

MARYLAND TRANSPORTATION AUTHORITY
BOARD MEETING
THURSDAY, MARCH 26, 2020
OPEN MEETING VIA CONFERENCE CALL

OPEN SESSION

Sean Powell, Acting Chairman

MEMBERS ATTENDING:

Dontae Carroll
William H. Cox, Jr.
William Ensor III
W. Lee Gaines
Mario J. Gangemi
Cynthia D. Penny-Ardinger, Esq.
Jeffrey S. Rosen
John F. von Paris

STAFF ATTENDING:

Nafiz Alqasem
Col. Kevin Anderson
Susan Blockinger
Melissa Bogdan
Donna DiCerbo
Allen Garman
Chantelle Green
Jim Harkness
Natalie Henson
April King
Lt. Col. Lucy Lyles
Kelly Melham
Kimberly Millender, Esq.
Mary O'Keeffe
John O'Neill
Will Pines
James F. Ports, Jr.
Bradley Ryon
Deb Sharpless
Colin Sweetin
Christina Thompson
Melissa Williams

OTHER ATTENDEES:

Jack Broderick, BBRAG
Al Carr, Delegate
Ron Davis, Traffic & Revenue Consultant

At 9:00 a.m. Acting Chair Sean Powell called the meeting of the Maryland Transportation Authority (MDTA) Board to order. With this open meeting being done via conference call, Acting Chairman Sean Powell did a roll call of participants to ensure the minutes accurately reflected those persons on the call and to ensure a quorum of the Board was present.

APPROVAL – OPEN SESSION MEETING MINUTES OF FEBRUARY 27, 2020

Upon motion by Member Mario Gangemi and seconded by Member William H. Cox, Jr., the open session meeting minutes of the MDTA Board meeting held on February 27, 2020 were unanimously approved.

APPROVAL – CONTRACT AWARD

- **MA-3015-0000 – Small Drainage Rehabilitation**

Ms. Donna DiCerbo requested contingent approval to execute Contract No. MA-3015-0000 – Small Drainage Rehabilitation with Brawner Builders, Inc. in the bid amount of \$5,657,067.00.

This project is to perform system-wide rehabilitation of small (<42" diameter) existing corrugated metal pipe (CMP) systems carrying storm water beneath mainline roadways and ramps of multiple MDTA facilities. These pipes are nearing their life cycles and segments of the metal pipe have significantly deteriorated, requiring rehabilitation to avoid pipe collapse and resulting roadway damage. Rehabilitation will involve construction of manholes on the pipe systems to gain sufficient access for the installation of cured-in-place (CIP) pipe linings, which will restore full system functionality.

Upon motion by Member William H. Cox, Jr. and seconded by Member Mario Gangemi, the Members unanimously gave contingent approval to execute Contract No. MA-3015-0000 – Small Drainage Rehabilitation.

APPROVAL – CIVIL PENALTY REDUCTION

Ms. Deb Sharpless requested MDTA Board approval to reduce the civil penalty for unpaid toll citations from \$50.00 to \$25.00 with an effective date of Third Generation Electronic Toll Collection (3G-ETC) conversion which is expected to be July 1, 2020.

Ms. Sharpless explained how Video Toll transactions continue to remain a small percentage of MDTA's transactions and that a large majority of Video Toll transactions are paid by customers without incurring a civil penalty. A penalty is assessed, through the issuance of a citation, to customers who fail to pay a Video Toll within 45 days.

Today there are more than 9.5 million unpaid Video Toll transactions, resulting in unpaid tolls and civil penalties totaling \$63.7 million and \$335.1 million, respectively. The MDTA continually works with customers to resolve unpaid tolls and civil penalties. Since FY 2014, the MDTA has waived civil penalties totaling more than \$179 million.

In November 2018, the Board reduced the civil penalty to \$25.00 for customers with five or fewer unpaid Video Toll citations. This change was to go into effect post-conversion of the new 3G-ETC system and is currently slated to become effective December 2020. After a thorough review and analysis of the civil penalty process from a legal, financial, and customer perspective, it is recommended that the civil penalty be reduced to a single-tier \$25.00 for all transactions and the MDTA Board amend its prior approval of a two-tier civil penalty structure.

Upon motion by Member Dontae Carroll and seconded by Member Jeffrey Rosen, the civil penalty reduction was unanimously approved.

APPROVAL – CODE OF MARYLAND REGULATIONS (COMAR)

Mr. Brad Ryon requested approval from the MDTA Board to proceed with emergency action on amendments to Code of Maryland Regulations (COMAR) 11.07.07.

Mr. Ryon explained that an emergency action to COMAR 11.07 (Department of Transportation, Maryland Transportation Authority), section .07 (Electronic Toll Collection and Toll Violation Enforcement) is needed to allow for a July 1, 2020 implementation. The proposed emergency action COMAR will provide for a July 1, 2020 implementation of the following: 1) a reduced civil penalty of \$25.00 assessed to customers who are required to and fail to pay a Video Toll, 2) a toll rate discount when a Video Toll is paid within a predefined period of time, and 3) a new toll payment option called Pay-by-Plate.

Upon motion by Member Mario Gangemi and seconded by Member William C. Ensor III, the Emergency Action to COMAR 11.07.07 was unanimously approved.

APPROVAL – FISCAL YEAR 2020 AMENDED OPERATING BUDGET

Ms. Christina Thompson requested approval of the MDTA Board to amend the Fiscal Year 2020 Operating Budget. The Trust Agreement states that the MDTA may at any time adopt an amended annual operating budget for the remainder of the then-current fiscal year. Ms. Thompson explained that the Fiscal Year (FY) 2020 Amended Operating Budget totals \$337,217,534. This represents a decrease of \$199,475 or 0.1%, compared to MDTA's FY 2020 approved budget of \$337,417,009.

Upon motion by Member John F. von Paris and seconded by Member Dontae Carroll, the Fiscal Year 2020 Amended Operating Budget was unanimously approved.

APPROVAL – BOARD RESOLUTION 20-02

Mr. Allen Garman requested MDTA Board approval of Board Resolution 20-02.

Board Resolution 20-02 authorizes the issuance of toll revenue bonds or alternative financing options (bank loan) to refund the Series 2008A (TIFIA) bonds and provides additional proceeds to fund capital projects in Fiscal Year 2021.

Upon motion by Member W. Lee Gaines, Jr. and seconded by Member William C. Ensor III, Board Resolution 20-02 was unanimously approved.

APPROVAL – INVESTMENTS

Mr. Allen Garman requested MDTA Board approval of a near-term implementation delay of the MDTA Investment Policy changes that were approved at the February 27, 2020 Board meeting.

Given the significant bond market volatility associated with the pandemic and implications for the economy, the Investment Committee recommends a near-term implementation delay. The Investment Committee will update the Finance Committee monthly on bond market conditions and the potential timing of the revised investment strategy implementation.

Upon motion by Member William H. Cox, Jr. and seconded by Member John F. von Paris, the near-term implementation delay of the MDTA Investment Policy changes was unanimously approved.

APPROVAL – TOLL MODERNIZATION PLAN PAY-BY-PLATE

Ms. Deb Sharpless requested MDTA Board approval to move the effective date of the Pay-By-Plate payment option and Video Toll Early Payment Discount to July 1, 2020 to align with the new anticipated go-live date for the replacement tolling system, Third Generation Electronic Toll Collection (3G-ETC).

Upon motion by Member Jeffrey Rosen and seconded by Member W. Lee Gaines, Jr., the effective date of the Pay-by-Plate and Video Toll Early Payment Discount to July 1, 2020 was unanimously approved.

UPDATE – FISCAL YEAR 2021 DEPARTMENT OF LEGISLATIVE SERVICES BUDGET ANALYSIS

Ms. Chantelle Green provided an overview of the budget issues and recommendations presented by the Department of Legislative Services during the MDTA's Fiscal Year 2021 legislative budget hearing. The overview also included a brief recap of the MDTA's responses to the issues raised in the budget analysis document.

UPDATE – MAJOR PROJECTS

Mr. Will Pines update the MDTA Board on the status of Major Projects in the Capital Program. Mr. Pines explained that as of March 19, 2020, there are 22 major projects in the Capital Program, 13 of the projects under construction, 4 in procurement, and 5 under design. He further explained that this summary only includes projects with funding for construction in the Consolidated Transportation Program, and includes 4 projects valued in excess of \$100 million. In addition, there are 3 projects from the \$1.1 billion I-95 ETL Northbound Expansion program.

UPDATE – AUDIT COMMITTEE

Member William H. Cox, Jr. presented an update on the Audit Committee meeting that took place on March 12, 2020. The Members were informed that the Office of Audits is on track to complete the fourteen audits in the Fiscal Year (FY) 2020 Audit Plan. Of these audits, five are complete and five are in process. Member Cox also informed the Members that the proposed Fiscal Year 2021 Audit Plan was presented and endorsed. There were also two internal audit reports presented for the Contract Management Controls Audit and License Plate Reader Audit. The Committee was satisfied with the results of these audits.


UPDATE – EXECUTIVE DIRECTOR

Mr. James F. Ports, Jr. gave an update on MDTA's operations during the COVID-19 pandemic; the Westbound Bay Bridge Rehabilitation Project; I-895 Bridge Project Traffic Pattern Switch; and, the MDTA Police Promotional Ceremony that took place on March 11, 2020. Mr. Ports also informed the MDTA Board that the Department of Legislative Services, Office of Audits is currently onsite for 6-to-8 months gathering preliminary audit information. Finally, he thanked all MDTA's employees who continue to serve the public under these extraordinarily challenging times even while many are working from home. Mr. Ports assured the MDTA Board that MDTA's workforce remains committed to maximizing safety and reliability, delivering excellent customer service, and advancing the future of transportation.

There being no further business, the meeting of the MDTA Board was adjourned by consensus at 10:31 a.m.

The next MDTA Board Meeting will be held on April 30, 2020 at 9:00 a.m. at the Maryland Transportation Authority, 2310 Broening Highway, Baltimore MD 21224.

APPROVED AND CONCURRED IN:



Gregory Slater, Chairman