

**J00J00**  
**Maryland Transportation Authority**  
**Maryland Department of Transportation**

***Executive Summary***

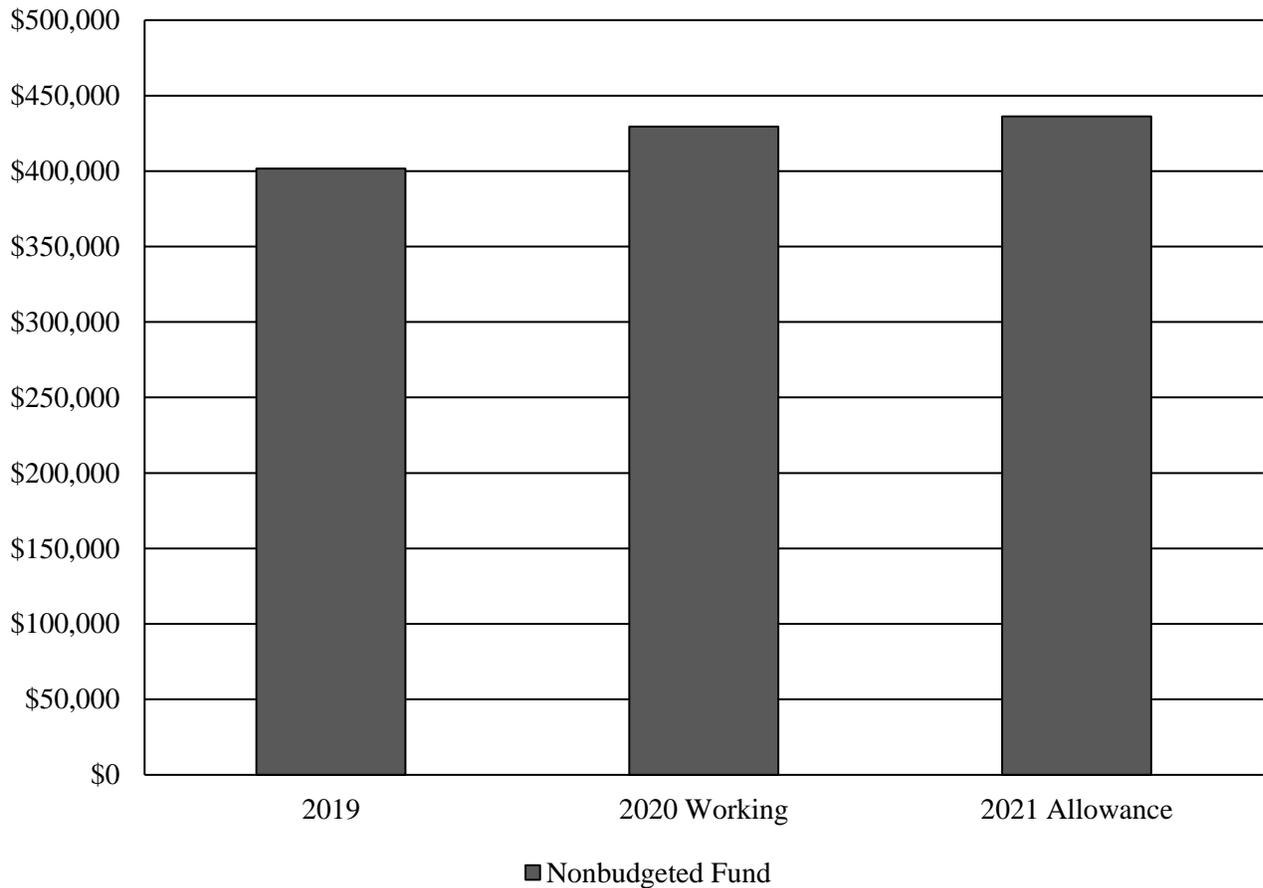
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The Maryland Transportation Authority has exclusive authority relating to the supervision, financing, construction, operation, maintenance, and repair of Maryland’s toll facilities as well as for financing new revenue producing transportation projects authorized under law.

***Operating Budget Summary***

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**Budget Increases \$6.8 Million or 1.6% to \$436.3 Million in Fiscal 2021**  
**(\$ in Thousands)**



Note: Numbers may not sum due to rounding.

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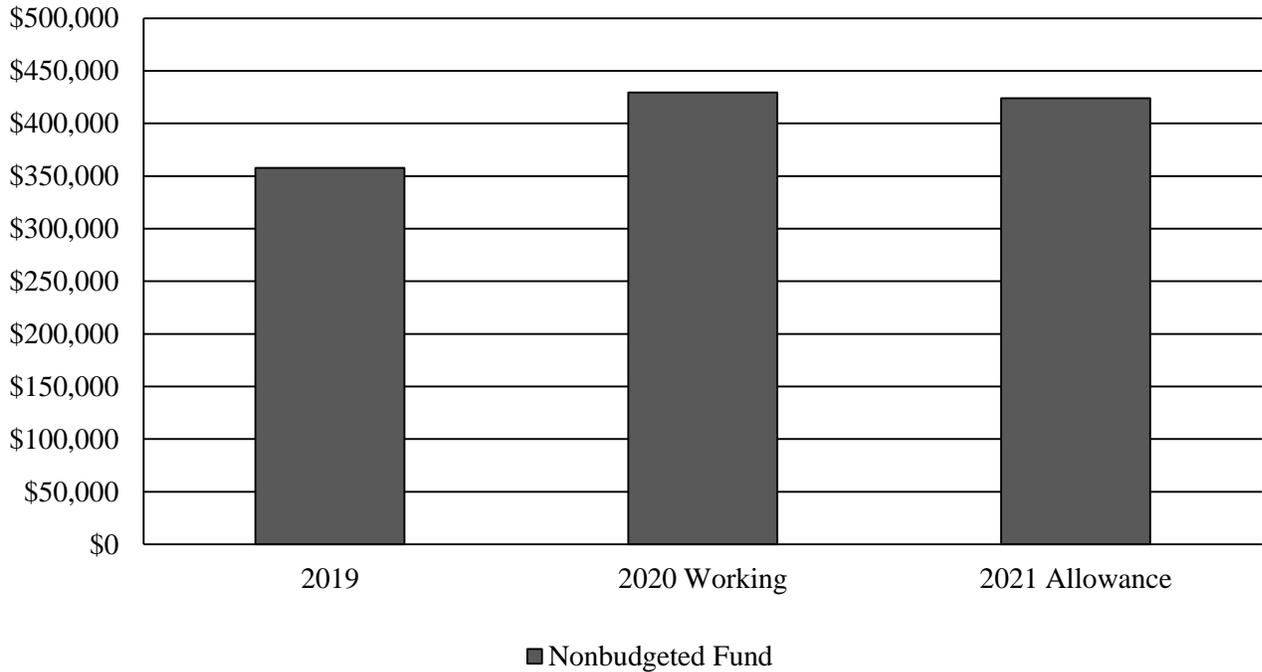
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## ***PAYGO Capital Budget Summary***

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### **PAYGO Capital Budget Decreases \$5.4 Million or 1.2% to \$424.1 Million in Fiscal 2021 (\$ in Thousands)**



PAYGO: pay-as-you-go

Note: Numbers may not sum due to rounding.

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### **Operating Budget Recommended Actions**

1. Concur with Governor’s allowance.

### **PAYGO Budget Recommended Actions**

1. Adopt narrative requesting report on future I-95 Northbound Express Toll Lane Expansion.
2. Adopt narrative requesting a report on I-495 and I-270 public-private partnership Maryland Transportation Authority bonds.

**J00J00**  
**Maryland Transportation Authority**  
**Maryland Department of Transportation**

## ***Operating Budget Analysis***

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### **Program Description**

The Maryland Transportation Authority (MDTA) has exclusive authority relating to the supervision, financing, construction, operation, maintenance, and repair of Maryland's toll facilities as well as for financing new revenue producing transportation projects authorized under law. MDTA divides its facilities into three regions and has jurisdiction over the following facilities:

- ***Northern Region:*** includes the Thomas J. Hatem Memorial Bridge (US 40), the John F. Kennedy Memorial Highway (I-95), and the Express Toll Lanes (ETL) on I-95;
- ***Central Region:*** includes the Baltimore Harbor (I-895) and Fort McHenry (I-95) tunnels and thruways, the Francis Scott Key Bridge (I-695), and I-395 leading to Baltimore City; and
- ***Southern Region:*** includes the Governor Harry W. Nice/Senator Thomas "Mac" Middleton Bridge (Nice/Middleton Bridge) (US 301), the William Preston Lane, Jr. Memorial Bridge (Bay Bridge) (US 50/301), and the Intercounty Connector (ICC) (MD 200).

Membership of the MDTA board is comprised of eight members appointed by the Governor with the advice and consent of the Senate. The Secretary of Transportation serves as the chairman of MDTA. MDTA's revenues are held separately from the Transportation Trust Fund (TTF), and the agency operates off budget.

MDTA's police force is responsible for security and law enforcement services at all of MDTA's toll facilities except the northern region of I-95, which is patrolled by the Department of State Police. MDTA is also under contract with the Maryland Aviation Administration (MAA) to provide law enforcement services at the Baltimore-Washington International Thurgood Marshall Airport (BWI Marshall Airport) and with the Maryland Port Administration (MPA) to provide law enforcement services at MPA-owned facilities at the Port of Baltimore.

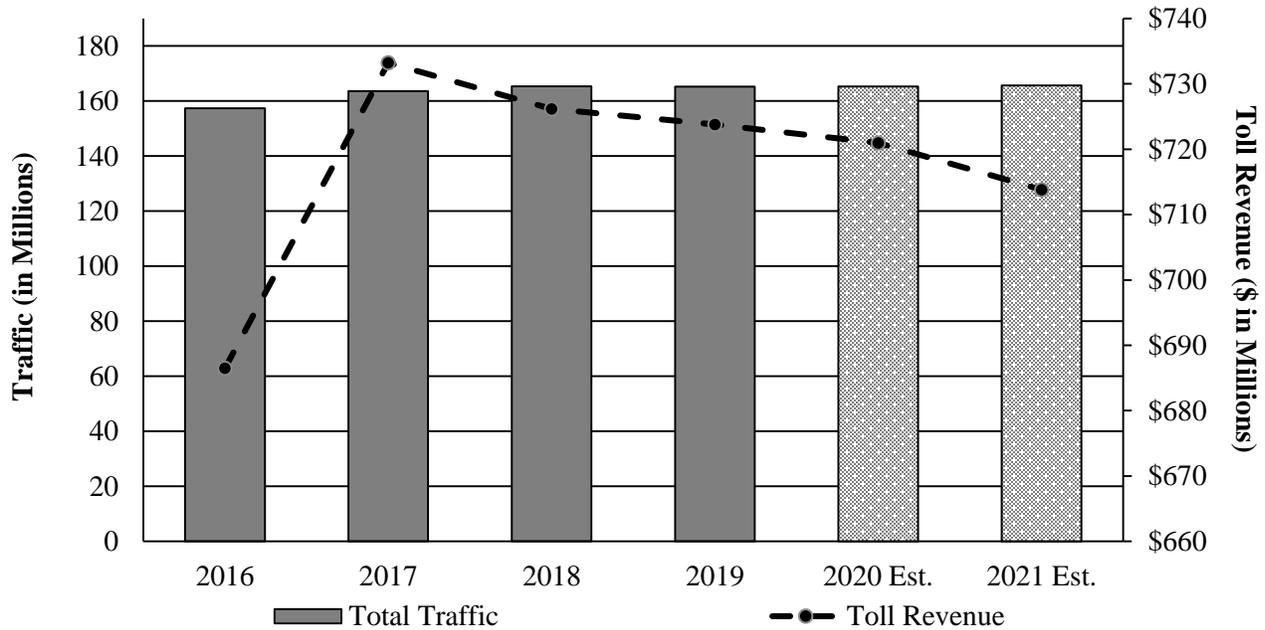
MDTA's mission is to be a customer driven leader that delivers safe, sustainable, intelligent and exceptional transportation solutions in order to connect customers to life's opportunities.

## Performance Analysis: Managing for Results

### 1. Toll Traffic and Revenue Decrease

The first goal of MDTA is to efficiently move people and goods across the State. **Exhibit 1** shows the annual tolled traffic and toll revenue at MDTA facilities between fiscal 2016 and the fiscal 2021 estimate. Toll revenue in fiscal 2019 totaled \$723.8 million compared to \$726.2 million in fiscal 2018. For fiscal 2020 and 2021, MDTA anticipates slightly increased toll traffic yet falling toll revenue. The projected increase in toll traffic is due to assumed growth in transactions on the Intercounty Connector and the I-95 ETLs. The increased revenue from this traffic is offset by lower toll volume at legacy facilities, toll classification rate adjustments, and increased E-ZPass usage.

**Exhibit 1**  
**Annual Tolled Traffic and Toll Revenue**  
 Fiscal 2016-2021 Est.  
 (\$ in Millions)

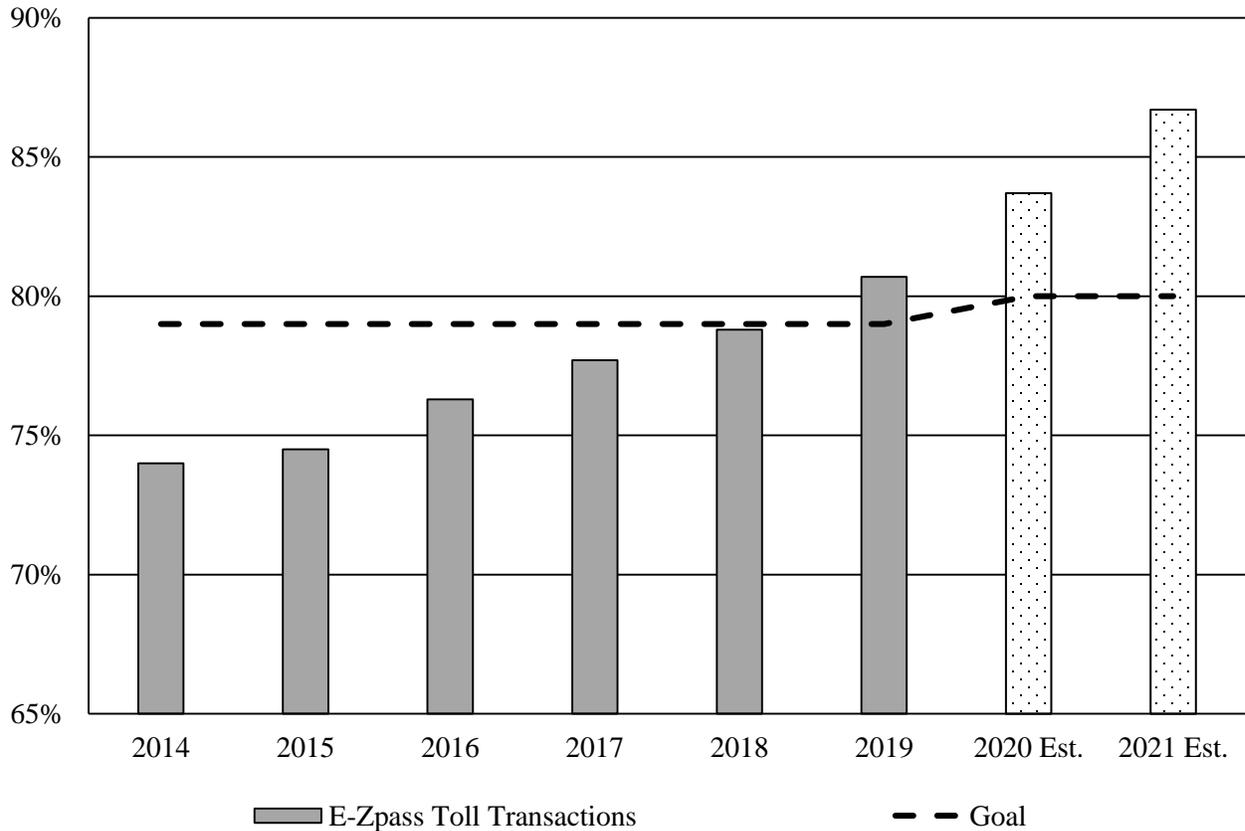


Source: Maryland Transportation Authority

## 2. E-ZPass Use Continues to Rise

E-ZPass toll transactions reduce costs and expedite the toll collection process; reduce delays at toll plazas; reduce vehicle idling time, thereby reducing emissions; and allow for the efficient movement of goods and people. E-ZPass toll collection is available at all Maryland toll facilities as well as in central Florida, parts of the Midwest, and most of the northeastern United States. **Exhibit 2** shows the percent of tolls collected with E-ZPass at all MDTA facilities by fiscal year. In fiscal 2019, MDTA collected 80.7% of tolls with E-ZPass, which exceeded the goal of 79%. This goal increases to 80% of tolls collected using E-ZPass by fiscal 2020. The agency anticipates continuing to exceed that goal.

**Exhibit 2**  
**Percent of Tolls Collected Using E-ZPass**  
**Fiscal 2014-2021 Est.**



Source: Department of Budget and Management

## Proposed Budget Change

As shown in **Exhibit 3**, the fiscal 2021 allowance increases by approximately \$6.8 million, or 1.6%. Personnel expenses increased by \$6.6 million, while debt service payments increased by \$6.2 million, and E-ZPass costs decreased by \$5.8 million primarily due to Third Generation Electronic Tolling Collection System operational savings.

**Exhibit 3**  
**Proposed Budget**  
**Maryland Transportation Authority**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b>Nonbudgeted Fund</b>	<b>Total</b>
Fiscal 2019 Actual	\$401,644	\$401,644
Fiscal 2020 Working Appropriation	429,444	429,444
Fiscal 2021 Allowance	<u>436,273</u>	<u>436,273</u>
Fiscal 2020-2021 Amount Change	\$6,829	\$6,829
Fiscal 2020-2021 Percent Change	1.6%	1.6%

<b>Where It Goes:</b>	<b>Change</b>
<b>Personnel Expenses</b>	
COLA, step increase for MTDA police, and reclassifications.....	\$3,200
Law enforcement pension.....	1,700
Workers' compensation premium assessment.....	800
Employee retirement.....	700
Social Security.....	200
<b>Other Changes</b>	
Debt service on \$1.5 billion in outstanding debt, plus modeled TIFIA and roll revenue debt issuances of \$140 million.....	6,200
Engineering costs, primarily for annual inspections of MDTA facilities.....	2,600
Advertising costs associated with toll modernization and cashless tolling.....	500
Rental space no longer needed.....	-300
Light and heavy motor vehicle purchases based on need.....	-800
Reduced equipment, supplies, and fuel and utilities based off prior year actual spending.....	-2,200
E-Zpass costs, primarily due to Third Generation Electronic Tolling Collection System operational savings.....	-5,800
<b>Total</b>	<b>\$6,800</b>

COLA: cost-of-living adjustment  
MDTA: Maryland Transportation Authority

TIFIA: Transportation Infrastructure Finance and Innovation Act

Note: Numbers may not sum due to rounding.

## **Financial Forecast**

Section 4-313 of the Transportation Article establishes the Transportation Authority Fund, a nonlapsing fund into which all MDTA revenues flow, except to the extent that they are pledged under a trust agreement. MDTA revenues come primarily from tolls as well as from concession income from travel plazas that it owns along I-95, investment income, and payments from the Maryland Department of Transportation (MDOT). MDOT payments comprise reimbursement for police services provided at BWI Marshall Airport and the Port of Baltimore.

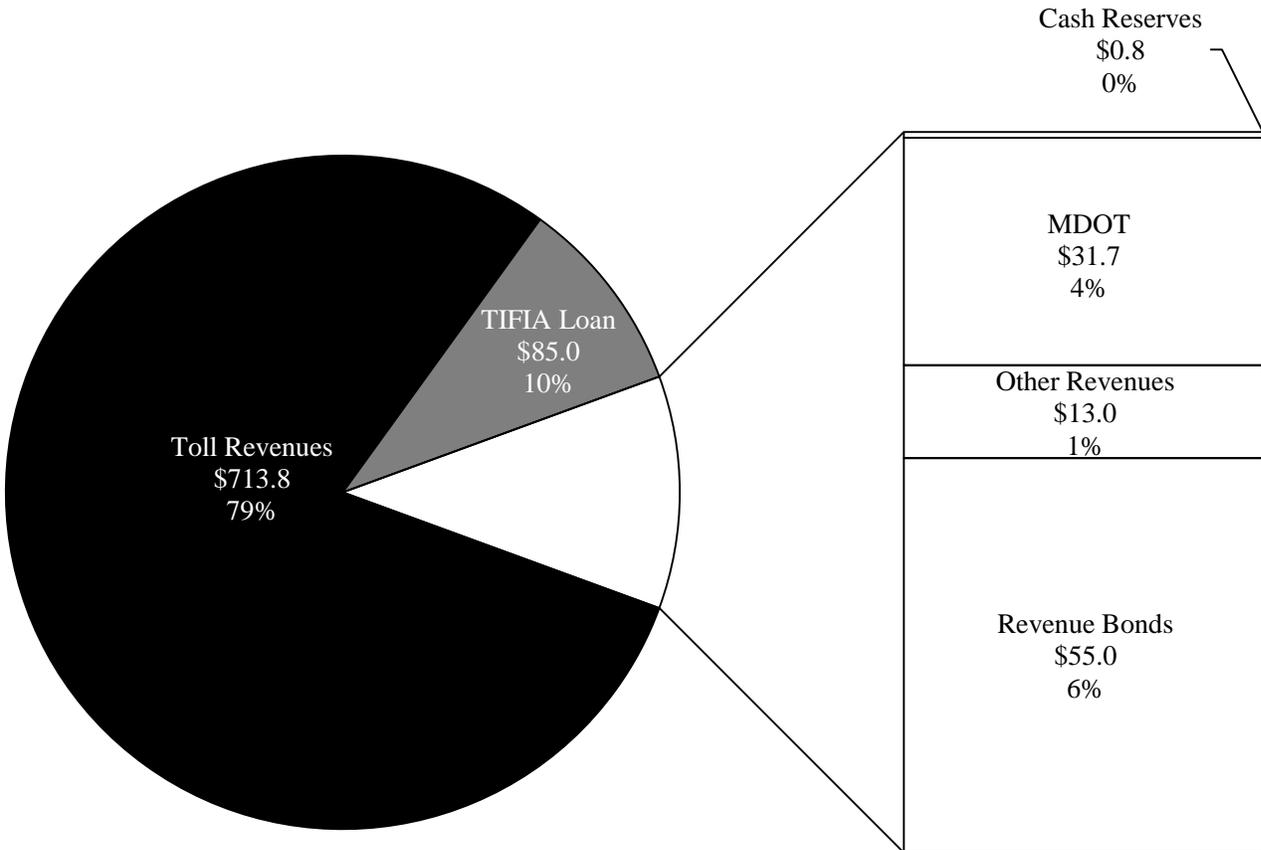
To support its capital program, MDTA may issue toll revenue bonds with a maturity of up to 40 years. Typically, MDTA issues its toll revenue bonds with a 30- to 33-year maturity. Chapters 471 and 472 of 2005 established a financing plan for ICC that included MDTA revenue bonds and a number of alternative funding sources specific to ICC. These funding sources included Grant Anticipation Revenue Vehicle (GARVEE) bonds, federal funds, a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan, transfers from the TTF, and funds from the General Fund or proceeds from general obligation bonds.

The terms of MDTA's trust agreement with its bondholders are the driving force in MDTA finances. Maintaining its bond coverage ratios is the primary concern, and all revenue adjustments and operating and capital expenditures are managed to maintain these ratios. To this end, MDTA develops and maintains a six-year financial forecast. Section 4-210 of the Transportation Article requires MDTA to provide the General Assembly with a copy of its financial forecast by September 1 of each year and in conjunction with submission of the Governor's budget in January. **Appendix 2** provides the detail of MDTA's fiscal 2019 through 2025 financial forecast.

## **Fiscal 2021 Sources and Uses of Funding**

**Exhibit 4** provides information on all of the funding supporting MDTA's fiscal 2021 operating and capital budgets. As is typical, the primary source of fiscal 2021 funding is toll revenues, totaling \$713.9 million. MDTA will issue \$55 million in revenue bonds and draw \$85 million from a TIFIA loan for the Nice/Middleton Bridge replacement. Additionally, MDTA will use \$0.8 million in cash reserves.

**Exhibit 4**  
**Fiscal 2021 Sources of Funding**  
**(\$ in Millions)**



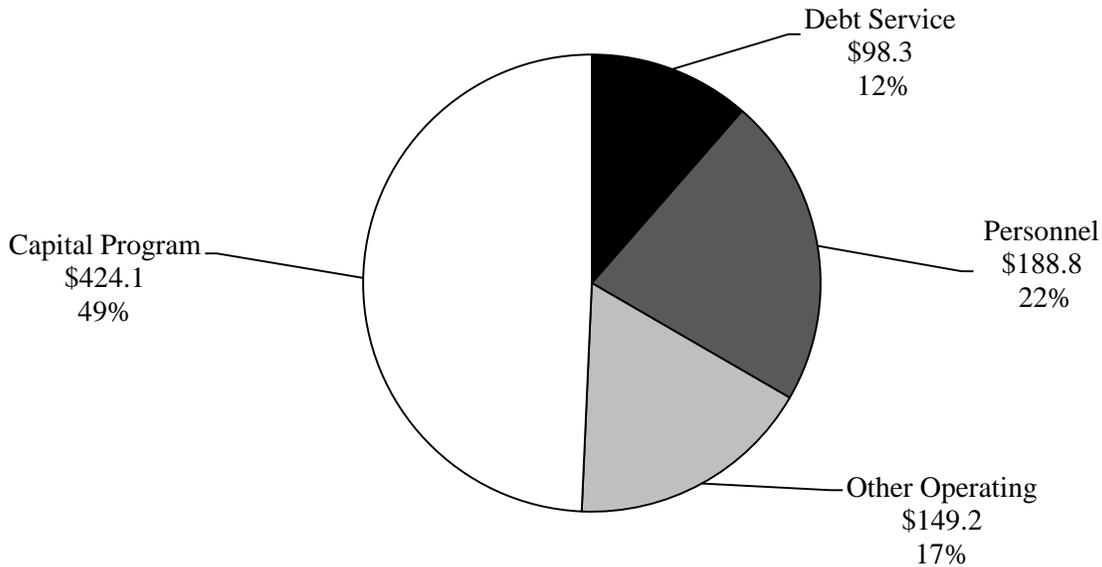
MDOT: Maryland Department of Transportation  
TIFIA: Transportation Infrastructure Finance and Innovation Act

Source: Maryland Transportation Authority

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**Exhibit 5** provides a breakdown of fiscal 2021 spending by category. The capital program accounts for 49% of all spending in fiscal 2021. The operating budget, excluding debt service, accounts for 39% of spending, while debt service makes up the remaining 12% of fiscal 2021 spending. Within the operating budget, personnel expenses account for 22% of the overall 39% of operating spending.

**Exhibit 5**  
**Fiscal 2021 Uses of Funding**  
**(\$ in Millions)**



Source: Maryland Transportation Authority; Governor’s Fiscal 2021 Budget Books

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## Revenues and Debt Affordability

### Toll Revenues

Toll revenues are the primary revenue source for MDTA. Total toll revenue is expected to decrease from \$720.9 million in fiscal 2020 to \$713.8 million in fiscal 2021. However, toll revenues are expected to grow to \$762.4 million in fiscal 2025, the final year of the forecast. This is due to projected toll revenue from the opening of the I-95 ETL Northbound Extension in fiscal 2024 along with toll revenue growth at ICC and Legacy facilities.

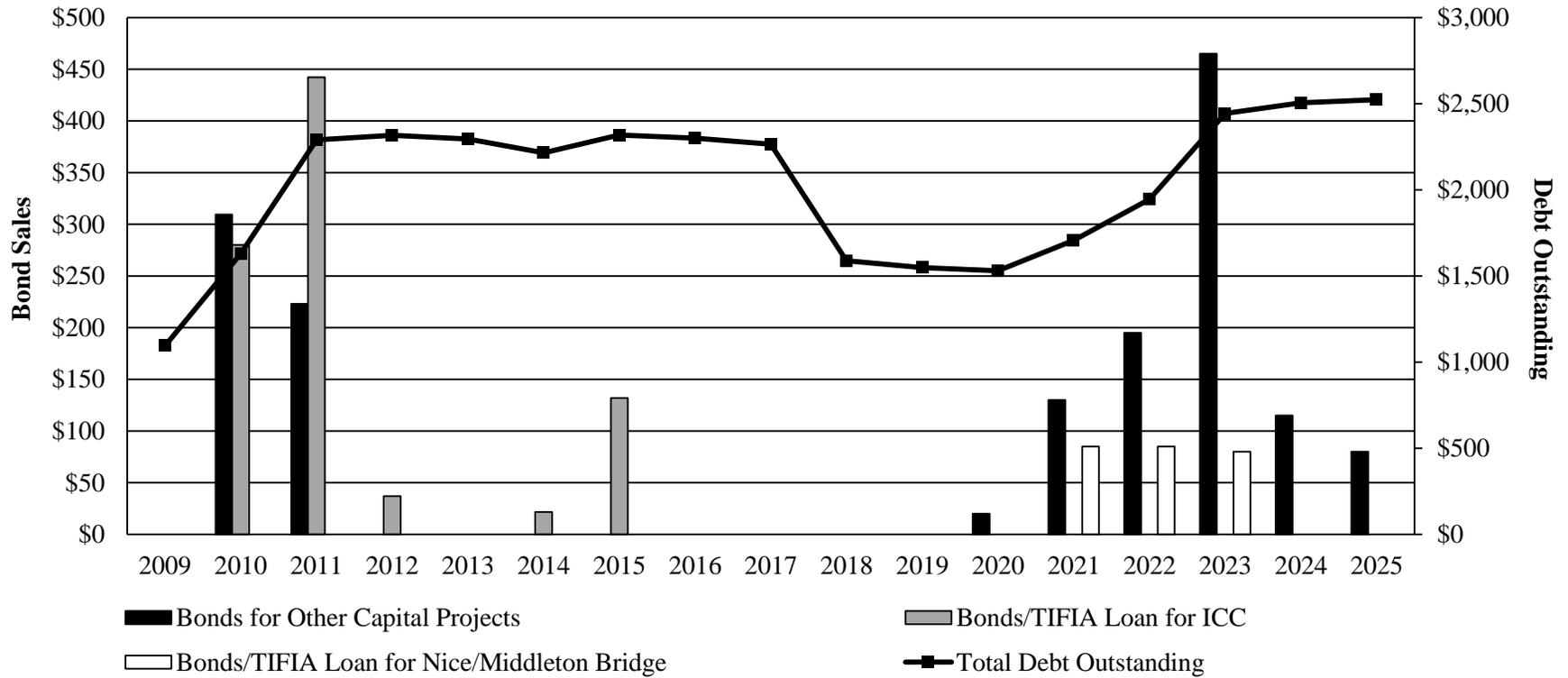
### Revenue Bonds

MDTA plans to take on debt in 2021. This new debt is tied to the construction of the replacement for the Nice/Middleton Bridge (\$85 million TIFIA loan) and facility improvements (\$55 million in transportation facilities project revenue bonds). The forecast models the financing in years when the unrestricted cash is drawn down to the minimum \$350 million and the net operating revenues are insufficient to fully fund the capital program. Optimally, cash reserves in the capital account will be spent first, and then MDTA will issue debt just before fully drawing down the capital account.

*J00J00 – MDOT – Maryland Transportation Authority*

**Exhibit 6** shows the total debt outstanding in each year from fiscal 2009 through 2025 and debt issued or TIFIA loan draws. While the total outstanding debt of \$1.6 billion in fiscal 2021 is well below the \$3 billion statutory limit, the outstanding amount is expected to increase to \$2.5 billion in fiscal 2025. This demonstrates that MDTA is undertaking a number of large projects that are taxing its financial resources and leading to increased issuances of debt. While it is still projected to be under the debt cap in fiscal 2025, the significantly decreased capacity for future debt issuances makes additional large projects more difficult to consider. To accommodate other large projects, MDTA would have to consider revenue enhancements through raising tolls to pay for additional facility construction and adequate levels of system preservation funding.

**Exhibit 6**  
**Bond Sales and Debt Outstanding**  
**Fiscal 2009-2025**  
**(\$ in Millions)**



ICC: Intercounty Connector  
TIFIA: Transportation Infrastructure Finance and Innovation Act

Source: Maryland Transportation Authority

## **Howard Street Tunnel Funding**

In the Howard Street Tunnel project funding plan released by MDOT, MDTA is providing \$10 million in fiscal 2021 as a loan. This money will be regained by MDTA due to its ownership of the Canton Railroad. Canton Railroad is a for-profit company that provides railroad switching service around the Port of Baltimore. MDOT indicated that increased container traffic at the Port of Baltimore due to the Howard Street Tunnel project should lead to increased business and revenues for Canton Railroad. However, this funding mechanism is another use of MDTA funds, similar to the State Highway Administration and MAA loans, for non-MDTA projects. Furthermore, it comes at a time when MDTA is embarking on two large projects that are rapidly expending its debt capacity. This raises concerns that MDTA is being used as an all-purpose funding source for other transportation projects at a time when the funding capacity is needed for the projects that MDTA is undertaking. It is also another indication that the TTF might need additional revenue to complete the projects that have been programmed. **MDTA should comment on how long it will take to recover the \$10 million loan through its ownership of Canton Railroad.**

## **Debt Affordability**

Under statute, MDTA is authorized to issue bonds without obtaining the consent of any unit or agency in the State, so long as the total bonds outstanding do not exceed \$3 billion at the end of any fiscal year. MDTA bonds backed by toll revenue are not considered State debt and, therefore, are not limited by the State's debt affordability measures. However, MDTA does have its own debt affordability measures. Coverage ratios include the following:

- The rate covenant compliance ratio, as stipulated in the trust agreement, requires that the ratio of net revenues (total revenues minus operating expenses) to the amount deposited into the Maintenance and Operating Reserve Account plus 120.0% of debt service be at least 1.00. The additional bonds test requires the rate covenant to be met on a five-year prospective basis. The fiscal 2021 rate covenant compliance ratio is projected to be 3.48, and the adequate coverage is provided through the forecast period.
- The second ratio is the debt service coverage ratio, which is a ratio of net revenues to debt service. Although the trust agreement stipulates that the ratio must be at least 1.2, Chapter 489 of 2015 requires a debt service coverage ratio of 2.5 through fiscal 2020. Starting in fiscal 2021, MDTA will return to its administrative policy, which requires the ratio to be at or above 2.0. In fiscal 2021, the debt coverage ratio is projected to be 4.29. MDTA projects that the debt service coverage ratio will be met throughout the forecast period at levels exceeding both the statutory requirement and MDTA's administrative minimum coverage policy. In the out-years of the forecast, the ratio declines to 2.98 in fiscal 2024 and 2.68 in fiscal 2025. This indicates that as debt service continues to account for a greater portion of available revenues, less cash will be available for capital expenditures in the future.
- Chapter 489 codified MDTA's administrative policy of maintaining an unencumbered cash balance of \$350 million through fiscal 2020. Bond rating agencies view the amount of cash on

hand relative to operating expenses as a liquidity measure to ensure that operations can continue even if revenues are lower than expected, expenses are higher than expected, or if there is a temporary loss of revenues. MDTA reports that for other AAA-rated toll agencies, the median cash on hand is sufficient to fund operations for 9 to 18 months. In fiscal 2021, operating expenses including debt service total \$435.7 million, and the unencumbered cash balance is expected to be \$352.7 million, or about 10 months of operating expenses. By fiscal 2025, this number is estimated to fall to approximately 8 months. From fiscal 2020 through 2025, MDTA forecasts unencumbered cash equal to or slightly in excess of \$350 million throughout the forecast period.

### **Nonrecourse Debt**

In addition to its own revenue bonds, MDTA also issues debt on behalf of other State agencies and projects, which is called nonrecourse debt (formerly called conduit financing). The following projects have been financed using MDTA nonrecourse debt:

- \$604 million of projects associated with the \$1.4 billion expansion project at BWI Marshall Airport, including the Elm Road parking facility, pedestrian bridges, roadway improvements, a central utility plant, and a new consolidated rental car facility, which are backed by fees at BWI Marshall Airport. A new issuance of \$120 million in passenger facility charge backed bonds was approved in late fiscal 2019;
- \$40 million for three parking facilities at Metro Stations: Largo; New Carrollton; and College Park, which are backed by lease payments from the Washington Metropolitan Area Transit Authority (WMATA);
- \$23.8 million for the Calvert Street parking garage in Annapolis for State employees, which is backed by general fund lease payments from the Department of General Services; and
- \$750 million in GARVEE bonds to fund construction of ICC, which is backed by future federal highway aid with a secondary pledge from the TTF.

**Exhibit 7** shows debt service and debt outstanding for MDTA's nonrecourse bonds. In fiscal 2021, debt service on the nonrecourse issuances will total \$101.5 million with \$448.7 million in outstanding debt. The debt service for these projects is paid using the revenues from the projects or through lease payments from other agencies and does not affect MDTA's debt outstanding or its budget.

**Exhibit 7**  
**Debt Service Payments and Debt Outstanding on**  
**Nonrecourse Debt-financed Projects**  
**Fiscal 2019-2021**  
**(\$ in Thousands)**

	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Debt Service Payments</b>			
2002 Series – BWI Marshall Airport Rental Car Facility	\$8,957	\$8,949	\$8,941
2007 GARVEE	0	0	0
2008 GARVEE	51,362	0	0
2017 Refunding GARVEE	34,816	0	0
2019 Refunding GARVEE <sup>1</sup>	0	49,960	0
2012 A&B Series – BWI Marshall Airport Parking	18,171	18,166	18,172
2012 A Series – PFC BWI Marshall Airport	3,929	3,905	3,886
2012 B Series –PFC BWI Marshall Airport	7,967	7,966	7,971
2012 C Series – PFC BWI Marshall Airport <sup>2</sup>	868	868	868
2014 Series – PFC BWI Marshall Airport	2,952	2,953	2,955
2019 Series – PFC BWI Marshall Airport		4,609	4,851
2014 Series – WMATA Refunding Parking Garages	2,439	2,424	2,422
2015 Series – Calvert Street Parking Garage Refunding	1,488	1,486	1,481
<b>Total Debt Service Payments</b>	<b>\$132,948</b>	<b>\$96,682</b>	<b>\$101,507</b>
<b>Debt Outstanding</b>			
2002 Series – BWI Marshall Airport Rental Car Facility	\$81,080	\$77,375	\$73,430
2008 GARVEE	0	0	0
2017 Refunding GARVEE	0	0	0
2019 Refunding GARVEE <sup>1</sup>	48,865	0	0
2012 A&B Series – BWI Marshall Airport Parking	113,620	101,135	88,020
2012 A Series – PFC BWI Marshall Airport	37,425	35,260	33,005
2012 B Series –PFC BWI Marshall Airport	57,220	50,705	43,925
2012 C Series – PFC BWI Marshall Airport <sup>2</sup>	43,400	43,400	43,400
2014 Series – PFC BWI Marshall Airport	33,450	31,790	30,045
2019 Series – PFC BWI Marshall Airport	108,705	108,705	105,085
2014 Series – WMATA Refunding Parking Garages	20,685	18,990	17,210
2015 Series – Calvert Street Parking Garage Refunding	16,750	15,689	14,604
<b>Total Debt Outstanding</b>	<b>\$452,495</b>	<b>\$373,259</b>	<b>\$448,724</b>

BWI Marshall Airport: Baltimore-Washington International Thurgood Marshall Airport

GARVEE: Grant Anticipation Revenue Vehicles

PFC: Passenger Facility Charge

WMATA: Washington Metropolitan Area Transit Authority

<sup>1</sup> 2019 GARVEE refunding bonds and PFC Series 2019 issued in fiscal 2019.

<sup>2</sup> The debt service payments for the Series 2012C variable rate bonds are conservatively modeled at 2% annually; principal payments begin in 2028.

Source: Maryland Transportation Authority

## Fiscal Stress Summary

MDTA’s financial forecast indicates that the organization is experiencing building fiscal stress due to the high volume of capital spending, cuts to toll revenue, and providing loans to outside projects. **Exhibit 8** shows a number of the indicators in the MDTA forecast that demonstrate this financial stress. In 2020, 2021, 2023, and 2024, MDTA is projecting a cash deficit. Additionally, starting in 2020 through the end of the forecast period, the level of unencumbered cash is within \$5 million of the \$350 million requirement. While the issuance of debt is necessary to MDTA and not inherently fiscally unhealthy, the significant increase in the level of debt from \$1.5 billion in fiscal 2019 to \$2.5 billion in fiscal 2025 shows that MDTA is rapidly expending its debt capacity. This is particularly relevant because MDTA has an outstanding debt limit of \$3.0 billion. The use of MDTA loans to fill funding gaps for MDOT projects, such as the Howard Street Tunnel project, is another stressor on MDTA’s fiscal health. MDTA is being used as an all-purpose funding source to fill shortfalls in funding that cannot currently be covered using the TTF. While these loans will eventually be paid back, they divert money from MDTA at a time when it is undertaking two large projects that are also taxing its financial resources.

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**Exhibit 8**  
**Fiscal Stress Summary**  
**Fiscal 2019-2025**  
**(\$ in Millions)**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total Revenues	\$784	\$765	\$759	\$784	\$791	\$809	\$816
Total Expenses	764	859	860	1,061	1,247	1,064	977
<b>Annual Cash Surplus/(Deficit)</b>	<b>\$42.4</b>	<b>-\$149.5</b>	<b>-\$0.8</b>	<b>\$1.4</b>	<b>-\$0.1</b>	<b>-\$1.8</b>	<b>\$2.7</b>
Total MDTA Cash Balance	\$547	\$397	\$397	\$398	\$398	\$396	\$399
Debt Outstanding	1,548	1,545	1,647	1,879	2,268	2,442	2,536
Unencumbered Cash	503	353	353	354	354	352	355
<b>Debt Service Coverage</b>	<b>5.08</b>	<b>4.64</b>	<b>4.29</b>	<b>4.06</b>	<b>3.45</b>	<b>2.98</b>	<b>2.68</b>

MDTA: Maryland Transportation Authority

Source: Maryland Transportation Authority

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***Operating and PAYGO Personnel Data***

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	<b>FY 19</b>	<b>FY 20</b>	<b>FY 21</b>	<b>FY 20-21</b>
	<b><u>Actual</u></b>	<b><u>Working</u></b>	<b><u>Allowance</u></b>	<b><u>Change</u></b>
Regular Operating Budget Positions	1,738.00	1,738.00	1,727.00	-11.00
Regular PAYGO Budget Positions	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total Regular Positions</b>	<b>1,738.00</b>	<b>1,738.00</b>	<b>1,727.00</b>	<b>-11.00</b>
Operating Budget FTEs	0.00	0.00	0.00	0.00
PAYGO Budget FTEs	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total FTEs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Personnel</b>	<b>1,738.00</b>	<b>1,738.00</b>	<b>1,727.00</b>	<b>-11.00</b>
<b>Vacancy Data: Regular Positions</b>				
Turnover and Necessary Vacancies, Excluding New Positions		43.45	2.50%	
Positions and Percentage Vacant as of 1/1/2020		199.00	11.40%	
Vacancies Above Turnover		155.55	8.9%	

**PAYGO Capital Program**

**Program Description**

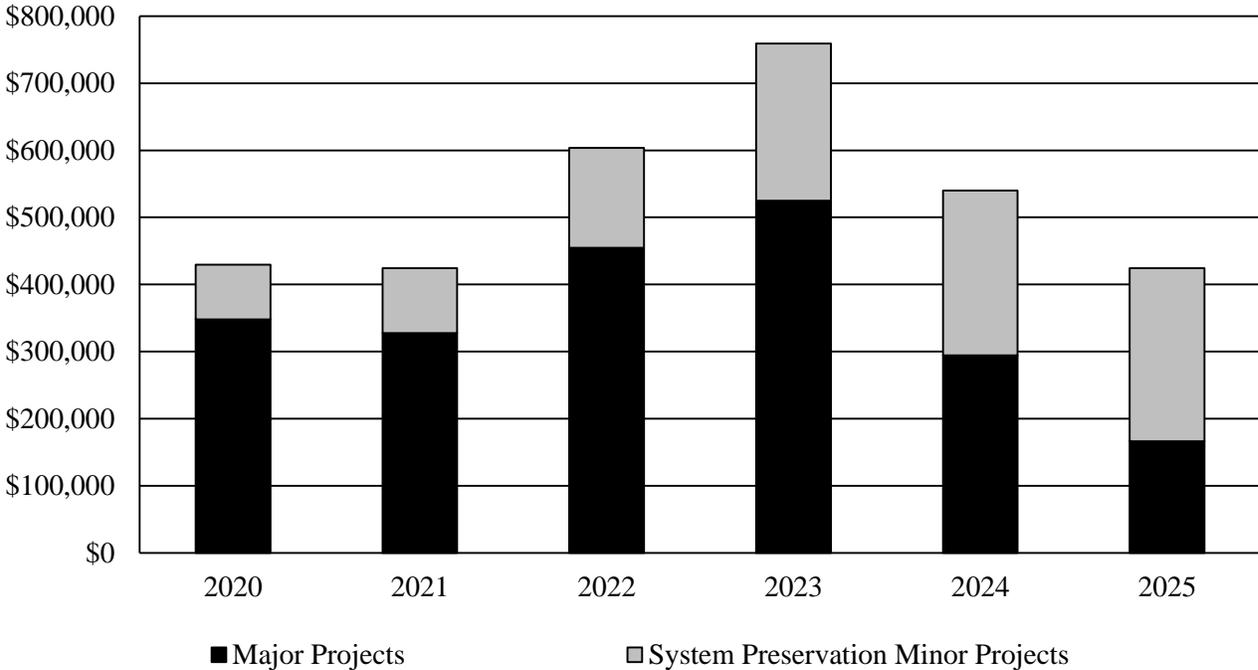
MDTA’s capital program involves the construction and maintenance of revenue-generating transportation facilities throughout the State.

**Fiscal 2020 to 2025 Consolidated Transportation Program**

The fiscal 2020 to 2025 *Consolidated Transportation Program* (CTP) for MDTA totals \$3.2 billion.

**Exhibit 9** shows a growth in spending from fiscal 2020 through 2023 followed by a drop the following two fiscal years. This trend is driven by the spending on the I-95 ETLs Northern Expansion Project and the Nice/Middleton Bridge replacement.

**Exhibit 9**  
**Six-year PAYGO Allowance**  
**Fiscal 2020-2025**



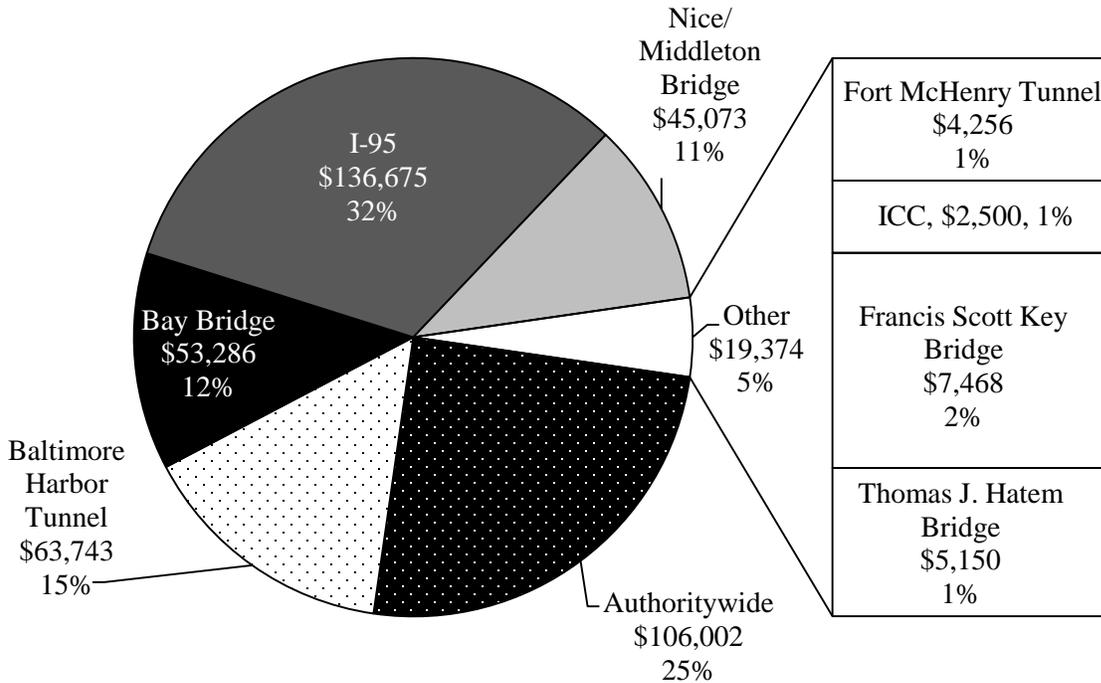
PAYGO: pay-as-you-go

Source: Maryland Department of Transportation, 2020-2025 *Consolidated Transportation Program*

**Fiscal 2021 Capital Allowance by MDTA Facility**

**Exhibit 10** shows capital funding programmed by facility in fiscal 2021. The largest share of spending is for I-95, primarily due to the I-95 ETL Northern Expansion project, discussed further in the Issues section of this analysis. Seventy percent of MDTA’s spending is programmed for projects at four facilities: the Baltimore Harbor Tunnel; the Bay Bridge; I-95; and the Nice/Middleton Bridge. Authoritywide spending consists of system preservation and minor projects unrelated to a particular facility and the implementation of the third generation electronic toll collection and operating system.

**Exhibit 10**  
**Capital Funding Programmed by MDTA Facility**  
**(\$ in Thousands)**



Bay Bridge: William Preston Lane, Jr. Memorial Bridge (US 50/301)

ICC: Intercounty Connector

I-95: John F. Kennedy Memorial Highway (I-95)

MDTA: Maryland Transportation Authority

Nice/Middleton Bridge: Governor Harry W. Nice/Senator Thomas “Mac” Middleton Bridge

Source: Maryland Department of Transportation, Fiscal 2020-2025 *Consolidated Transportation Program*

**Fiscal 2021 Capital Allowance**

**Exhibit 11** shows the programmed capital funds for the fiscal 2021 capital allowance by project and program along with total estimated costs and six-year funding for each program.

**Exhibit 11**  
**PAYGO Capital Allowance**  
**Fiscal 2021**

<u>Facility</u>	<u>Project Description</u>	<u>2021</u>	<u>Total Estimated Project Cost</u>	<u>Six-year Total</u>
Authoritywide	Replace Electronic Toll Collection and Operating System	\$9,202	\$118,762	\$72,652
Baltimore Harbor Tunnel	I-895 Bridge Replacement	47,384	251,465	128,861
	Replace Vent Fans	10,407	70,874	20,066
	Replace Deck and Superstructure of Bridge over Patapsco Flats	0	61,273	4,423
	Replace Concrete Median Barrier	3,976	11,478	9,925
	Replace 15KV Feeder Cables	1,976	8,751	6,790
<b>Subtotal</b>		<b>\$63,743</b>	<b>\$403,841</b>	<b>\$170,065</b>
Bay Bridge	Clean and Paint Structural Steel Westbound Bridge	\$1,000	\$102,753	\$7,336
	Deck Rehabilitation and Miscellaneous Modifications	13,883	30,872	29,484
	Rehabilitate Eastbound Bridge Deck	2,735	11,135	4,987
	Rehabilitate Suspension Spans Westbound Bridge	0	36,599	5,652
	Structural Repairs and Miscellaneous Modifications	0	54,057	9,412
	Replace 5KV Feeder Cable on Eastbound Span	26,990	39,593	37,775
	Crossover Automated Lane Closure System	8,678	17,943	16,755
<b>Subtotal</b>		<b>\$53,286</b>	<b>\$292,952</b>	<b>\$111,401</b>
Fort McHenry Tunnel	Replace Weathering Steel High Mast Light Poles North and South of the Tunnel	-	\$17,666	-
	Replace Tunnel Lighting Systems	\$0	21,973	\$1,408
	Rehabilitate Vent Fans	2,835	47,949	45,800
	Moravia Road to Tunnel Improvements	0	76,303	1,700
	Port Covington I-95 Access	0	33,400	16,515
	Deck Sealing and Miscellaneous Rehabilitation	0	6,743	1,696
	Rehabilitate Substructure and Superstructure of Various Bridges on I-95 in Baltimore City	1,421	8,859	2,886
<b>Subtotal</b>		<b>\$4,256</b>	<b>\$212,893</b>	<b>\$70,005</b>

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<u>Facility</u>	<u>Project Description</u>	<u>2021</u>	<u>Total Estimated Project Cost</u>	<u>Six-year Total</u>
InterCounty Connector	Construction	\$2,500	\$2,377,278	\$11,647
JFK Memorial Highway (I-95)	Express Toll Lane – Northern Extension	126,813	1,070,304	942,414
	Resurfacing	3,319	58,815	20,118
	Repair Substructure and Superstructure of Various Bridges	0	16,091	535
	Remove, Replace, and Upgrade Sign Structures	3,766	14,252	9,750
	Replace Deck of Bridge over Little Northeast Creek	0	11,107	1,860
	Rehabilitate Decks on Three Bridges on I-95 in Cecil County	2,129	16,174	13,446
	I-95/Belvidere Road Interchange	648	47,587	47,560
<b>Subtotal</b>		<b>\$136,675</b>	<b>\$1,234,330</b>	<b>\$1,035,683</b>
Francis Scott Key Bridge	Rehabilitate Substructure and Superstructure of Various Bridges	-	\$12,961	\$526
	Clean and Paint Structural Steel of Approach Spans	\$0	7,576	1,984
	Resurfacing	0	10,137	9,599
	Convert to Cashless Tolling	7,468	23,577	20,127
<b>Subtotal</b>		<b>\$7,468</b>	<b>\$54,251</b>	<b>\$32,236</b>
Nice/Middleton Bridge	Replace Nice/Middleton Bridge	\$45,073	\$635,788	\$601,120
Thomas J. Hatem Bridge	Convert to Cashless Tolling	5,150	10,516	7,616
<b>Subtotal – Projects</b>		<b>\$327,353</b>	<b>\$5,337,883</b>	<b>\$2,115,153</b>
<b>Programs</b>				
Authoritywide	System Preservation Minor Projects	\$96,800		\$1,064,600
<b>Total – Projects and Programs</b>		<b>\$424,153</b>		<b>\$3,179,753</b>

Bay Bridge: William Preston Lane, Jr. Memorial Bridge

KV: kilo volts

Nice/Middleton Bridge: Governor Harry W. Nice Memorial/Senator Thomas “Mac” Middleton Bridge

PAYGO: pay-as-you-go

Source: Maryland Department of Transportation, 2020-2025 *Consolidated Transportation Program*

## ***Issues***

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### **1. Chesapeake Bay Bridge Deck Rehab Project**

MDTA is in the process of replacing the bridge deck surface in the right lane of the westbound span of the Bay Bridge. As part of the \$27 million deck rehabilitation project, work includes making deck repairs, sealing the bridge deck, and replacing existing lane-use signal gantries and steel rail posts. The right lane of the westbound span is closed during the course of the project.

The deck surface of the right lane had reached the end of its service life and was severely deteriorated. This created a number of safety risks given the frequency of patching and emergency holding patches. For example, in one section of that lane, 75% of the area is patched and deteriorated. Furthermore, in much of the lane, over 50% of the area is patched and deteriorated. Delaying this needed work would turn a deck overlay into a more involved, lengthy, and costly full depth redecking.

MDTA states that their goal is to have the right lane fully reopened by summer 2020. The Bay Bridge deck rehab project was started on September 30, 2019. In the immediate aftermath of the project, major travel delays and congestion in both directions leading to the bridge led to increased scrutiny of MDTA and the project. Responding to criticism of the project, on October 16, 2019, Governor Lawrence J. Hogan, Jr. directed MDTA to take steps to complete the project as soon as possible. On October 29, 2019, MDTA responded with a press release outlining the steps that they were going to take to accelerate the Bay Bridge work.

These steps included the following: (1) adding extra work crews to keep the work going 24/7; (2) continuing construction with extra work crews through the Thanksgiving holiday week; (3) encouraging people to “Go Early, Stay Late” for the holiday season; (4) moving to all-electronic tolling; (5) working to improve the flow and direction of traffic during the project; and (6) redoubling efforts to engage with local residents.

Despite the response from MDTA, local officials and residents voiced their frustration with the process surrounding the project, noting concern with the increased use of local roads by Bay Bridge-bound traffic. By using local roads to try to circumvent traffic on US-50, motorists have contributed to increased traffic and congestion on local roads in the area.

On January 28, 2020, Governor Hogan announced that the westbound span of the Bay Bridge will reopen by summer 2020, which is one year ahead of schedule. State officials said that the time savings were achieved by requiring the contractor to work around the clock, through Thanksgiving, and on the entire span at once rather than in stages. **MDTA should provide the committees with an update on the status of the project and comment on the estimated additional expense above the initial \$27 million project costs that are associated with the shortened timeframe of the project.**

## **2. Northbound I-95 ETLs Expansion Appears Unaffordable**

MDTA has proposed an expansion to the northbound I-95 ETLs. The total cost of the project to go from north of the Baltimore harbor to the Maryland-Delaware line was underestimated, resulting in the current system of ETLs that terminate at MD 43. With a proposed expansion of the northbound ETLs included in the fiscal 2020 to 2025 CTP, it is important for the General Assembly to have a sense of the total cost of this project for MDTA, considering that current projections suggest the project will not be self-supporting.

### **Current I-95 ETLs System**

The I-95 ETLs system opened mid-fiscal 2015. Planned as a system of price managed lanes from the I-95/I-895 split to the Maryland-Delaware border, the total cost of the project was underestimated, leading to a scope reduction. Currently, four toll lanes, two in the north and southbound directions, connect the I-95/I-895 split with MD 43. The total cost of this project was approximately \$1.1 billion. Revenues generated by the facility have historically been limited, compared to the cost of the project. Total revenues from the I-95 ETLs between fiscal 2015 and 2018 equal approximately \$43.2 million, while traffic and revenue projections anticipate average yearly revenues of approximately \$14.1 million for fiscal 2019 through 2022.

### **Northbound I-95 ETLs Extension**

The proposed project will add approximately 10 miles to the two northbound I-95 ETLs, beginning at the current terminus near MD 43 and ending at MD 24. The southbound ETLs will not be extended as part of this project. In addition to adding the lane infrastructure, MDTA will modify four bridges along the route, reconstruct several interchanges, add noise barriers, and engage in necessary environmental remediation. The total estimated project cost is approximately \$1.1 billion.

To cover the costs of the northbound extension, MDTA anticipates having to finance approximately \$276 million of the \$747.7 million programmed in the fiscal 2020 to 2025 CTP. MDTA notes that additional financing outside of the six-year period may be required for the remaining \$315 million of the total project cost. Based on the conservative rate of interest used for debt issuances in the January 2019 MDTA forecast, annual debt service on this amount totals \$16.9 million. MDTA notes that the prevailing rates are less than this and that annual debt service could be closer to \$15.0 million.

### **Proposed Expansion Traffic and Revenue Projections**

**Exhibit 12** shows the increase in traffic and toll revenues anticipated for the northbound I-95 ETLs expansion. The assessment begins in fiscal 2024 as the expanded facility is anticipated to open in this year. Traffic and toll revenue projections were made using the same model for the existing ETLs as the consultant found established traffic patterns and speeds in the general purpose lanes of these two sections to be similar.

**Exhibit 12**  
**I-95 ETL Northbound Expansion**  
**Fiscal 2024-2029**  
**(\$ in Thousands)**

<u>Year</u>	<u>Increase in Traffic</u>	<u>Increase in Revenue</u>	<u>Total ETLs Revenue</u>
2024	2,962	\$4,398	\$21,221
2025	4,326	6,447	23,901
2026	5,406	7,274	25,400
2027	5,599	7,559	26,401
2028	5,793	7,844	27,449
2029	5,987	8,128	28,547

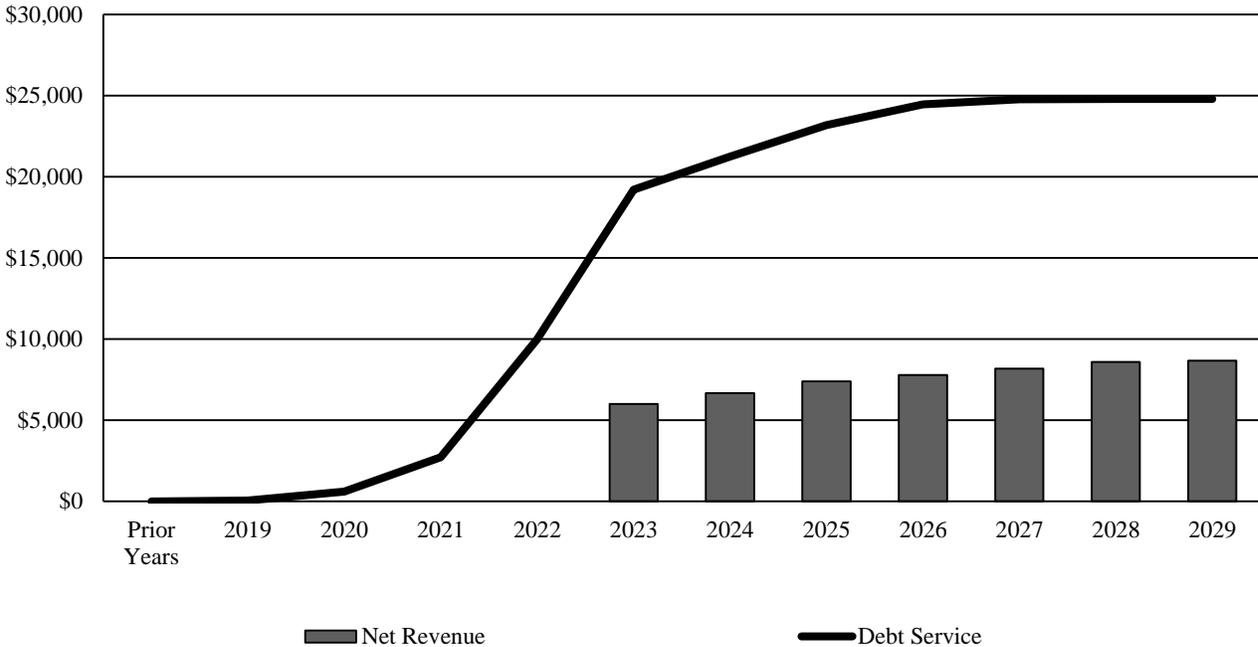
ETL: Express Toll Lane

Source: Jacobs Engineering Group, *I-95 Traffic & Revenue Update, Existing and Extension* (prepared for the Maryland Transportation Authority) Updated: October 22, 2019.

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**Exhibit 13** shows that the debt service payments for the I-95 Northbound ETLs expansion will outpace the net revenue available for debt service. The net revenue available for debt service is the projected revenue from ETLs minus the projected operating costs for ETLs. The exhibit demonstrates the gap between the net revenue available for the debt service and the projected debt service payments themselves for fiscal 2019 through 2029. In the longer term, it is likely that this gap between the net revenue and debt service will close due to declining debt service payments. Additionally, in the long term, it is possible for ETLs to pay off the cost of the project. However, in the short term, the projections indicate that MDTA would have to make up the difference between the projected net revenue and the projected debt service payments with revenue from the larger system.

**Exhibit 13**  
**I-95 Northbound ETLs Expansion Revenue and Debt Service**  
**Fiscal 2019-2029**  
**(\$ in Thousands)**



ETL: Express Toll Lane

Source: Maryland Transportation Authority

**I-95 Master Plan – John F. Kennedy Memorial Highway**

On April 15, 2003, MDTA released a report titled *I-95 Master Plan: I-895 Split (N) to the Delaware State Line – John F. Kennedy Memorial Highway*. This report detailed MDTA’s plans for the improvement of I-95 between Baltimore City and the Delaware state line. In the report, the segments of the highway were split into four sections, which were given the following labels: sections 100; 200; 300; and 400. The first two are the sections that comprise the original and Northern Expansion of the I-95 ETLs projects. While the costs listed in the 2003 report indicated that these sections had an approximate cost of \$750 million and \$600 million, respectively, the costs programmed for each of these projects was approximately \$1.1 billion. The two sections, 300 and 400, that have not yet been added have a cost of \$350 million each in the master plan. Updated cost estimates from MDTA put the cost for these sections at \$1.53 billion and \$560 million, respectively. The possibility of these projects in the near to medium term is concerning given that MDTA has a number of large projects currently under construction, the Nice/Middleton Bridge and the Northern ETLs Expansion, and one more in the review stage, the third Bay Bridge Crossing. Adding two additional projects that each have a cost in

the hundreds of millions again raises concerns about the financial viability of these projects and the stress that it would place on the rest of the MDTA system to generate revenue. **Given the previous concerns about MDTA being overleveraged, the Department of Legislative Services (DLS) recommends the adoption of committee narrative requesting that MDTA provide a report on their plans for future ETL expansion on I-95. This report should include updated cost estimates, project timelines, and discuss any alternatives to ETLs being considered.**

### **3. I-495 and I-270 Public-private Partnership Program**

MDTA, in addition to MDOT, is the reporting agency on the public-private partnership (P3) presolicitation report for the I-495 and I-270 P3 Program. The P3 includes I-495 from the American Legion Bridge clockwise to the Woodrow Wilson Bridge and I-270 between Frederick and I-495. The presolicitation report states that the goals of the P3 program are reducing traffic congestion, minimizing impacts to the corridor, and accelerating delivery while pursuing innovative approaches at no net cost to the State of Maryland.

In addition to being one of the reporting agencies, MDTA is expected to issue one or more series of bonds to finance a portion of the project. The repayment of these bonds would come solely from revenue generated from the P3 program and would not be backed by toll revenue from MDTA facilities. Additionally, a second MDTA Trust Agreement will be created that covers all the bonds that are issued for this project. **Given the scope of this project and the plan to create a second trust agreement, DLS recommends the adoption of committee narrative requesting that MDTA provide a report on the scope of MDTA loans to this project, the use of these funds, what claim on revenue from the project MDTA will have, and the structure of the new trust agreement.**

## ***Operating Budget Recommended Actions***

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1. Nonbudgeted.

## ***PAYGO Budget Recommended Actions***

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1. Adopt the following narrative:

**Future I-95 Northbound Express Toll Lane Expansion Report:** The Maryland Transportation Authority (MDTA) has currently completed or started construction of Express Toll Lanes (ETL) on two of the four I-95 sections identified in its 2003 I-95 Master Plan. Given the possibility of future ETL development on the remaining two sections, the budget committees request that MDTA submit a report that outlines any further ETL development plans that MDTA has for I-95 along with updated cost estimates and project timelines. The report should also include discussion of any alternatives to ETLs on the remaining northbound sections of I-95 that MDTA is considering. The report shall be provided by November 2, 2020.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on future I-95 northbound ETL expansion	MDTA	November 2, 2020

2. Adopt the following narrative:

**I-495 and I-270 Public-private Partnership Maryland Transportation Authority Bonds Report:** The plan for financing the I-495 and I-270 project involves the Maryland Transportation Authority (MDTA) issuing one or more series of bonds to pay for a portion of the project. The repayment of these would come solely from revenue generated from the public-private partnership (P3) program and would not be backed by toll revenue from MDTA facilities. Given that this constitutes a new form of MDTA financing of non-MDTA facilities, the committees request that MDTA submit a report that outlines the scope of MDTA loans to this project, the use of these funds, and MDTA's claim on toll revenue from the project. Additionally, this report should include an explanation of the need for a second trust agreement and how it will differ from the existing trust agreement. The report shall be provided by October 1, 2020.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on MDTA involvement in I-495 and I-270 P3	MDTA	October 1, 2020

## ***Updates***

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### **1. Nice/Middleton Bridge Rebuild Contract Selected**

The Nice/Middleton Bridge, officially the Governor Harry W. Nice Memorial/Senator Thomas “Mac” Middleton Bridge, carries US 301 over the Potomac River between Maryland and Virginia. Prior to the opening of the Nice/Middleton Bridge in 1940, there were no bridges across the Potomac River south of Washington, DC.

#### **Replacement Plan**

MDTA approved a contract to replace the Nice/Middleton Bridge in November 2019. The \$463 million contract was awarded to Skanska-Corman-McLean (SCM) Joint Venture to design and construct the new bridge. The goal of the project is to improve mobility, safety, and economic opportunities for southern Maryland and northeastern Virginia. The project had initially been included in the MDOT 2019-2024 CTP as a \$768 million project. However, the final contract from SCM Joint Venture came in significantly under that amount at \$463 million. Virginia has indicated that it will contribute \$13 million towards the construction of the new bridge. SCM, a joint venture comprised of firms with local ties, had the highest rated proposal and the lowest bid price for the project. Construction is forecast to begin in early 2020 with the new bridge being open by 2023. The project is expected to create more than 500 jobs. In addition, the new bridge will include all electronic tolling (cashless) and will have a 100-year service life. The existing bridge is slated to be demolished as part of the process, and the materials will be used to create an artificial fish reef. MDTA and SCM are partnering with the Potomac River Fisheries Commission and the Maryland Department of Natural Resources to fund oyster seeding in the lower Potomac River basin.

MDTA, as part of the procurement process, requested a bid option to add a separated bicycle/pedestrian path to the new bridge. The proposal from SCM would cost an additional \$64 million for a separated path; however, the MDTA board voted to move forward with the project without the additional separated path.

### **2. Chesapeake Bay Bridge Third Crossing**

MDTA is currently in the process of conducting a National Environmental Policy Act study to begin addressing existing and future congestion at the Bay Bridge and its approaches along US 50/US 301. The study encompasses a broad geographic area, spanning nearly 100 miles of the bay from the northern most portion of the bay in Harford and Cecil counties to the southern border with Virginia between St. Mary’s and Somerset counties. The purpose of the Bay Crossing Study is to consider potential alternatives to provide expanded traffic capacity and additional access across the Chesapeake Bay to improve mobility, travel reliability, and safety at the existing Bay Bridge while considering financial viability and environmental responsibility. The study also looks at modal and operational transportation methods including ferry service, bus rapid service, rail transit, and transportation systems management/travel demand management.

MDTA has identified three potential corridors plus the no-build alternative that it has selected. This includes (1) corridor 6, which is MD 100 to US 301 between Pasadena, Rock Hall, and Centreville; (2) corridor 7, which is alongside the current Bay Bridge spans; and (3) corridor 8, which is US 50/301 between Crofton and Easton. These corridors, plus the no-build option, were taken to public meetings in fall 2019 and the larger process is ongoing. Additionally, MDTA prepared a 2019 *Joint Chairmen's Report* study report that analyzed the possibility of all-electric ferry service in place of an additional Bay Bridge span. The report concluded that the ferry crossing was not feasible for both technical and financial reasons. It argues that no existing all-electric vessels in operation that would provide the capacity needs identified, and the cost would be prohibitive from both the user and operator standpoint.

### **3. All-electronic Tolling**

MDTA is in the process of converting its facilities to all-electronic tolling, which means that all tolls will be collected using either E-ZPass transponder or video tolling. E-ZPass transponders are being provided for free to Maryland residents, and there is no monthly fee for having an E-ZPass account. The other cashless option is video tolling. With video tolling, registered vehicle owners will receive a Notice of Toll Due in the mail after using any of Maryland's toll facilities if payment is not made at the time of travel. However, due to the higher processing costs, the video toll rate is 50% higher than the cash rate. The benefits of all-electronic tolling include less congestion, reduced vehicle emissions due to idle time, increased safety, and a safer work environment for MDTA employees. Once the toll plazas have been removed, vehicles will be able to travel at highway speeds during tolling. Additionally, other tolling agencies throughout the country have seen up to 70% reductions in accidents near toll plazas following transitioning to all-electronic tolling.

ICC/MD 200, the I-95 ETLs, the Francis Scott Key Bridge (I-695) and the Thomas J. Hatem Memorial Bridge (US 40) have all been transitioned to all-electronic tolling. The Bay Bridge was transitioned to all-electronic tolling as a measure to relieve congestion during construction; however, it has not been formally transitioned to all-electronic tolling. MDTA does not have a definitive timeline yet for converting the remaining facilities to all-electronic tolling.

**Appendix 1**  
**2019 Joint Chairmen’s Report Responses from Agency**

The 2019 *Joint Chairmen’s Report* (JCR) requested that the Maryland Transportation Authority (MDTA) prepare three reports. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***I-95 Northbound Express Toll Lanes (ETL) Expansion Financial Plan and Forecast:*** This JCR report analyzed the financial plan for the ETL Northbound expansion on I-95. The report argues that the ETL expansion will improve traffic congestion. However, it does concede that ETLs will be supported by the larger system in the short to medium term financially.
- ***Multijurisdiction Reciprocal Toll Enforcement Agreements:*** This JCR report analyzed the implementation of reciprocal toll enforcement agreements between Maryland and neighboring states. MDTA states that it will continue to collaborate with neighboring jurisdictions to lay the foundation for the successful and equitable implementation of reciprocal toll enforcement agreements.
- ***Report on Publicly Operated Ferry Service for Chesapeake Bay Crossings:*** This JCR report analyzed the financial viability of all-electric ferry service across the Chesapeake Bay as an alternative to a third bridge crossing. The report concluded that the ferry crossing was not feasible for both technical and financial reasons. It argues that no existing all-electric vessels in operation would provide the capacity needs identified, and the cost would be prohibitive from both the user and operator standpoint.

**Appendix 2**  
**Maryland Transportation Authority Financial Forecast**  
**Fiscal 2019-2025**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>Revenues</b>							
Toll Revenues	\$723.8	\$720.9	\$713.8	\$736.0	\$740.0	\$756.4	\$762.4
Concessions	6.6	6.3	6.3	6.3	6.3	6.4	6.4
Investment Income and Other	25.4	7.4	6.7	6.7	6.7	6.7	6.7
MDOT Loan Repayment – Interest	–	–	0.6	1.9	3.7	3.5	3.2
MAA/MPA Police Reimbursement	28.7	29.9	31.7	32.9	34.2	35.6	37.0
<b>Total Revenues</b>	<b>\$784.5</b>	<b>\$764.5</b>	<b>\$759.0</b>	<b>\$783.8</b>	<b>\$791.0</b>	<b>\$808.5</b>	<b>\$815.7</b>
<b>Expenses</b>							
Operations	\$313.6	\$337.4	\$337.4	\$350.9	\$364.9	\$379.8	\$395.0
Debt Service	92.5	92.0	98.3	106.7	123.5	143.8	157.2
Capital Program	357.9	429.5	424.1	603.6	758.9	539.9	424.3
<b>Total Expenses</b>	<b>\$764.0</b>	<b>\$858.9</b>	<b>\$859.7</b>	<b>\$1,061.2</b>	<b>\$1,247.3</b>	<b>\$1,063.6</b>	<b>\$976.5</b>
<b>Capital Funding Sources/(Uses) and Intergovernmental</b>							
Revenue Bond Proceeds	\$0.0	\$35.0	\$55.0	\$190.0	\$355.0	\$225.0	\$155.0
TIFIA	–	–	85.0	85.0	80.0	–	–
Surety Policy Expenses	–	0.0	-0.1	-0.2	–	-0.3	-0.2
Revenue Bond Defeasance	–	–	–	–	–	–	–
MDOT Loan Repayment – Principal	-23.6	-66.4	-40.0	3.9	8.2	8.5	8.7
VDOT Contribution/Grant	–	–	–	–	13.0	20.0	–
Accounting Reconciliation	45.5	-23.6	–	–	–	–	–
<b>Total Sources/(Uses)</b>	<b>\$21.9</b>	<b>-\$55.0</b>	<b>\$99.9</b>	<b>\$278.7</b>	<b>\$456.2</b>	<b>\$253.2</b>	<b>\$163.5</b>
<b>Annual Cash</b>							
<b>Requirements</b>	<b>\$742.1</b>	<b>\$914.0</b>	<b>\$759.8</b>	<b>\$782.4</b>	<b>\$791.1</b>	<b>\$810.4</b>	<b>\$813.0</b>
Annual Cash Surplus/(Deficit)	\$42.4	-\$149.5	-\$0.8	\$1.4	-\$0.1	-\$1.8	\$2.7
Total MDTA Cash Balance	<b>\$546.9</b>	<b>\$397.4</b>	<b>\$396.7</b>	<b>\$398.1</b>	<b>\$398.0</b>	<b>\$396.2</b>	<b>\$398.9</b>

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	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>MDTA Debt</b>							
<b>Debt Outstanding</b>	<b>\$1,548.3</b>	<b>\$1,545.4</b>	<b>\$1,647.1</b>	<b>\$1,878.9</b>	<b>\$2,268.1</b>	<b>\$2,442.0</b>	<b>\$2,536.4</b>
Unencumbered Cash	\$502.9	\$353.4	\$352.7	\$354.1	\$354.0	\$352.2	\$354.9
Debt Service Coverage	5.08	4.64	4.29	4.06	3.45	2.98	2.68
Rate Covenant Compliance	3.99	3.76	3.48	3.30	2.80	2.42	2.17

MAA: Maryland Aviation Administration  
MDOT: Maryland Department of Transportation  
MDTA: Maryland Transportation Authority  
MPA: Maryland Port Administration  
TIFIA: Transportation Infrastructure Finance and Innovation Act  
VDOT: Virginia Department of Transportation

**Appendix 3  
Object/Fund Difference Report  
Maryland Transportation Authority**

<u>Object/Fund</u>	<u>FY 19 Actual</u>	<u>FY 20 Working Appropriation</u>	<u>FY 21 Allowance</u>	<u>FY 20 - FY 21 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	0.00	1,738.00	1,727.00	-11.00	-0.6%
<b>Total Positions</b>	<b>0.00</b>	<b>1,738.00</b>	<b>1,727.00</b>	<b>-11.00</b>	<b>-0.6%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 166,056,233	\$ 182,430,930	\$ 188,756,709	\$ 6,325,779	3.5%
02 Technical and Special Fees	111,430	2,431,896	2,252,155	-179,741	-7.4%
03 Communication	1,148,310	1,258,281	1,276,925	18,644	1.5%
04 Travel	234,229	395,584	418,637	23,053	5.8%
06 Fuel and Utilities	4,070,169	4,672,582	4,486,294	-186,288	-4.0%
07 Motor Vehicles	9,916,378	10,655,139	9,916,767	-738,372	-6.9%
08 Contractual Services	111,366,205	114,640,788	112,749,927	-1,890,861	-1.6%
09 Supplies and Materials	10,248,712	11,709,566	10,421,787	-1,287,779	-11.0%
10 Equipment – Replacement	780,381	2,198,841	1,907,856	-290,985	-13.2%
11 Equipment – Additional	577,154	1,700,035	664,835	-1,035,200	-60.9%
13 Fixed Charges	97,134,902	97,350,624	103,420,895	6,070,271	6.2%
<b>Total Objects</b>	<b>\$ 401,644,103</b>	<b>\$ 429,444,266</b>	<b>\$ 436,272,787</b>	<b>\$ 6,828,521</b>	<b>1.6%</b>
<b>Funds</b>					
07 Nonbudgeted Fund	\$ 401,644,103	\$ 429,444,266	\$ 436,272,787	\$ 6,828,521	1.6%
<b>Total Funds</b>	<b>\$ 401,644,103</b>	<b>\$ 429,444,266</b>	<b>\$ 436,272,787</b>	<b>\$ 6,828,521</b>	<b>1.6%</b>

Note: The fiscal 2020 appropriation does not include deficiencies, planned reversions, or general salary increases. The fiscal 2021 allowance does not include contingent reductions or general salary increases.

**Appendix 4  
Fiscal Summary  
Maryland Transportation Authority**

<u>Program/Unit</u>	<u>FY 19 Actual</u>	<u>FY 20 Wrk Approp</u>	<u>FY 21 Allowance</u>	<u>Change</u>	<u>FY 20 - FY 21 % Change</u>
Operating Program	\$ 401,644,103	\$ 429,444,266	\$ 436,272,787	\$ 6,828,521	1.6%
Capital Program	357,859,000	429,464,000	424,103,000	-5,361,000	-1.2%
<b>Total Expenditures</b>	<b>\$ 759,503,103</b>	<b>\$ 858,908,266</b>	<b>\$ 860,375,787</b>	<b>\$ 1,467,521</b>	<b>0.2%</b>
Nonbudgeted Fund	\$ 759,503,103	\$ 858,908,266	\$ 860,375,787	\$ 1,467,521	0.2%
<b>Total Appropriations</b>	<b>\$ 759,503,103</b>	<b>\$ 858,908,266</b>	<b>\$ 860,375,787</b>	<b>\$ 1,467,521</b>	<b>0.2%</b>

Note: The fiscal 2020 appropriation does not include deficiencies, planned reversions, or general salary increases. The fiscal 2021 allowance does not include contingent reductions or general salary increases.