



Goal: Promote Fiscal Responsibility

Ensure responsible investment and management of taxpayer resources to add value and deliver quality transportation improvements through performance-based decision making and innovative funding mechanisms and partnerships

OBJECTIVES:

- Accelerate project completion through improved and efficient use of alternative project delivery methods and strategic partnerships
- Provide transportation services and solutions that maximize value
- Ensure a consistent revenue stream and ample financing opportunities

Maryland's transportation system is a product paid for by the people who choose to live, visit and do business in the state. Therefore, it is MDOT's job to responsibly maximize its transportation investments, while accounting for the needs of all who operate within the state. Fiscal responsibility can be innovative project delivery methods, funding reallocation, customer service improvement and beyond. MDOT seeks to responsibly manage allotted funds while providing the highest degree of service to transportation network users. Beginning in 2018, the Vehicle Emissions Inspection Program (VEIP) test regulations changed. New vehicles do not have to be tested until after three years instead of two and pre-1996 light-duty vehicles will not have to be VEIP tested again, exempting about 24,000 motorists from the VEIP test all-together. In addition MDOT MVA opened ten self-serve VEIP kiosks that are available twenty four hours a day, seven days a week (24/7), and the price for a VEIP test was reduced from \$14 to \$10. MDOT MVA and MDOT MTA teamed up to allow customers to purchase a CharmCard through MDOT MVA's website and self-serve kiosks, and MDOT MVA expanded its Transportation Security Administration (TSA) Precheck® and Transportation Worker Identification Credential (TWIC) card services to the Glen Burnie branch office.

MDOT SHA continues to use an efficient cost plus time approach, known as A+B bidding, in order to deliver projects. This method minimizes travel disruptions, addresses safety considerations



and delivers projects faster than a traditional low-bid method. The projects yield better value and are a long-term investment of taxpayer dollars. MDOT SHA also utilizes the Design-Build project delivery method, a method that incorporates both design and construction. In all, MDOT SHA seeks to maximize its allocated funding to ensure an efficient system with minimal downtime.

Public-Private Partnerships (P3s) are another way that MDOT seeks to remain fiscally responsible. P3 agreements are in effect for several large projects that could otherwise be cost inefficient or provide extensive service disruptions. Their projects include the massive P3 to add managed lanes to I-495 and I-270 in Montgomery, Prince George's and Frederick counties, and the \$5.6 billion P3 for the Purple Line between Montgomery and Prince George's counties. These types of partnerships allow more funding flexibility than traditional vehicles, meaning more savings for system users.

MDOT actively seeks out discretionary grants to supplement its guaranteed funding. These discretionary grants are competitive and require that applicants meet certain eligibility criteria. While some are limited to state agencies, more grants are open to regional and local agencies. These regional and local agencies are encouraged to coordinate with MDOT in order to put together the most competitive grant application package. The Purple Line's approximately \$900 million funding agreement is an example of this type of discretionary grant funding.

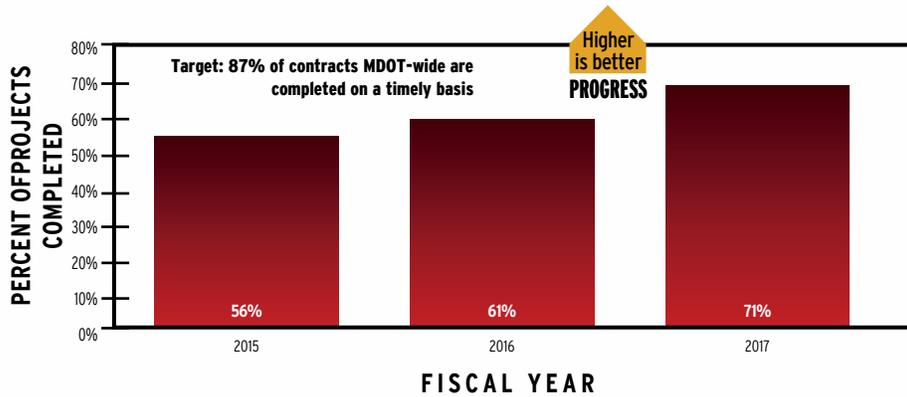
OBJECTIVE:

Accelerate project completion through improved and efficient use of alternative project delivery methods and strategic partnerships

PERCENT OF PROJECTS COMPLETED BY ORIGINAL CONTRACT DATE



This performance measure reports on how efficiently MDOT is managing and delivering contracts and services by determining if contracts are completed by the established commitment date/project completion date. Project completion is based on when stakeholders start receiving "beneficial use" from the project.



Why Did Performance Change?

- Changing criteria for completion from financial completion to beneficial use (project open for service)
- Adopting strategies such as A+B Bidding which factors both price and time in evaluating bids
- Utilizing Time of Year Letting strategies, which foster economies of scale
- Reviewed active projects on an ongoing basis for adherence to completion schedule

What Are Future Performance Strategies?

- Require completed projects to undergo a lessons-learned process
- Receive administrator input and approval on design changes
- Review the design process to ensure all project obstacles are considered when project scope is defined
- Ensure that prior to contract award the schedule has been coordinated with third parties (e.g., utilities)



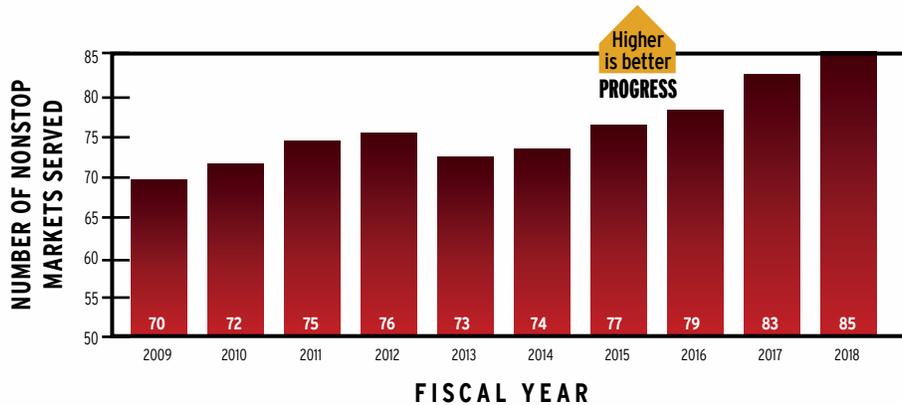
OBJECTIVE:

Provide transportation services and solutions that maximize value

NUMBER OF NONSTOP AIRLINE MARKETS SERVED



Growth in the number of nonstop destinations served provides enhanced mobility options to passengers traveling to cities in the U.S. and around the world, increases the attractiveness of BWI Marshall Airport as the airport of choice in the region and reflects the success of MDOT MAA's marketing efforts to increase the competitiveness of BWI Marshall Airport for business and leisure travel.



Target: 73

Why Did Performance Change?

- Loss of two Spirit and Allegiant markets in mid-2018 and the uncertainty of continued Federal Essential Air Service funding possibly affecting six markets

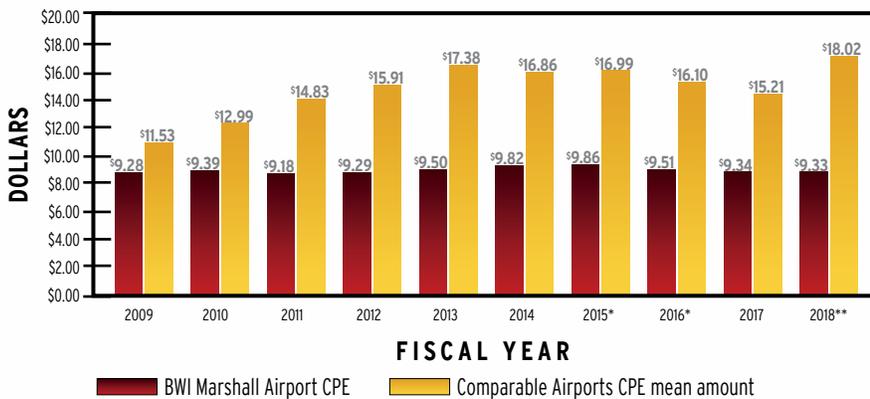
What Are Future Performance Strategies?

- Continue to meet with both potential new entrants and current carriers to promote potential new air service opportunities to BWI Marshall Airport
- Focus BWI Marshall Airport advertising and awareness campaigns on passengers, emphasizing the advantages and options the airport offers. Such services include air service options, parking, ease of access and ground transportation options
- Continue to highlight BWI Marshall Airport as the "Easy Come, Easy Go" gateway to Washington D.C.

AIRLINE COST PER ENPLANED PASSENGER (CPE)



Airline costs to operate at an airport (e.g. landing fees, airside usage charges, fuel flowage fees, terminal rents) allow BWI Marshall Airport to remain competitive in a region that is unique because it has four proximate airports – Ronald Reagan Washington National, Washington Dulles International and Philadelphia International. The CPE at BWI Marshall Airport continues to be the lowest in the mid-Atlantic region and is well below the mean of comparable airports.



Target: BWI Marshall Airport CPE below the mean CPE of comparable airports***

* 2015 and 2016 Comparable Airports data revised from previous reports.

** 2018 data is preliminary and subject to change.

*** Comparable airports are defined as Washington Reagan National, Washington Dulles International and Philadelphia International.

Why Did Performance Change?

- Passenger growth at BWI Marshall Airport during FY 2018 was slightly higher than airline cost growth which lead to a reduction in CPE for 2018

What Are Future Performance Strategies?

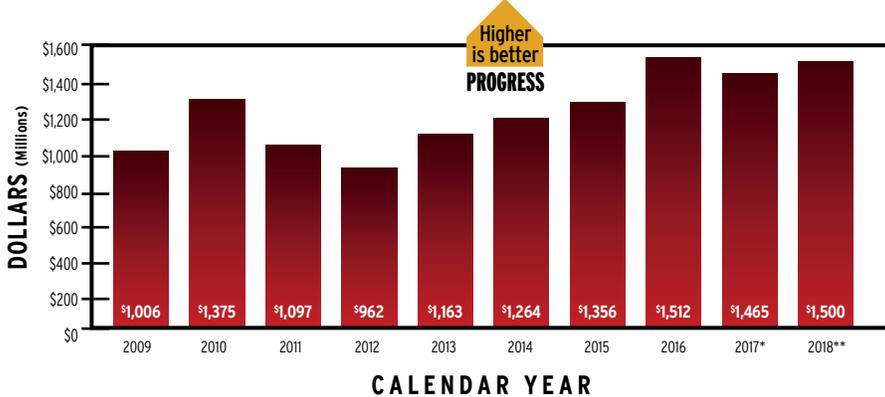
- Continue to review the cost effectiveness of capital projects before moving forward with design and construction
- Continue to closely monitor all airport costs in order to keep BWI Marshall Airport rates competitive with other regional airports



USER COST SAVINGS FOR THE TRAVELING PUBLIC DUE TO INCIDENT MANAGEMENT



The total user cost savings to motorists and commercial traffic (from reduced delay on Maryland state and interstate roadways) reflects the tangible benefits of the Coordinated Highways Action Response Team (CHART) incident management program.



Target: \$1,500 million annually

* 2017 data revised from previous report.

** 2018 data is preliminary and subject to change.

What Are Future Performance Strategies?

- Evaluate the CHART patrol program to determine continuing improvements to reduction in roadway delays and user cost savings
- Collaborate with and support the Maryland State Police (MSP) to develop and implement an Unmanned Aerial System (UAS) Program for crash reconstruction
- Complete an Integrated Freeway and Arterial Master Plan for the deployment of Transportation Systems Management and Operations (TSMO) projects
- Draft and collaborate on legislation to limit liability for tow companies to clear disabled vehicles and cargo from the travel lanes
- Provide SHRP2 TIM training to partner organizations in Maryland

Why Did Performance Change?

- Reached a milestone of 1,000,000 CHART responses since the inception of the program
- Coordinated 62 Strategic Highway Research Program (SHRP2) Traffic Incident Management (TIM) Responder training sessions statewide, of which CHART directly facilitated 26, training 1,093 responders in the sessions
- Conducted a Train-the-Trainer session, certifying 14 new TIM instructors, bringing the total trained in Maryland to 6,436 since the program began in July 2013
- Handled 152,482 events, including incident responses, assistance with disabled vehicles and traffic management operations, for special and weather-related events
- Implemented a modernized Maryland 511 service to be more efficient, save money and enhance future service to customers
- Implemented Work Zone Impacts and Strategies Estimator (WISE)

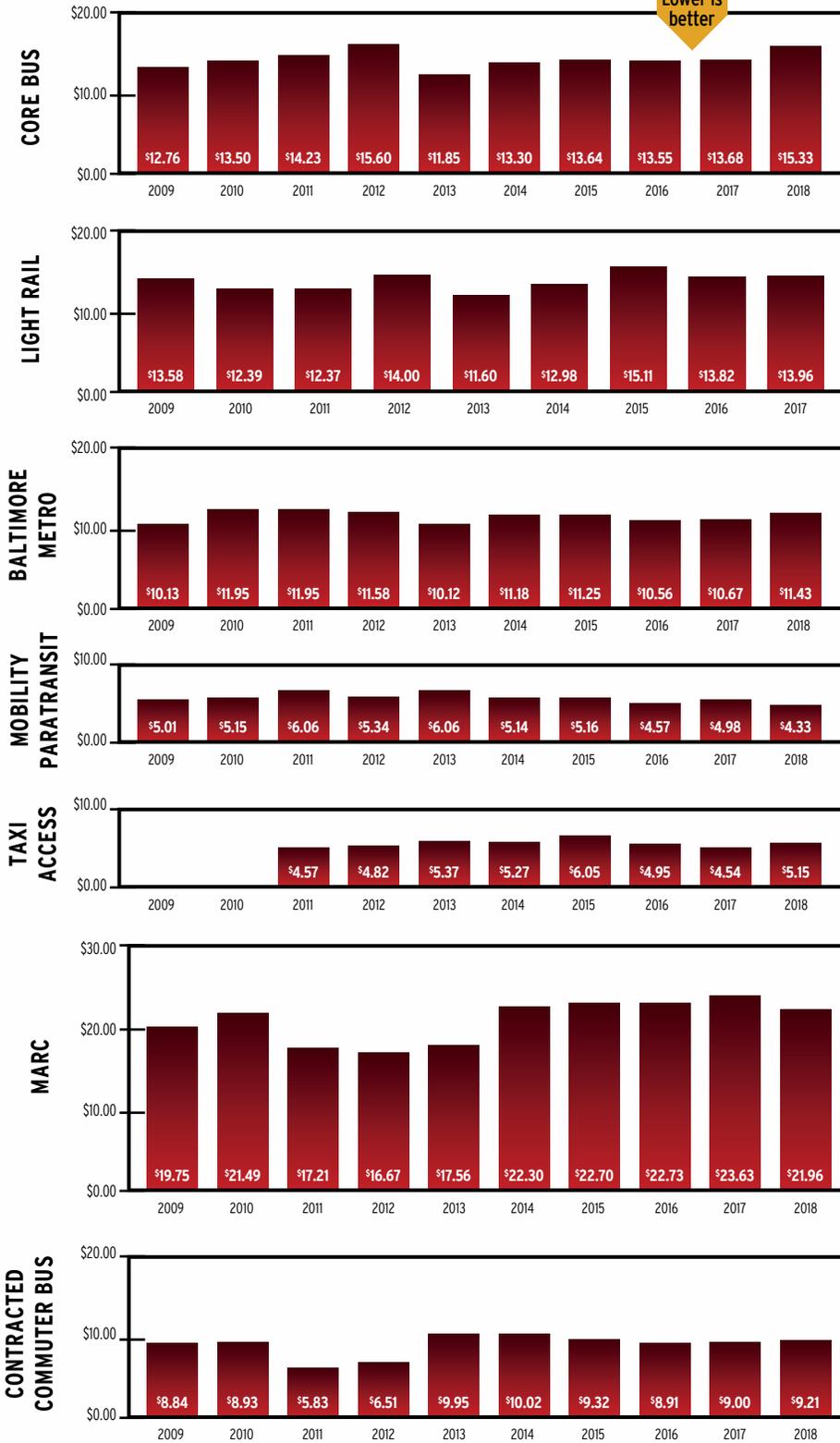


OPERATING COST PER REVENUE VEHICLE MILE



ON TRACK

PROGRESS
Lower is better



Why Did Performance Change?

- The cost to operate transit services increased and was disproportionately greater than the vehicle revenue mile increases
- Cost-per-trip increased for all modes from FY 2017 to FY 2018, except for mobility paratransit and MARC, due to newly established services and routes, contract increases and general inflation
- An increase in overtime hours drove up the operating cost
- Across all modes the costs per revenue vehicle mile increased by 5%

What Are Future Performance Strategies?

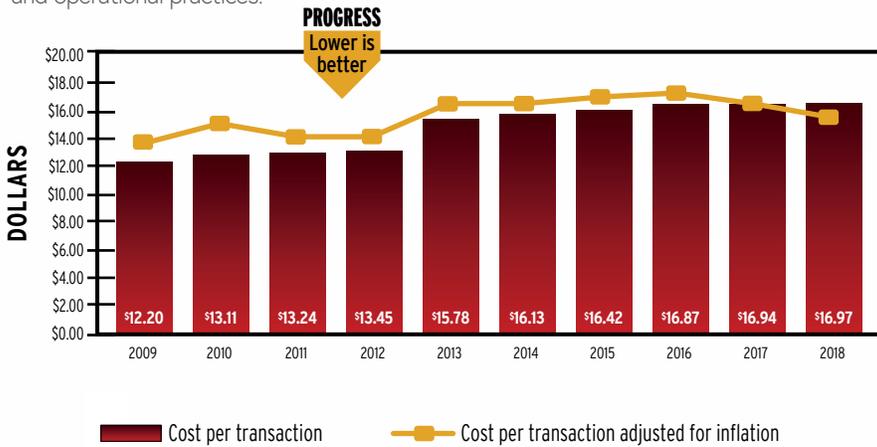
- Continue to increase system reliability to improve on time performance (OTP), making transit service more reliable for customers
- Increase the accuracy of the real-time passenger information on MDOT MTA's transit services to provide the best possible information to and for customers
- Implement mobile ticketing
- Use Rate-Your-Ride app data to identify areas of improvement and implement selected customer suggestions to improve transit service
- Pursue increased marketing techniques to educate potential customers about MDOT MTA services
- Utilize better signage and wayfinding in transit stations and facilities to improve the customer experience



MDOT MVA COST PER TRANSACTION*



Cost per transaction is used as an indication of whether MDOT MVA business practices and programs are increasingly cost effective through the employment of better technology and operational practices.



* Includes all transactions (e.g. licensing, registration, titling).

Why Did Performance Change?

- MDOT MVA modified the calculation of cost per transaction to reflect only costs that immediately result from a transaction; administrative costs are excluded from this calculation

What Are Future Performance Strategies?

- Continue to promote the "Anytime, Anywhere, MVA Online" campaign and continue to add more MDOT MVA services and transactions available online or through other alternative means
- Continue to improve the MDOT MVA Customer Call Center hours to more efficiently serve customers prior to visiting a branch
- Launch system modernization to enhance our capabilities and customer interactions



OBJECTIVE:

Ensure a consistent revenue stream and ample financing opportunities

MDOT actively seeks out discretionary grants to supplement its guaranteed funding. These discretionary grants are competitive and require that applicants meet certain eligibility criteria. While some are limited to state agencies, more grants are open to regional and local agencies. These regional and local agencies are encouraged to coordinate with MDOT in order to put together the most competitive grant application package. The Purple Line's approximately \$900 million funding agreement is an example of this type of discretionary grant funding. Maryland also received two Better Utilizing Investments to Leverage Development (BUILD) discretionary grants from the U.S. Department of Transportation: a \$20 million grant for the Belvidere Road Interchange Project in Cecil County, and a \$6.6 million grant for the Seagirt Marine Terminal to deepen a second container berth to allow the Port to handle two supersized container ships simultaneously.

The Purple line is also an example of a Public-Private Partnership (P3), a method for delivering public infrastructure projects, such as highway and transit improvements, with an agreement between a public owner (such as MDOT) and a private entity. The private entity, known as a concessionaire or developer, performs functions under a single agreement that are normally completed through multiple contracts and/or with public resources. These types of partnerships allow more funding flexibility than traditional vehicles, meaning more savings for system users. Another example of a P3 project in Maryland is the massive project to add managed lanes to I-495 and I-270 in Montgomery, Prince George's and Frederick counties.