Maryland Transportation Authority
Board Meeting

Thursday, August 27, 2026
9:00 am

In-Person and Livestream

2310 Broening Highway
2nd Floor Training Room
Baltimore, MD 21224

MDTA
Maryland Transportation Authority

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

2310 Broening Highway * 2nd Floor Training Room * Baltimore, MD 21224

AUGUST 27, 2026 9:00 AM

This meeting will be livestreamed on the MDTA Board Meeting Page

NOTES:

- This is an In-Person Open Meeting being conducted via livestreaming.
- The public is welcome to watch the meeting at the link above.
- ***If you wish to comment on an agenda item, please email your name, affiliation, and the agenda item to nhenson@mdta.state.md.us no later than 12:00 Noon on Tuesday, August 25, 2026. You MUST pre-register and attend the meeting in person to comment.*** Once pre-registered, all pertinent information will be emailed to you.

AGENDA

OPEN SESSION – 9:00 AM

Call Meeting to Order

1. **Approval** – Open Session Meeting Minutes of July 30, 2026	Chair	5 min.
2. **Approval** – Closed Session Meeting Minutes of July 30, 2026	Chair	5 min.
3. **Approval** – Contract Awards • MDTA 2025-01A – Comprehensive Environmental Compliance and Engineering Services • MDTA 2024-01A – Comprehensive Preliminary Engineering and Final Design Services • KH-3053-0000 – Pheasant Run Nontidal Wetland Mitigation – Sole Source	Jeffrey Davis	15 min.
4. **Update** – All Open Contracts – Procurement Update on All Contracts	Jeffrey Davis	5 min.
5. **Approval** – Quarterly Review and Approval of Investment Strategy and Benchmarks	Kevin Cullity	10 min.
6. **Approval** – Annual Review of the MDTA's Investment Policy that Establishes the Guidelines for the Safeguarding and Management of the MDTA's Cash and Investments	Kevin Cullity	10 min.
7. **Update** – Executive Director's Report – Verbal	Bruce Gartner	10 min.

Vote to go into Closed Session

CLOSED SESSION – Expected Time 10:00 AM

8. To Discuss Pending or Potential Litigation	Megan Mohan, Esq.	15 min.

Vote to Return to Open Session

Vote to Adjourn Meeting

TAB 1

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING

THURSDAY, JULY 30, 2026
9:00 A.M.

2310 BROENING HIGHWAY, BALTIMORE, MD 21224
IN-PERSON & LIVESTREAMED OPEN MEETING

OPEN SESSION

Kathryn Thomson, Chair

MEMBERS ATTENDING:	Dontae Carroll via Phone Maricela Cordova via Phone William H. Cox, Jr. Cynthia D. Penny-Ardinger Jeffrey S. Rosen Samuel D. Snead John F. von Paris Frank S. Waesche III via Phone
STAFF ATTENDING:	Lt. Col. Ronce Alford Manny Crew Jeffrey P. Davis Lt. Col. Timothy Eikenberg Bruce Gartner Chantelle Green James Harkness Pilar Helm Natalie Henson Megan Mohan, Esq. Simon Najar Mary O’Keeffe Shannon Orange Bradley Ryon Bradley Tanner Brian Wolfe

At 9:00 a.m. Chair Kathryn Thomson called the meeting of the Maryland Transportation Authority (MDTA) Board to order. The meeting was held in-person at MDTA Headquarters, 2310 Broening Highway, Baltimore MD 21224 and was livestreamed on the MDTA Board Meeting web page.

APPROVAL – OPEN SESSION MEETING MINUTES OF JUNE 25, 2026

Upon motion by Member William H. Cox, Jr. and seconded by Member John F. von Paris, the open session meeting minutes of the MDTA Board meeting held on June 25, 2026, were unanimously approved.

APPROVAL – CLOSED SESSION MEETING MINUTES OF JUNE 25, 2026

Upon motion by Member Jeffrey S. Rosen and seconded by Member Cynthia D. Penny-Ardinger, the closed session meeting minutes of the MDTA Board meeting held on June 25, 2026, were unanimously approved.

APPROVAL – CODE OF MARYLAND REGULATIONS 11.07.07.02 AND 11.07.07.05

Mr. Bradley Ryon requested approval from the MDTA Board to make these Code of Maryland Regulations (COMAR) changes in order to align existing COMAR with the recently enacted law permitting MDTA to send a toll notice to the registered owner of a Class G vehicle (trailer) if an image of the front or rear registration plate of the motor vehicle towing the trailer cannot be captured.

Mr. Ryon explained that on May 12, 2026, Governor Moore approved House Bill 246, which was one of MDTA's departmental legislative initiatives, and that the law will take effect on January 1, 2027.

Upon motion by Member William H. Cox, Jr. and seconded by Samuel D. Snead, the Members unanimously gave approval to make these changes to the COMAR regulations in order to align with the new law that takes effect on January 1, 2027.

APPROVAL – CONTRACT AWARDS

- **MT-00211657 – EMERGENCY SNOW REMOVAL SERVICES**

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Contract No. MT-00211657 - Emergency Snow Removal with Allen Myers MD, Inc. in the amount of $697,657.91.

Mr. Davis explained that this contract pertains to emergency snow removal services incurred from January 24, 2026 – January 31, 2026. The contract includes services for employee supervision, supplies, labor, and equipment. These services were provided at the MDTA's I-95 Express Toll Lanes, which is a critical infrastructure that supports travel mobility along the I-95, I-895, and I-695 corridors in and around the Baltimore metropolitan areas. The services were provided during Winter Storm Fern, a declared State of Emergency.

Upon motion by Member Jeffrey S. Rosen and seconded by Member Samuel D. Snead, the Members unanimously gave approval for Contract No. MT-00211657 - Emergency Snow Removal.

- **MDTA 2026-02 – KEY BRIDGE REBUILD FINAL DESIGN SERVICES AND DESIGN SERVICES DURING CONSTRUCTION**

Mr. Jeffrey Davis requested approval from the MDTA Board to execute Contract No. AE-3162-0000 under MDTA 2026-02 - Key Bridge Rebuild Final Design and Design Services During Construction with Arup/SIBT in the amount of $95,000,000.00.

Mr. Davis explained that the consultant shall provide services related to planning, engineering, construction support, and program support services for the Key Bridge. The focus is on preparing final signed and sealed plans, specifications, and estimates for the Key Bridge main span cable stayed bridge structure, as well as vessel collision protection at Piers 24 and 25, and associated design support services during construction.

He further explained that the scope of work includes general professional engineering consultant services including, but not limited to, transportation planning, project planning, land surveying, architecture, environmental sciences, project management, asset management, program management, construction management and inspections, and engineering (e.g., highway, construction, water resources, environmental, structural engineering, structural inspection, coastal, traffic, transportation, electrical, Intelligent Transportation Systems (ITS), geotechnical, pavement, materials, utility, facilities, mechanical, plumbing, and others as needed) services.

As this contract exceeds MDTA's delegation, this will be presented at the next available Board of Public Works (BPW) meeting for approval.

Upon motion by Member Samuel D. Snead and seconded by Member Jeffrey S. Rosen, the Members unanimously gave approval for Contract No. AE-3162-0000 under MDTA 2026-02 - Key Bridge Rebuild Final Design and Design Services During Construction.

APPROVAL – CONTRACT MODIFICATION

Mr. Brian Wolfe requested approval from the MDTA Board to execute Contract No. KB-4903-000 – Key Bridge Rebuild Progressive Design Build – Modification #4 for Early Work Package (EWP) Funding in the amount of $125,000,000.00.

Mr. Wolfe explained that on May 29, 2025, the Board approved Contract Modification 1 to KB-4903-0000, which allowed for the issuance of EWPs for the Key Bridge Rebuild project. Additionally, the Board authorized $250,000,000.00 for EWPs, with the EWP approval authority delegated to the Chief Engineer. The Board additionally authorized $95,000,000.00 on November 25, 2025, and $150,000,000.00 on January 29, 2026, for a total of $495,000,000.00 in funding for EWPs. These EWPs have allowed the MDTA to advance the project's construction schedule through measured approvals of additional work items after MDTA staff and consultants have verified that the cost of the work being done by the contract is reasonable and in line with independent cost estimates.

The MDTA informed the Progressive Design Builder (PDB) on April 28, 2026 that MDTA would exercise the contractual off-ramp and deliver the remaining work by other contractual means. The MDTA is preparing four new procurements for remaining work.

Mr. Wolfe further explained that as a result of the off-ramp from the PDB, it has been determined that additional funding is required to conclude the pile driving work at Piers 24 and 25 (pylon piers on either side of the main channel) and to demobilize the contract. This pile driving work, which corresponds with EWP-008, increases the overall pile driving quantity within the early work packages by 100, from 138 piles to 238 piles in total. This work will complete all pile driving necessary for the cable-stayed bridge pylons and the associated vessel collision protection systems, and it provides a logical interface for the transition to follow-on contractors.

The additional funding will also accommodate the cost to demobilize the construction equipment and support sites that the PDB established in the project area. This cost was not included in previous EWPs as it was assumed the equipment would progress into the Phase 2 PDB agreement and demobilization would be included in the Phase 2 cost.

This work requires the authorization of an additional $125,000,000.00 in early works funding, increasing the authorization to $620,000,000.00. The MDTA and the PDB have agreed on the pricing for the remaining pile driving and demobilization and will execute the associated Notice to Proceeds upon funding authorization.

Upon motion by Member Samuel D. Snead and seconded by Member Cynthia D. Penny-Ardinger, the Members unanimously gave approval for Contract No. AE-3162-0000 under MDTA 2026-02 - Key Bridge Rebuild Final Design and Design Services During Construction.

UPDATE – LEGISLATIVE REPORTS SUBMITTED TO THE LEGISLATURE

Mr. Brian Wolfe updated the MDTA Board regarding the reconstruction of the Francis Scott Key Bridge, as mandated by the 2026 legislative session budget committees.

Mr. Wolfe reported on legislative compliance the submission of the Joint Chairman’s Report (JCR), update on reconstruction progress, early work packages, and explanation of the federal reimbursement process to ensure budgetary transparency.

UPDATE – MDTA’S TRAVEL PLAZAS

Mr. Simon Najar updated the MDTA Board on the progress of operations at the Maryland House and Chesapeake House Travel Plazas.

Mr. Najar explained that in 2012, the MDTA entered into a Lease and Concession Agreement with Areas USA MDTP, LLC (Areas USA), to undertake the redevelopment (including financing) and long-term operations and maintenance of the travel plazas. Pursuant to the public-private partnership (P3) arrangement, the MDTA retains oversight of the travel plazas for a period of 35 years. Mr. Najar gave a presentation that provided a brief overview of the contract award and agreement; Areas USA history and expertise; current operations at the travel plazas; and future outlook.

UPDATE – MDTA POLICE PUBLIC SECURITY

Lt. Col. Ronce Alford began his report by acknowledging Retired Col. Joseph Scott and the outstanding leadership he provided during his tenure. He stated that MDTA Police continue to operate under accountability, communication, and transparency.

Lt. Col. Alford broke down first quarter performance including traffic stops increased by 8.9%, Driving Under the Influence (DUI) arrests up by 49%, and serious crimes decreased by 21.6%. He also stated that traffic collisions continue to be an area of concern for the agency.

He ended his report by inviting the Chair and Members to the Academy Class Graduation on September 16.

Upon conclusion of Lt. Col. Alford's report, Member John F. von Paris and Chair Kathryn Thomson echoed the importance of safe driving and work zone safety.

UPDATE – EXECITIVE DIRECTOR'S REPORT

Mr. Bruce Gartner began his report by echoing the importance of safe driving and work zone safety. He then gave kudos to the MDTA Police for earning the Tri-Arc Award Certification.

Mr. Gardner then updated the Board on the following items: Governor's Key Bridge Boat Tour on July 20; Bridge to the Future Sticker Challenge; Senator Jennings support of the Kingsville Volunteer Fire Company Dedication that was approved last month; July 15 MDTA Safety Fair; Dr. Percy Dangerfield's new position as MDOT Assistant Secretary for Administration; and the upcoming Maryland Association of Counties (MACo) Conference.

Mr. Gartner ended his report by sharing his condolences on the passing of former MDTA Board Member Bill Ensor.

VOTE TO GO INTO CLOSED SESSION

At 10:05 a.m., a motion was made by Member William H. Cox, Jr. and seconded by Member Samuel D. Snead, and the Members voted unanimously to move into Closed Session under the Maryland Open Meetings Act, the MDTA Board met in Closed Session under the General Provisions Article:

- Section 3-305(b)(10) and (12) to receive an update on deployment of police staff and resources and other security measures: to discuss a pending investigative proceeding involving possible criminal conduct; and,
- Section 3-305(b)(8) to receive a status update on all litigation currently pending against the MDTA.

In attendance for the Closed Session were Chair Kathryn Thomson; Members Carroll via Phone, Cordova via Phone, Cox, Penny-Ardinger, Rosen, Snead, von Paris, and Waesche via Phone; Bruce Gartner; Megan Mohan, Esq.; Lt. Col. Ronce Alford; Pilar Helm; and Natalie Henson.

VOTE TO ADJOURN CLOSED SESSION

At 10:48 a.m., a motion was made by Member Cynthia D. Penny-Ardinger and seconded by Member Samuel D. Snead, and the Members unanimously voted to adjourn the Closed Session and return to Open Session. There were no actions taken in Closed Session that require ratification.

VOTE TO ADJOURN MEETING

There being no further business, upon motion by Member William H. Cox, Jr., and seconded by Member Samuel D. Snead, the Members unanimously voted to adjourn the meeting at 10:50 a.m.

The next MDTA Board Meeting will be held on Thursday, August 27, 2026, at 9:00 a.m. at MDTA, 2310 Broening Highway, Baltimore MD and will be livestreamed on the MDTA Board web page.

APPROVED AND CONCURRED IN:

____
Kathryn Thomson, Chair

TAB 2

CLOSED SESSION MINUTES

VERBAL

TAB 3

Maryland Transportation Authority
MDTA

MEMORANDUM

TO: MDTA Board
FROM: Director of Procurement, Jeffrey Davis, NIGP-CPP, CMPO
SUBJECT: Contract No. MDTA 2025-01A (AE-3153-0000, AE-3154-0000, AE-3155-0000) Comprehensive Environmental Compliance and Engineering Services
DATE: August 27, 2026

PURPOSE OF MEMORANDUM

To seek approval from the MDTA Board to execute Contract Nos. AE-3153-0000, AE-3154-0000, and AE-3155-0000 under Contract No. MDTA 2025-01A – Comprehensive Environmental Compliance and Engineering Services.

SUMMARY

These are three (3) contracts to be awarded for Comprehensive Environmental Compliance and Engineering Services under solicitation No. MDTA 2025-01A. Services provided under this contract include: support on environmental asset management, environmental permitting and compliance, environmental projects management, study, engineering design, Geospatial Information System (GIS) database and tools development and management, climate change adaptation and resiliency, and environmental studies and research.

The incumbents in the previous series of these contracts include: **WSP USA**/Prime AE Joint Venture, JMT/Gannett Fleming Joint Venture, **RK&K/Century Joint Venture**, and **AECOM Technical Services**.

The firms in bold are being considered for award of these new contracts either as a single prime or a new joint venture. As this contract exceeds MDTA's delegation, this will be presented at the next available BPW meeting for approval.

RECOMMENDATIONS

To provide approval to execute Contract Nos. AE-3153-0000, AE-3154-0000, and AE-3155-0000 under Contract No. MDTA 2025-01A – Comprehensive Environmental Compliance and Engineering Services.

ATTACHMENT

- Project Summary

PROJECT SUMMARY

Contract No. MDTA 2025-01A
Comprehensive Environmental Compliance and Engineering Services

PIN NUMBER	N/A
CONTRACT NUMBER	MDTA 2025-01A
CONTRACT TITLE	Comprehensive Environmental Compliance and Engineering Services

PROJECT SUMMARY

Services provided under this contract include: support on environmental asset management, environmental permitting and compliance, environmental projects management, study, engineering design, Geospatial Information System (GIS) database and tools development and management, climate change adaptation and resiliency, and environmental studies and research.

SCHEDULE

ADVERTISEMENT DATE	July 17, 2025
ANTICIPATED NTP DATE	September, 2026
DURATION/TERM	Five (5) years

	YES	NO
PROTEST		X

FUNDING SOURCE **100% TOLL REVENUE**

PROPOSERS	CONTRACT NUMBER	CONTRACT AMOUNT
AECOM/KCI JV	AE-3153	$5,000,000.00
RK&K/Century JV	AE-3154	$5,000,000.00
WSP	AE-3155	$5,000,000.00
Dewberry/Prime AE JV	N/A	N/A
WM/Terracon JV	N/A	N/A
MT/EA JV	N/A	N/A
JMT/GFT JV	N/A	N/A
GPI/ATCS JV	N/A	N/A
WRA/WTB JV	N/A	N/A
Tetra Tech	N/A	N/A

MBE & VSBE PARTICIPATION

	ADVERTISED GOAL (%)	AE-3153 PROPOSED GOAL (%)	AE-3154 PROPOSED GOAL (%)	AE-3155 PROPOSED GOAL (%)
OVERALL MBE	23.00%	23.00%	23.00%	23.00%
AFRICAN AMERICAN	7.00%	7.00%	7.00%	7.00%
WOMEN OWNED	10.00%	13.00%	12.00%	11.50%
VSBE	1.00%	1.00%	1.00%	1.00%

MEMORANDUM

TO: MDTA Board
FROM: Director of Procurement, Jeffrey Davis, NIGP-CPP, CMPO
SUBJECT: Contract No. MDTA 2024-01A (AE-3148-0000, AE-3149-0000, AE-3150-0000) Comprehensive Preliminary Engineering and Final Design Services
DATE: August 27, 2026

PURPOSE OF MEMORANDUM

To seek approval from the MDTA Board to execute Contract Nos. AE-3148-0000, AE-3149-0000, and AE-3150-0000 under Contract No. MDTA 2024-01A.

SUMMARY

These are the first three (3) of six (6) total contracts to be awarded for Comprehensive Preliminary Engineering and Final Design Services under solicitation No. MDTA 2024-01A. The services include architecture, planning, engineering, asset management, construction management, project management and program support. The services are for roads, roadsides, tunnels, bridges, structures, rest areas, inspection areas, weigh stations, toll plazas, travel plazas, surface lots, utilities, ancillary appurtenances, and facilities (buildings, domes, barns, water towers, etc.). The services are driven by system preservation (i.e., maintenance, repair, remediation, rehabilitation, reconstruction, retrofit, upgrades, etc.), system expansion (i.e., new construction), demolition, commissioning, asset management, regulatory compliance, reporting, staff augmentation, etc. MDTA relies primarily on the contracts resulting from this procurement for delivery of both large and small projects.

The incumbents in the previous series of these contracts include: **Rummel, Klepper & Kahl, LLP**, Johnson Mirmiran & Thompson, Inc., **Whitman Requardt & Associates, LLP**, **AECOM**/**Wallace Montgomery** Joint Venture, **WSP USA**/**Prime AE** Joint Venture, **KCI Technologies**/Pennoni Associates Joint Venture, **Stantec**/**Mead & Hunt**/Hardesty & Hanover Joint Venture, STV/Jacobs Joint Venture, and **TranSystems**/**Dewberry** Joint Venture. The firms in bold are being considered for award of these new contracts either as a single prime or a new joint venture. As this contract exceeds MDTA's delegation, this will be presented at the next available BPW meeting for approval.

RECOMMENDATION

To provide approval to execute Contract Nos. AE-3148-0000, AE-3149-0000, and AE-3150-0000 under Contract No. MDTA 2024-01A.

ATTACHMENT

- Project Summary

PROJECT SUMMARY

Contract No. MDTA 2024-01A

Comprehensive Preliminary Engineering and Final Design Services

PIN NUMBER	N/A
CONTRACT NUMBER	MDTA 2024-01A
CONTRACT TITLE	Comprehensive Preliminary Engineering and Final Design Services
PROJECT SUMMARY	The services include architecture, planning, engineering, asset management, construction management, project management and program support. The services are for roads, roadsides, tunnels, bridges, structures, rest areas, inspection areas, weigh stations, toll plazas, travel plazas, surface lots, utilities, ancillary appurtenances, and facilities (buildings, domes, barns, water towers, etc.).

SCHEDULE

ADVERTISEMENT DATE	April 30, 2025
ANTICIPATED NTP DATE	September 17, 2026
DURATION/TERM	Five (5) years

PROPOSERS	CONTRACT NUMBER	CONTRACT AMOUNT
AECOM Design Svcs / Wallace-Montgomery JV	AE-3148	$27 million
WSP USA / KCI Technologies JV	AE-3149	$27 million
Rummel, Klepper & Kahl, LLP	AE-3150	$25 million

Complete list on Page 2

PROTEST	**YES**	**NO**
		✓

FUNDING SOURCE **100% TOLL REVENUE**

MBE & VSBE PARTICIPATION

	ADVERTISED GOAL (%)	AECOM / Wallace-Montgomery JV PROPOSED GOAL (%)	WSP USA / KCI Technologies JV PROPOSED GOAL (%)	Rummel, Klepper & Kahl, LLP PROPOSED GOAL (%)
OVERALL MBE	27.00%	27.00%	27.00%	27.00%
AFRICAN-AMERICAN SUBGOAL	7.00%	8.00%	7.00%	7.00%
WOMEN-OWNED SUBGOAL	10.00%	10.00%	11.00%	12.00%
VSBE	1.00%	1.00%	1.00%	1.00%

PROJECT SUMMARY

Contract No. MDTA 2024-01A

Comprehensive Preliminary Engineering and Final Design Services

PIN NUMBER	N/A
CONTRACT NUMBER	MDTA 2024-01A
CONTRACT TITLE	Comprehensive Preliminary Engineering and Final Design Services

PROPOSERS *Complete List*	**CONTRACT NUMBER**	**CONTRACT AMOUNT**	**APPROVAL**
AECOM Design Svcs / Wallace-Montgomery JV	AE-3148	$27 million	8/27/2026
WSP USA / KCI Technologies JV	AE-3149	$27 million	8/27/2026
Rummel, Klepper & Kahl, LLP	AE-3150	$25 million	8/27/2026
Stantec / Mead & Hunt/ RS&H JV	AE-3147	$27 million	Pending
WR&A LLP/ TY Lin International JV	AE-3151	$23 million	Pending
Dewberry / TranSystems / Prime AE JV	AE-3152	$21 million	Pending
Pennoni / HNTB JV	N/A	N/A	N/A
Jacobs / STV / Hardesty & Hanover JV	N/A	N/A	N/A
Johnson, Mirmiran & Thompson, Inc.	N/A	N/A	N/A

MEMORANDUM

TO: MDTA Board
FROM: Director of Procurement, Jeffrey Davis, NIGP-CPP, CMPO
SUBJECT: Contract No. KH-3053-0000 Pheasant Run Mitigation Site
DATE: August 27, 2026

PURPOSE OF MEMORANDUM

To seek approval from the MDTA Board to execute Contract No. KH-3053-0000 – Pheasant Run Mitigation Site.

SUMMARY

This Contract is to purchase Stream Mitigation credits from an existing environmental bank constructed by Ecotone LLC to offset unavoidable stream impacts associated with the I-95 Express Toll Lanes (ETL) Program. The ETL program does not have the ability to provide all mitigation on-site and needs to provide off-site mitigation to meet permitting requirements. The Pheasant Run Mitigation site is in Harford County, Maryland in the watershed where MDTA needs to provide stream mitigation.

As this contract exceeds MDTA's delegation, this will be presented at the next available BPW meeting for approval.

RECOMMENDATION

To provide approval to execute Contract No. KH-3053-0000 – Pheasant Run Mitigation Site.

ATTACHMENT

- Project Summary

PROJECT SUMMARY

KH-3053-0000 - Pheasent Run Mitigation Site

PIN NUMBER	2697
CONTRACT NUMBER	KH-3053-0000
CONTRACT TITLE	Pheasant Run Mitigation Site

PROJECT SUMMARY

This Contract is to purchase Stream Mitigation credits from an existing environmental bank constructed by Ecotone LLC to offset unavoidable stream impacts associated with the I-95 Express Toll Lanes Program. The ETL program does not have the ability to provide all mitigation on-site and needs to provide off-site mitigation to meet permitting requirements. The Pheasant Run Mitigation site is in Harford County, Maryland in the watershed where MDTA needs to provide stream mitigation.

SCHEDULE

ADVERTISEMENT DATE	n/a
ANTICIPATED NOTICE TO PROCEED DATE	Sep-26
DURATION (COMPLETION DATE)	n/a

MBE PARTICIPATION	**($) Advertised GOAL (%)**	**Proposed GOAL (%)**
OVERALL MBE	-	-
AFRICAN AMERICAN	-	-
ASIAN AMERICAN	-	-
HISPANIC AMERICAN	-	-
WOMEN	-	-
NATIVE AMERICAN	-	-
VSBE	-	-

ENGINEER'S ESTIMATE (EE) **$2,737,800.00**

BID RESULTS	**BID AMOUNT ($)**	**% VARIANCE TO EE**
Ecotone LLC.	$2,535,000.00	-7%

BID PROTEST **YES** ☐ **NO** ☑

FUNDING SOURCE 100.00% **TOLL REVENUE**

TAB 4

MEMORANDUM

TO: MDTA Board
FROM: Director of Procurement, Jeffrey Davis, NIGP-CPP, CMPO
SUBJECT: Open Contracts Report
DATE: August 27, 2026

PURPOSE OF MEMORANDUM

To present the Open Contracts Report for August 27, 2026.

SUMMARY

The report summarizes the number of open Memorandum of Understanding Agreements and Architectural and Engineering, Construction, Maintenance, Services, and Information Technology Contracts currently held by MDTA.

ATTACHMENT

- Open Contracts Report

2310 Broening Highway • Baltimore, MD 21224 • mdta@mdta.maryland.gov • 410.537.1000 • 711 (MD Relay) • mdta.maryland.gov • DriveEzMD.com

Type of Contract	# of Contracts	Amount of Contracts
Memorandums of Understanding	29	$ 25,802,632.73
Architectural & Engineering	65	$ 705,200,000.00
Construction	53	$ 2,626,061,935.11
Maintenance	38	$ 52,924,272.93
Services	14	$ 37,288,517.54
Information Technology	31	$ 93,519,552.31

Total Contracts	Total Amount of Contracts
230	$ 3,540,796,910.62

$ 2,257,515,872.71	*Paid (Vouchered) Amount Spent*
$ 837,426,166.64	*Obligated (PO Balance Remaining) - Amount Committed = Remaining Balance on PO Issued (PO Issued less Paid)*
$ 445,854,871.27	*Open (Contract Balance) = BPO Remaining Balance (Unobligated Contract Authority Available) (BPO original Amount less PO Issued)*

$ 3,540,796,910.62 *Total Amount of Contracts*

TAB 5

MEMORANDUM

TO: MDTA Board
FROM: Director of Treasury and Debt Kevin Cullity
SUBJECT: Investment Strategy and Benchmarks
DATE: August 27, 2026

PURPOSE OF MEMORANDUM

- Complete the required quarterly review of the MDTA's investment strategy and associated benchmarks for the period ending June 30, 2026.
- Request approval of the investment strategy for the new Debt Service Reserve accounts associated with the recent financing.

Investment returns and portfolio composition were discussed in greater detail during the recent Finance and Administration Committee meeting. The committee members support the new strategy for the debt service reserves, as well as the continuation of investment strategies for all legacy accounts.

KEY POINTS

- No changes in strategy or benchmarks to legacy accounts are recommended.
- Strategy tailored to the new long term debt service reserves is recommended.
- Investments conformed to Investment Policy limitations.
- Portfolio structuring by account adhered to board approved strategy.
  - Strategy should remain consistent, despite short-term return volatility associated with the interest rate environment.
  - Management does not attempt to time market rate changes; Duration Targeted reserves maintain consistent structures.
    - Passive approach to duration, Active in relative-value security selection.
- Chosen strategies and benchmark indices represent a reasonable and prudent compromise between long-term, multiyear return/income focus and tolerance for return volatility.

- o The longer duration strategies employed in certain reserves generate higher return volatility with expected higher average annual returns over multiyear periods.

INVESTMENT STRATEGY

The Trust Agreement and Investment Policy prescribe a Matched Funding investment strategy for specific purpose accounts including Operating, Debt Service, and Capital/Construction.

Longer term strategies are permitted by the Trust Agreement for certain reserves that do not have cash flow needs. The Investment Policy's investment objectives include longer-term total return considerations for reserves. Given that the unencumbered cash balance will be held long-term, a long-term approach is prudent and supported by the Finance and Administration Committee.

The agency employs either a Matched Funding or Total Return Duration Targeted approach for certain categories of accounts.

- Of the $2.8 billion portfolio at the end of June 2026, $2.4 billion of Match Funded accounts were invested in short-term securities with maturities of less than three years that precede or coincided with projected outflows. (Capital, Operating, Debt Service)
- The remaining $406 million is managed for Total Return, representing long-term unrestricted reserves held in the General and M&O Reserve accounts.
  - o Unrestricted reserves are managed for Total Return, with consideration of the volatility/return tradeoff associated with longer-term structures.
  - o Longer duration portfolios benefit from higher average annual returns over multiyear periods and exhibit greater return volatility relative to shorter-term maturity structures.
  - o Management does not attempt to time market rate changes; Duration Targeted portfolios maintain consistent structures.

General Account and M&O Reserve

The General account is benchmarked to a composite index of 1-5-year bullet agency indices. Investment maturities are generally staggered from three-months to five-years, with an Effective Duration[1] target of approximately 3.0.

[1] Effective or Option Adjusted Duration – measure used to determine bond or portfolio price sensitivity to interest rate changes.

The smaller M&O Reserve, representing approximately 11% of long-term investments, is benchmarked to a composite of 1–13-year Treasury Strip indices that approximates effective duration of a laddered portfolio of 6-month to 15-year securities. The 7.5-year average maturity structure has an associated Effective Duration of approximately 7.0.

The strategies for the General account and M&O Reserve have remained consistent for many years.

Debt Service Reserves

With the issuance of Series 2026 bonds, two new Debt Service Reserves will be funded at a combined $38 million on September 1. The funding requirements will last for life of the debt series or approximately 30-years.

The new Debt Service Reserves have unique investment considerations relative to Matched Funding or Duration Targeted reserves. Considerations for long term debt service reserves include the normal tradeoffs associated with duration volatility and multiyear returns, as well as more complex issues as a function of IRS rules for tax-exempt bond proceeds, final maturity, probable refinancings, declining funding requirements with amortization, and annual present value cost comparisons to surety policies.

- The Strategy recommendation for the debt service reserves is initial purchases of ten-year maturities with yields exceeding the financing cost, resulting in no net carrying cost. This effectively immunizes the portfolio against interest rate risk for the first ten years corresponding to the call date of the Series 2026 bonds. The proposed strategy represents a reasonable tradeoff between return and volatility.

Prospectively, the Investment Committee will report on cumulative total return relative to the financing costs of the two Debt Service Reserves. Management will also annually test for sufficiency and remove excess earnings or add funding as necessary per IRS rules and Trust Agreement requirements. The reserve funding requirements will decline with amortization of principal. Periodic present value relative cost analysis will be performed on the economics of the cash funded reserves versus surety premiums.

<u>RECOMMENDATION</u>

- Approve the new strategy for the Debt Service Reserves, as well as a continuation of the legacy investment strategies and benchmarks for the current quarter.

TAB 6

MEMORANDUM

TO: MDTA Board
FROM: Director Treasury and Debt Kevin Cullity
SUBJECT: Investment Policy – Annual Review and Proposed Changes
DATE: August 27, 2026

PURPOSE OF MEMORANDUM

Complete required annual review of the Investment Policy and request board approval. The policy was reviewed at the Finance & Administration Committee on August 13 and recommended to move forward for full board approval of the proposed changes.

SUMMARY

Following a recent review by the Investment Committee and Municipal Advisor, modest changes to the Investment Policy are currently recommended. The proposed changes clarify the competitive selection standard and diversification timing tests.

1. Correct explanatory requirement for Competitive transaction process in Section XII to "best price" rather than the "highest yielding" to encompass both purchases and sales.

Current

i. If the highest yielding security was not selected for purchase or if three bids/offers from Qualified Institutions are not obtained, an explanation describing the rationale will be included in this record.

Proposed

i. If the best price security was not selected or if three bids/offers from Qualified Institutions are not obtained, an explanation describing the rationale will be included in this record.

2. Add 'time of purchase' benchmark under Section VIII. Diversification relative to both instrument and issuer.

Current

b. **Policy Statement 8.** The MDTA will diversify its holdings by security type and institution to avoid incurring unreasonable risks due to excessive concentration in specific instruments, financial institutions or issuers.

Proposed

a. **Policy Statement 8.** The MDTA will diversify its holdings by security type and institution to avoid incurring unreasonable risks due to excessive concentration in specific instruments, financial institutions or issuers. Diversification standards must be met at time of purchase. Declines in portfolio size may cause diversification limits to be exceeded post purchase, so investments should be structured within limits for an expected average portfolio size. Investment sales to maintain longer term diversification may be considered with consultation of the Investment Committee, but short term and small variances resulting from a portfolio decline do not represent policy violations or necessitate sales.

The key sections of the policy are noted in the table below.

Key Elements	Section
Security Type Limitations	5
Maturity Limitations	6
Diversification Issuer/Sector	8
Reporting Requirements	14
Policy Violations & Downgrades	1

RECOMMENDATION

Management requests approval of the revised Investment Policy.

ATTACHMENT

- Investment Policy 2026 – DRAFT

Policy No.: MDTA 7010
Effective Date: August 16, 2005

Original Date: August 16, 2005
Revised: August ~~28~~27~~13~~, 202~~5~~6

Approved by: ____ Date: ______________

Approval Signature

Approved by: ____ Date: ______________

Form and Legal Sufficiency Review, Office of Attorney General

Investment Management

Purpose

The purpose of this Policy is to establish guidelines for the safeguarding and efficient management of the Maryland Transportation Authority's (MDTA) cash and investments. This policy applies to all accounts, including those established under the Trust Agreement.

Reference(s)

- Title 4 of the Transportation Article, Annotated Code of Maryland (as amended)
- Title 6 of the State Finance and Procurement Article, Annotated Code of Maryland (as amended)
- Second Amended and Restated Trust Agreement between the Maryland Transportation Authority and the Bank of New York Mellon (dated as of September 1, 2007, as amended), Section 5.02 Investment of Monies, and applicable provisions of any governing trust agreements (Trust Agreements).
- Governmental Accounting Standards Board (GASB)
- Internal Revenue Code of 1986, Arbitrage Rebate Regulations (as amended)
- Uniform Commercial Code
- MDTA Board Resolution 2011-02 (Authorized Staff)

Scope:

This Policy is applicable to MDTA Finance Staff.

Responsible Party:

The Chief Financial Officer (CFO) and Finance Division staff, including the Director of Treasury and Debt, are charged with ensuring compliance and conducting periodic reviews and revisions to this policy.

Investment Management

I. Prudence

a. **Policy Statement 1.** All investment balances shall be invested with prudence considering the probable safety of the capital as well as the probable income derived.

i. Investments and investment practices shall be in compliance with applicable provisions of the Annotated Code of Maryland and to the extent applicable to the MDTA, guidelines established by the State Treasurer and the GASB. Section 6-222 of the State Finance and Procurement Article of the Annotated Code of Maryland does not govern the investment of the MDTA's revenues. This State law applies to political subdivisions, municipal corporations and other specified governmental entities, but not to agencies or units of the government of the State of Maryland. Section 4-311 of the Transportation Article of the Annotated Code of Maryland gives the MDTA statutory authority to enter into a Trust Agreement and to pledge its revenues. Permitted investments are primarily driven by the definition of Investment Obligations contained in the Second Amended and Restated Trust Agreement dated as of September 7, 2007, with some additional consideration of any other obligations that constitute legal investments for State agencies such as the MDTA.

ii. The CFO or the Director of Treasury and Debt Management shall report to the Finance Committee any material deviations from this policy.

iii. The CFO or the Director of Treasury and Debt Management shall immediately report to the Finance Committee any security holding credit rating downgrade initiated by at least two Nationally Recognized Statistical Ratings Organization (NRSRO) or one NRSRO for securities with only one credit rating.

II. Ethics

a. **Policy Statements 2.** Employees involved in the investment process shall refrain from personal business activity that may create conflicts of interest. Furthermore, employees:

   i. Are prohibited from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the MDTA.

   ii. Must provide annual financial disclosures in accordance with the requirement of the State Ethics Commission, and as otherwise required by law.

III. Delegation of Authority

a. **Policy Statement 3.** The MDTA's power to manage investment of public MDTA funds is subject to any applicable State and federal law, including Title 4 of the Transportation Article of the Annotated Code of Maryland and Title 6 of the State Finance and Procurement Article of the Annotated Code of Maryland, the MDTA's Master Trust Agreement, Article V, Section 5.02 and applicable provisions of any other MDTA Trust Agreements.

   i. Responsibility for the operation of the investment program has been delegated by resolution to the CFO and certain Directors of the Finance Division, who shall establish and maintain written administrative procedures and internal controls for the operation of the investment program, consistent with this Investment Policy. Such procedures shall include:

      1. Explicit designation of the person(s) responsible for investment transactions.

a. No person may engage in an investment transaction except as provided under the terms of this policy and procedures established by the CFO.

2. To the extent not covered by this policy, procedures shall include reference to:
   a. Safekeeping
   b. Repurchase Agreements
   c. Wire Transfer Agreements
   d. Collateral Depository Agreements
   e. Banking Service Agreements
   f. Competitive Bidding Procedures
   g. Cash Flow Requirements

IV. Finance Committee

a. **Policy Statement 4.** The MDTA's Finance Committee will serve in an advisory capacity to the CFO in its periodic review of the MDTA's Investment Policy, investment strategy, practices and portfolio performance. The Finance Committee is responsible for:
   i. Reviewing and updating the Investment Policy at least annually.
   ii. Monitoring the investment transactions to assure that adequate controls are in place.
   iii. Assuring that the MDTA is in compliance with the Investment Policy.
   iv. Meeting periodically to deliberate economic outlook, portfolio diversification and maturity structure, cash flow forecasts, potential risks and the interest rate outlook.

V. Allowable Investments

a. **Policy Statement 5.** Permitted investments include the following instruments:
   i. U.S. Treasury Obligations - Securities issued or backed by the full faith and credit of the United States Treasury.
   ii. Federal Agency Obligation - Securities issued by or backed by the full faith and credit of any United States Government agency or government sponsored enterprise with credit ratings in the highest category assigned to that obligor, but in no event less than the double-A category. Includes, but is not limited to:
      1. Fannie Mae
      2. Freddie Mac
      3. Federal Home Loan Bank
      4. Federal Farm Credit Bank
   iii. Repurchase Agreements - The MDTA may purchase U.S. Treasury Obligations or Federal Agency Obligations under a repurchase agreement provided that the following conditions are met:

1. The term to maturity of repurchase agreements invested from accounts created by Trust Agreements shall be limited as follows:
   a. Bond Service Subaccount - 1 year.
   b. Reserve Subaccount - 1 year.
   c. Capital Account (bond proceeds) - the expected period of spend out, or five years, whichever is less.
   d. All Other Funds - 90 days.
2. The contract is fully secured by deliverable U.S. Treasury or Federal Agency obligations as described in 5i and 5ii above (without limit to maturity), having a market value at all times of a least one hundred two percent (102%) of the amount of the contract.
3. A master repurchase agreement or specific written, repurchase agreement governs the transaction.
4. The securities are held by an independent third-party custodian, acting solely as agent for the MDTA and free of any lien, provided such third party is not the seller under the repurchase agreement.
5. A perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. in such securities as created for the benefit the MDTA.
6. For repurchase agreements with terms to maturity of greater than one (1) day, the MDTA will value the collateral securities weekly and require under collateralization to be corrected within one (1) business day.
   a. If a collateral deficiency is not corrected within this time fame, the collateral securities will be liquidated.
7. The counterparty must meet the following criteria:
   a. Be a primary government securities dealer that reports daily to the Federal Reserve Bank of New York, or a bank, savings and loan association or diversified securities broker-dealer having $5 billion in assets or $500 million in capital and subject to regulation of capital standards by any state or federal regulatory agency.
   b. Have a minimum long-term credit rating of a least single – A and a short-term rating of not less than Tier-1.
   c. Have been in operation for a least five (5) years.

iv. Collateralized Certificates of Deposit - The MDTA may purchase Certificates of Deposit issued by, and time deposits in, any bank or savings and loan association organized under the laws of the State, any other state of the United States or of the United States, including the Trustee; provided that such bank or savings and loan association has combined capital, surplus and undivided profits of a least $100 million; and provided further that such Certificates of Deposit or time deposits are:

1. Insured by the Federal Deposit Insurance Corporation.
2. To the extendt not so insured, collateralized by U.S. Treasury Obligations or Federal Agency Obligations, having a market value of a least one hundred two percent (102%) of the amount of contract.
   a. Securities must be held by the Trustee or an independent third party acting solely as custodian on behalf of the

MDTA, free and clear of any lien.

b. Maturity for certificates of deposit shall be limited to a maximum maturity of one year.

v. Commercial Paper - Unsecured short-term debt of U.S. corporations may be purchased if the following conditions are met:
1. Maximum maturity of two hundred seventy (270) days.
2. Maximum allocation to commercial paper is twenty percent (20%) of the total funds available for investment (based on book value on the data of acquisition).
3. Maximum allocation to a single issuer is five percent (5%) of the total funds available for investment (based on book value on the date of acquisition).
4. The issuing corporation, or its guarantor, has a net worth of at least $50 million.
5. At time of purchase, the issuing corporation, or its guarantor, has short-term debt ratings of not less than Tier-1 from any two (2) NRSROs and long-term debt ratings of not less than single-A.

vi. Municipal Securities - The MDTA may purchase obligations of state or local government municipal bond issuers meeting one (1) of the following two (2) conditions:
1. Full faith and credit obligations of state or local government municipal bond issuers that are rated at the time of purchase in at least the second highest rating category by at least one (1) NRSRO.
2. Legally defeased municipal obligations that are secured by an escrow containing either U.S. Government Agency Securities or U.S. Government Securities

vii. Money Market Mutual Funds - The MDTA may purchase shares in open ended investment funds provided such funds are:
1. Registered under the Investment Company Act of 1940.
2. Operated in accordance with SEC Rule 2A-7.

Rated in the highest category by at least one (1) NRSRO.

viii. Maryland Local Government Investment Pool - The MDTA may invest in the Pool with prior permission of the State Treasurer's Office as outlined in Article 95, Section 22G of the Annotated Code of Maryland.

ix. Supranationals – Rated in the highest category by at least one (1) NRSRO and denominated in U.S. dollars, include but not limited to:
1. World Bank – International Bank for Reconstruction and

Development (IBRD)
2. International Finance Corporation (IFC)
3. Inter-American Development Bank (IADB)
4. African Development Bank (AFDB)
5. Asian Development Bank (ASIA)

x. The CFO may at any time determine in writing that the MDTA temporarily, for a period determined by the CFO, shall not purchase any security or class of securities authorized in this Policy Statement.

VI. Maturity Restrictions

a. **Policy Statement 6.** MDTA's investment objectives include preservation of principal, liquidity, and longer-term total return performance considerations. The market value of securities in the MDTA's portfolio may fluctuate due to changes in market conditions. MDTA shall manage investments to ensure adequate funds are available when needed.

i. In addition to the limitations and requirements of applicable provisions of the Annotated Code of Maryland and applicable guidelines established by the State Treasurer and GASB:
    1. Funds shall be invested at all times in keeping with the daily and seasonal pattern of the MDTA's cash balances, as well as any other special factors or needs, in order to assure the availability of liquid funds on a timely basis.

ii. Cash flow projections will be monitored and updated on an ongoing basis by MDTA personnel and reported regularly to the investment managers(s).

iii. On a periodic basis, a determination will be made, based on cash flow projections and total return performance considerations, regarding the appropriate maturity structures of the portfolios. The final maturity of investments held in each portfolio at the time of settlement may not exceed:
    1. Operating Accounts - 1 Year.
    2. Bond Service Accounts - 1 Year.
    3. Capitalized Interest Accounts - Maturities must precede or coincide with coupon payments dates.
    4. Capital Accounts – 5 Years, or longer if the maturity precedes or coincides with the expected need for funds and only with prior approval of the CFO.
    5. General – 15 Years, or longer with prior approval of the CFO.
    6. Maintenance & Operating Reserve - 15 Years.
    7. Debt Services Reserves - 15 Years.

VII. Prohibited Securities, Transactions and Activities

a. **Policy Statement 7.** The following securities, transactions and activities are prohibited:

i. Reverse repurchase agreements.

ii. Short sales (selling a specific security before it has been legally purchased).

iii. Borrowing funds for the sole purpose of reinvesting the proceeds of such borrowing.

iv. Investing in complex derivatives such as range notes, dual index notes, inverse floating rate notes and deleveraged notes, or notes linked to lagging indices or to long-term indices.

v. Investing in Mortgage-Backed Securities, Collateralized Mortgage Obligations, Structured Notes, Asset-Backed Obligations, Inverse Floater, and Real Estate Mortgage Conduits (REMICS).

  1. As an exception to prohibited asset- and mortgage-backed securities noted in Statement 7.vi, pooled loan securities issued through the Small Business Administration (SBA Pool Securities) and backed by the full faith and credit of the United States are permitted investments.

vi. Investing in any security not specifically permitted by this Investment Policy.

VIII. Diversification

a. **Policy Statement 8.** The MDTA will diversify its holdings by security type and institution to avoid incurring unreasonable risks due to excessive concentration in specific instruments, financial institutions or issuers. Diversification standards ~~are~~ must be met ~~applicable~~ at time of purchase ~~as follows~~. Declines in portfolio size may cause diversification limits to be exceeded post purchase, so investments should be structured within limits for an expected average portfolio size. Investment sales to maintain longer term diversification may be considered with consultation of the Investment Committee, but short term and small variances resulting from a portfolio decline do not represent policy violations or necessitate sales. ~~:~~

i. Diversification by instrument as maximum percent of the portfolio:

  1. U.S. Treasury Obligations - 100%
  2. U.S. Federal Agency Obligations -100%
  3. Repurchase Agreements - 50%
  4. Municipal Securities - 20%
  5. Money Market Mutual Funds -100%
  6. Maryland Local Government Investment Pool – 50%
  7. Collateralized Certificates of Deposit – 20%
  8. Commercial Paper - 20%
  9. SBA Pool Securities (Pool/Issue) – 5%
  10. Supranationals – 30%

ii. Diversification by individual Institution/Issuer/Poll as maximum percent of the portfolio:

  1. Repurchase Agreements – 40%
  2. Federal Agencies (Issuer) – 50%
  3. Commercial Banks (CD) – 5%
  4. Money Market Mutual Funds – 50%
  5. Commercial Paper (Issuer) – 5%
  6. Municipal Bond (Issuer) – 5%
  7. SBA Pool Securities (Pool/Issue) – 0.5%
  8. Supranational – (Issuer) – 10%

IX. Safekeeping, Custody and Additional Requirements

a. **Policy Statement 9.** All security transactions, including collateral for repurchase agreements, entered into by the MDTA shall be conducted on a deliver-versuspayment (DVP) basis.

i. Securities will be held by the MDTA or its designated custodian.

1. If held by a custodian, the securities must be in the MDTA's name or in the custodian's nominee name and identifiable on the custodian's books as belonging to the MDTA.
    a. If held by a custodian, the custodian must be a third party, not a counterparty (buyer or seller).
        i. The third-party requirement does not apply to excess checking account funds invested overnight in a bank "sweep" repurchase agreement or similar vehicle.

b. **Policy Statement 10.** Collateralization is required for Certificates of Deposit and repurchase agreements.
    1. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be at least one hundred and two percent (102%) of market value of principal and accrued interest.
    2. Collateral will always be held by an independent third party with whom the Authority has a current custodial agreement.
    3. Acceptable collateral is specified under Section 6-202 of the State Finance and Procurement Article of the Annotated Code of Maryland.
    4. The third party trust custodian has the right to reject otherwise acceptable collateral based on their discretion concerning market conditions.

X. Internal Controls

a. **Policy Statement 11.** The MDTA shall establish a system of internal controls to reasonably prevent loss of public funds as a result of fraud, employee error and/or imprudent action, or misrepresentation by third parties. This system will include:
    i. An audit of the investment operation shall be part of the annual financial audit conducted by the MDTA or an outside independent audit company.
    ii. Separation of transaction authority from accounting and record keeping.
    iii. Avoidance of physical delivery of securities when possible.
    iv. Clear delegation of responsibility to subordinate staff members.
    v. Written records of all telephone transactions for investments and wire transfers.
    vi. Development of a wire transfer agreement with lead bank or third-party custodian, as appropriate.

XI. Authorized Financial Dealers and Institutions

a. **Policy Statement 12.** The MDTA shall transact securities purchases and sales only with Qualified Institutions or directly with issuers.
    i. The MDTA shall maintain a list of financial institutions and broker/dealers that are approved for investments purposes ("Qualified Institutions").
    ii. Direct purchases of securities from issuers are not subject to the Qualified Institutions restrictions.
    iii. Only firms meeting the following requirements will be eligible to serve as Qualified Institutions:
        1. Primary dealers and regional dealers that qualify under Securities

and Exchanges Commission Rule 15C3-1 (uniform net capital rule).
2. Net capital of no less than $25 million.
3. Registered as a dealer under the Securities Exchange Act of 1934.
4. Member of the Financial Industry Regulatory Authority (FINRA).
5. Registered to sell securities in Maryland.
6. Engaged in the business of effecting transactions in U.S. government and agency obligations for at least five (5) consecutive years.

b. **Policy Statement 13.** Qualified Institutions shall be provided with the MDTA's Investment Policy. The MDTA shall maintain on file current audited financial statements for each Qualified Institution with which the MDTA transacts business.

XII. Competitive Selection of Investment Instruments

a. **Policy Statement 14.** Whenever practical, securities shall be purchased and sold through a formal competitive process requiring the solicitation and evaluation of a least three (3) bids/offers from Qualified Institutions.
   i. Supporting records of the competitive process must be retained including the name of the financial institutions solicited, rate quoted, description of the security, investment selected, and any special considerations that had an impact on the decision.
   ii. If the best price for a ~~highest yielding~~ security was not selected ~~for purchase~~ or if three bids/offers from Qualified Institutions are not obtained, an explanation describing the rationale will be included in th~~is~~e records.

XIII. Investment of Bond Proceeds

a. Policy Statement 15. The MDTA shall comply with all applicable sections of the Internal Revenue Code of 1986, Arbitrage Rebate Regulations (as amended) and bond trust covenants with regard to the investment of bond proceeds. The MDTA will consult with bond counsel to ensure that non-compliance is remediated in accordance with income tax regulations. Accounting records shall be maintained in a form and for a period of time sufficient to document compliance with these regulations and covenants.

XIV. Reporting

a. Policy Statement 16. MDTA staff shall provide the CFO with a monthly statement of transactions and holdings priced at market. At least quarterly, a report must be prepared detailing compliance with policy constraints. The report may include, but is not limited to the following:
   i. Portfolio performance versus benchmarks, analyzed on a total return basis for those funds invested pursuant to a strategy that may result in the sale of securities that are not intended to be held until maturity.
   ii. Percentage of total portfolio by investment class and comparison to diversification limits in Policy Statement 8.
   iii. Holding by institution/issuer/pool and comparison to diversification limits in Policy Statement 8.
   iv. An investment plan for the next quarter-describing the target maturity

structure, duration, and asset allocation.

XV. Definitions

a. For the purposes of this Policy, the following words have the following meanings:
   i. NRSRO - Nationally Recognized Statistical Rating Organization or rating agency (e.g., Moody's, S&P, Fitch).

XVI. Authorized/Supporting Documents

a. None

XVII. Policy History

a. Approved 8.16.05
b. Approved 8.10.06
c. Approved 9.20.07
d. Approved 12.13.07
e. Approved 3.26.08
f. Approved 6.12.08
g. Approved 9.23.09
h. Approved 11.24.10
i. Approved 9.22.11
j. Approved 3.23.12
k. Approved 7.26.12
l. Approved 8.22.13
m. Approved 11.21.13
n. Approved 11.20.14
o. Approved 1.26.16
p. Approved 8.25.16
q. Approved 12.22.16
r. Approved 12.21.17
s. Approved 12.20.18
t. Approved 12.19.19
u. Approved 2.27.20
v. Approved 12.17.20
w. Approved 8.26.21
x. Approved 8.25.22
y. Correction 5.8.2023
z. Approved 8.31.23
aa. Approved 8.29.24
bb. Approved 8.28.25
~~bb.~~ cc. Proposed 8 13 26

TAB 7

VERBAL

TAB 8

CLOSED SESSION