledged PFC and CRCF revenues.

In 2018, the MDTA Board authorized a \$50 million loan to the MAA to finance certain improvements at BWI Airport.

Non-Recourse Debt Update

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ANALYSIS

Nonrecourse Debt

Obligor	Series	Final Maturity	Pledged	Par At Issue	Par Outstanding	Funded	Coupon
BWI Rental Car Facility	2002	7/1/32	Car Rental Fees	\$ 117.3	\$ 49.5	BWI Car Rental Facility	Fixed
BWI PFC	2012A	6/1/32	Enplanement Charges	50.9	23.0	Airport Projects	Fixed
BWI PFC	2012B	6/1/27	Enplanement Charges	92.1	15.3	Airport Projects	Fixed
BWI PFC	2014	6/1/32	Enplanement Charges	40.0	22.2	Airport Projects	Fixed
BWI PFC	2019	6/2/39	Enplanement Charges	108.7	88.7	Airport Projects	Fixed
Calvert Street Parking Garage	2015/05	7/1/32	State Appropriation	23.8	8.8	State Garage Annapolis	Fixed
				\$ 432.8	\$ 207.5		

December 31, 2025

BWI Consolidated Rental Car Facility (CRCF)

The MDTA issued \$117.3 million of taxable revenue bonds in 2002 to finance the construction of the CRCF, a shuttle bus maintenance facility, vehicle storage facilities, and related roadway and utility infrastructure improvements. As of December 31, 2025, outstanding bonds totaled \$49.5 million. Pledged revenues are derived from a fee of \$5.75 per rental car transaction, with capital improvements funded from net CRCF pledged revenues. The transaction rate was raised from \$3.75 on January 1, 2024. This was the first increase since 2008 and was necessitated to strengthen debt service coverage above the targeted 1.5-times level and provide funds for capital preservation.

BWI enplanements for FY26 are projected to exceed FY25 levels, though the rental transactions are modeled to remain lower as a function of national industry trends for car usage in favor of alternative transportation such as ride-hail services. Based on the MAA's forecast, fiscal 2026 revenue is expected to be sufficient to pay debt service. MAA is projecting FY26 coverage to exceed 1.76-times, comfortably above the 1.25 times Rate Covenant.

Combined Reserves in the Facility Improvement Fund and the Coverage Fund exceed \$26 million or 289% of annual debt service, providing additional financial flexibility.

BWI Passenger Facility Charge (PFC)

In 2012, 2014, and 2019, the MDTA issued a combined \$335 million in five series of PFC backed revenue bonds for infrastructure improvement projects at BWI Airport. Pledged revenues are derived from a charge of \$4.50 per passenger. As of December 31, 2025, outstanding bonds totaled \$149.2 million. Capital improvements are funded from bond proceeds and net PFC pledged revenues.

The fiscal 2025 debt service coverage ratio was 2.13 times. Based on MAA projections, fiscal 2026 debt service coverage is estimated at 2.20 times. Net Revenues held in the Improvement Fund and available for projects total \$53.6 million.

Calvert Street Parking Garage

In 2005, the MDTA issued \$23.785 million Parking Lease Revenue Bonds for Calvert Street Parking Garage Project in Annapolis, Maryland. The employee parking facility is operated by the Maryland Department of General Services (DGS) through an intergovernmental financing agreement. Debt service is funded through state appropriations.

MAA Loan

The \$20 million lending agreement to finance Concourse A improvements was executed on February 10, 2020, with MAA draws permitted through September 30, 2020. Principal and interest payments began on January 15, 2021. Level debt service at a 1.53% make-whole financing rate will be paid through July 15, 2033. The loan may be prepaid at any time.

ATTACHMENTS

PFC and CRCF Project Tables

Non-Recourse Debt Update
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Maryland Aviation Administration
Baltimore/Washington International Thurgood Marshall Airport
Status Update of Customer Facility Charge (CFC) Funded Projects for MDTA

Customer Facility Charge Program – Facility Improvement Funds

- Please see the following chart for detailed project information. Project Cost includes design, program management, construction management, and construction.

Project Title	Project Scope	Project Status	Expected Completion	Project Costs*	Expenses To Date
CRCF Reallocation and Associated Improvements – Customer Service Building, Wayfinding Signage, Ready/Return Parking Area, and Quick Turnaround (QTA) Building	Complete the improvements necessary to facilitate the reallocation of the existing consolidated rental car facility space among companies.	Design underway	FY 2028	\$21,703,820	\$688,103
CRCF Fire Alarm & Fire Suppression System	Replace existing fire alarm control panels at each Quick Turn Around Area.	Design underway	FY 2027	\$1,230,000	\$56,339
Shuttle Bus Refurbishment	Refurbishments to extend the life of twenty buses. Updates include to replace cylinder heads on the engines, worn exterior graphics to improve BWI Marshall branding, and worn seats, stanchions, and driver compartment items.	Procurement underway	FY 2027	\$1,100,000	\$0
Total				\$24,033,830	\$744,442

Non-Recourse Debt Update

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Maryland Aviation Administration
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Status Update of Customer Facility Charge (CFC) Funded Projects for MDTA

- Please see the following chart for additional project information pending MDTA approval. Project Cost includes design, program management, construction management, and construction.

Project Title	Project Scope	Project Status	Expected Completion	Project Costs*	Expenses To Date
CRCF Fire Alarm & Fire Suppression System – additional scope and costs	Replace existing fire alarm control panels at each Quick Turn Around Area – waiting on more info	Design underway	FY 2027	\$1,770,000	See above
CRCF Campus Wide Building Improvements	The improvements are primarily related to the interior architectural and building systems upgrades, including architectural finishes (flooring, ceilings and partitions), and mechanical and electrical building systems.	Pending approval	FY 2029	\$14,000,000	\$0
CRCF Campus Wide Roofing Replacement	The improvements are primarily related to the removal and replacement of building roofing systems throughout the campus that includes the removal of existing roof membranes and the installation of new roofing materials. The project also includes code-based modifications to the roofing components including building thermal insulation, roofing storm drainage elements, perimeter fall protection adjacent to existing equipment and increased equipment curb height elements.	Pending approval	FY 2027	\$8,000,000	\$0

Non-Recourse Debt Update
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Maryland Aviation Administration
Baltimore/Washington International Thurgood Marshall Airport
Status Update of Customer Facility Charge (CFC) Funded Projects for MDTA

Project Title	Project Scope	Project Status	Expected Completion	Project Costs*	Expenses To Date
CRCF Campus Wide Asphalt Pavement & Drainage	The improvements are associated with the needed resurfacing of the existing asphalt pavement and subsurface foundation repairs in areas exhibiting systemic failure.	Pending approval	FY 2031	\$6,000,000	\$0
Total				\$29,770,000	\$0

Maryland Aviation Administration
Baltimore/Washington International Thurgood Marshall Airport
Status Update of PFC Funded Projects for MDTA

Passenger Facility Charge Program – Improvement Funds

- As of January 2026, 15 projects funded by the Facility Fund are underway and are expected to be completed by 2029.

PFC 10 – Received FAA Approval 09/25/12

- Property Acquisition

PFC 13 – Received FAA Approval 03/12/19

- BWI Mobile Stairs and Medical Lift
- Residential Sound Mitigation Program
- BWI Restroom Improvement Program

PFC 14 – Received FAA Approval 10/20/23

- Group V Aircraft Remote Parking
- Snow Equipment

PFC 15 – Received FAA Approval 2/29/24

- D/E Bag Claim Expansion Decision
- Checkpoint D/E Expansion
- Concourse E Outbound Baggage Handling System
- Concourse A/B Baggage Claim 0-5 Reconfiguration
- Controlled Access Security System (CASS) Replacement – Phase 1
- BGE & ST-AB Substation Replacement

PFC 16 – Received FAA Approval 4/24/25

- MUFIDS Replacement
- Concourse E Ticket Counter Expansion
- Concourse A/B Ticket Counter Expansion

Non-Recourse Debt Update
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Maryland Aviation Administration
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Status Update of PFC Funded Projects for MDTA

PFC Project #	Project Name	Project Scope	Project Status	Expected Completion	PFC Project Cost*	Expenses To Date
10-01	Property Acquisition – Runway Protection Zone (RPZ)	This program will acquire four properties under the Runway Safety Area/Runway Protection Zone project.	Negotiations deferred.	FY 2029	\$1,643,000	\$7,000
13-03	Residential Sound Insulation Program (RSIP)**	This project will reestablish the Homeowner Noise Assistance Program using the FAA approved 2016 Part 150 Update. The 188 properties identified within the 65 DNL contour are considered “potentially eligible” for the Residential Sound Mitigation Program and will create a multi-year program based on homeowner desires to participate in sound mitigation treatment or acquisition.	Project partially deferred to after completion of approved new Part 150 Update and new Noise Exposure Maps.	FY 2029	\$6,281,906	\$2,602,563
13-04	Restroom Improvement Program	This program will renovate 64 BWI Marshall Airport restroom facilities over a four-year period. Scope includes some facility expansion, new fixtures, addition of stalls, new partitions, and supporting infrastructure. Most of project expended with PFC Bonds.	???	FY 2026	\$942,236	\$747,606
13-11	BWI Mobile Stairs and Medical Lift	This project replaces two mobile lounges with two stair trucks and a medical lift.	Supply Chain Delays. Medical lift delivered in FY 25. Expected stair truck delivery in FY 26.	FY 2026	\$1,185,380	\$320,179
14-01	Group V Aircraft Remote Parking	This project will expand remote parking for Group V aircraft by repaving a portion of the existing parking lot by Concourse E.	Construction underway.	FY 2027	\$3,148,858	\$913,779
14-02	Snow Equipment Replacement	This project replaces 26 pieces of snow removal equipment dating from 1999 to 2013.	Procurement underway. To date 13 pieces of equipment received.	FY 2027	\$17,649,183	\$8,766,910
15-01	D/E Bag Claim Expansion – Design Only	The project will provide for the expansion of the D/E domestic baggage claim with two additional bag claim belts.	Design underway.	FY 2026	\$1,845,089	\$539,060

Non-Recourse Debt Update

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Maryland Aviation Administration
 Baltimore/Washington International Thurgood Marshall Airport
 Status Update of PFC Funded Projects for MDTA

PFC Project #	Project Name	Project Scope	Project Status	Expected Completion	PFC Project Cost*	Expenses To Date
15-02	Checkpoint D/E Expansion	The D/E Checkpoint Expansion includes design, construction, and construction management of two additional passenger security screening lanes from 8 lanes currently to 10 lanes.	Construction underway.	FY 2027	\$7,791,177	\$2,284,118
15-03	Concourse E Outbound Baggage Handling System (BHS)	The project includes the following two primary components: 1. Replacement of the two legacy outbound conveyors dating from the original opening of Concourse E in 1997 2. Installation of one additional baggage make-up belt and one additional explosive detection system (EDS) machine on Concourse E.	Construction underway.	FY 2028	\$42,487,759	\$8,787,493
15-04	Concourse A/B Baggage Claim 0-5 Reconfiguration	The project is the replacement of five existing inbound baggage lines and their associated baggage claim carousels reaching the end of their useful life.	Construction underway.	FY 2026	\$30,330,476	\$11,375,141
15-05	Controlled Access Security System (CASS) Replacement – Phase 1	The project will replace the existing intelligent field panels and card readers installed in 2011 and 2012.	Construction underway.	FY 2026	\$4,800,000	\$2,271,293
15-06	BGE and ST-AB Substation Replacement	The project will design and reconstruct three substations throughout BWI.	Construction underway.	FY 2027	\$18,268,514	\$13,112,514
16-01	MUFIDS Replacement	The project will replace Multi-Use Flight Information Display Systems and associated Airport Operation Database.	Procurement underway.	FY 2028	\$6,000,000	\$0
16-02	Concourse E Ticket Counter Expansion	The project will add new 6 ticket counters with 12 positions, kiosk and queuing space, and airline ticketing office (ATO) space between the end of the existing Terminal E south ticket counters and the D/E Connector Security Screening Checkpoint (SSCP) queuing area.	Design underway.	FY 2028	\$16,503,598	\$1,034,876

Non-Recourse Debt Update
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Maryland Aviation Administration
Baltimore/Washington International Thurgood Marshall Airport
Status Update of PFC Funded Projects for MDTA

PFC Project #	Project Name	Project Scope	Project Status	Expected Completion	PFC Project Cost*	Expenses To Date
16-03	Concourse A/B Ticket Counter Expansion	The project will replace the vacated DuClaw restaurant space with additional ticket counters and additional ATO space. This project will allow Southwest to relocate from the BC Zone ticket counters which will provide space for other carriers. An additional 8 positions with 16 counters and associated queuing space would be provided.	Design underway.	FY 2028	\$2,963,385	\$287,932
Total					\$161,830,571	\$53,051,4650

*Cost Estimate includes design, program management, construction management, and construction.

**For Residential Sound Insulation Program (RSIP). The PFC amount is the 20% match to 80% Federal funding.

ITEM

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Maryland Transportation Authority

Wes Moore, Governor

Aruna Miller, Lt. Governor

Kathryn Thomson, Chair

Board Members:

Dontae Carroll

Cynthia D. Penny-Ardinger

Maricela Cordova

Jeffrey S. Rosen

William H. Cox, Jr.

Samuel D. Snead, MCP, MA

Mario J. Gangemi, P.E.

John F. von Paris

Bruce Gartner, Executive Director

MEMORANDUM

TO: Finance and Administration Committee
FROM: Director of Treasury and Debt Kevin Cullity
SUBJECT: Deputy Director Finance Allen Garman
DATE: Credit Ratings Update
January 15, 2026

PURPOSE OF MEMORANDUM

In accordance with the Board Operating Policy requirement, management will provide an update on the status of the MDTA's double-A credit ratings.

SUMMARY

In spring 2025, both Moody's and S&P affirmed the MDTA's ratings at Aa2 and AA-, respectively, and assigned Negative outlooks. Subsequently, on December 11, 2025, Moody's again affirmed the rating and maintained the Negative outlook. On September 23, 2025, Fitch affirmed MDTA's AA rating and maintained a Stable outlook.

KEY POINTS

Negative Outlook Basis

- Moody's Negative outlook reflects that delays in receiving federal reimbursements or delays in implementing the toll rate increases as needed could result in a weakening of MDTA's financial position.

Rating Affirmation Basis

- The affirmation of the bonds rating reflects Moody's view that the MDTA has demonstrated a plan to maintain financial metrics consistent with Aa2 rated peers, despite the sizeable increase in the projected costs of the bridge replacement.

MDTA Credit Ratings¹

Moody's	Aa2	Negative
Fitch	AA	Stable
S&P	AA-	Negative

The rating agencies cited the following credit strengths.

- Strong financial profile supported by authority's financial policies and proven track record of conservative budgeting practices.
- Willingness to maintain strong financial metrics by increasing toll rates or making other adjustments to preserve its financial position.
- Long history of strong demand for the multiple, essential, and established transportation facilities in a well-developed, affluent, and slowly growing service area.

Credit ratings published by Nationally Recognized Statistical Rating Organizations (NRSROs) such as Fitch, Moody's, and S&P serve to inform exiting bond holders and prospective creditors through the assigned ratings level and written reports detailing an issuer's creditworthiness. From a return on investment perspective, the annual cost of maintaining a credit rating should be fully offset by lower financing costs at the time of each new issue.

During the annual ratings surveillance process, the MDTA provides detailed traffic and revenue forecasts, as well as operating and capital costs projections included in the six-year financial forecast. The credit ratings affirmations demonstrate confidence in the MDTA's financial strength, with foundations in board policies and the Trust Agreement legal covenants. Within Moody's Toll Sector universe of more than 50 rated credits, the MDTA remains among the five highest rated agencies that are solely toll supported.

¹ Ratings categories below triple-A have three notches ranked from strongest to weakest within the category. For example, Moody's utilizes numerical modifiers to denote strength within the double-A category (Aa1, Aa2, Aa3), while S&P and Fitch utilize plus/minus modifiers (AA+, AA, AA-).