

## Workgroup on the Reorganization of the Maryland Transit Administration

Meeting #2  
September 17, 2025  
1:30 P.M. – 3:30 P.M.

[Website](#)

Location: Governor's Reception Room, 100 State Circle, 2<sup>nd</sup> Floor, Annapolis, MD 21401

### Workgroup Member Materials

Item #	Item
1	Meeting 2 Agenda
2	Meeting 1 Minutes
3	Department of Legislative Services – History of the State Railroad Administration
4	Maryland Department of Transportation (MDOT) – Governance Boards at MDOT
5	Maryland Transit Administration (MTA) – MTA Federal Relationship Considerations
6	MTA – MTA Contract Considerations

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Livestream Information: <https://vimeo.com/event/4067005>

### Agenda

Item #	Administrative	Contributor	Time (min)
1	Call to Order	Workgroup Chair	5
2	Workgroup Administration	Workgroup Chair	10
	<b>Reports and Briefings</b>		
3	History of State Railroad Administration	Department of Legislative Services	10
4	Governance Boards at MDOT	Maryland Department of Transportation	15
5	MTA Federal Relationship Considerations	MTA	30
6	MTA Contract Considerations	MTA	30
	<b>Discussion and Other Business</b>		
	<b>Adjournment</b>		

## Workgroup on the Reorganization of the Maryland Transit Administration (MTA)

### Meeting #1 Minutes

#### 1. Attendance:

1. Senator Michael Jackson, Chair, Senate Budget and Taxation Subcommittee on Public Safety, Transportation and Environment Subcommittee
2. Mike Kelly, Baltimore Regional Transportation Board (BRTB)
3. Delegate Mark Korman, Chair, House Environment and Transportation Committee
4. Jon Laria, Chair, Baltimore Regional Transit Commission (BRTC)
5. Assistant Secretary Joe McAndrew on behalf of Maryland Department of Transportation (MDOT) Acting Secretary Samantha Biddle
6. Marly Millic on behalf of Delegate Mark Edelson
7. Wesley “Wes” Mitchell, MTA Rider
8. Sameer Sidh, MTA Rider
9. Kate Sylvester on behalf of MTA Administrator Holly Arnold

#### 2. Call to Order

1. Assistant Secretary Joe McAndrew called the meeting to order. Mr. McAndrew designated Mr. Sameer Sidh as the Chair of the Workgroup on the Reorganization of the Maryland Transit Administration (MTA).
2. Chair Sidh provided opening comments regarding the Workgroup’s authorizing statute, the Maryland Department of Transportation’s (MDOT) Final Consolidated Transportation Program (CTP), and highlighted transit related investments that included the Light Rail Modernization Program, the Purple Line, the Washington Area Metropolitan Transit Authority (WMATA), and MARC and statewide transit services.
3. Chair Sidh provided guidance to the Workgroup regarding the Open Meetings Act. Chair Sidh made a motion to designate Mr. Sean Winkler, MDOT, as the Open Meetings Act contact for the Workgroup. The motion was seconded by Senator Michael Jackson. **There was no discussion and the motion carried unanimously.**
4. Chair Sidh reviewed the proposed meeting schedule with the Workgroup. Mr. Jon Laria noted a potential conflict with the proposed Workgroup meeting on October 9<sup>th</sup>.

#### 3. Briefings

1. Mr. T. Patrick Tracy, House Environment and Transportation Committee, provided an overview of the Workgroup’s authorizing legislation and highlighted

the Workgroup has two different reporting dates. The authorizing legislation requires the Workgroup to produce a Final Report on December 1, 2026; however, the budget bill provides a deadline of December 1, 2025. Mr. Tracy noted the Workgroup will have to determine how to respond to the December 1, 2025, reporting requirement. He noted that an Interim type of report may be acceptable to the Maryland General Assembly.

2. Mr. Samuel Quist, Department of Legislative Services, provided an overview of MDOT's governance structure and the consolidated Transportation Trust Fund. He noted the revenue increased that passed in recent legislative sessions.
  - i. Delegate Korman requested a breakdown of Purple Line and MARC funding within MTA's capital and operating funds. He acknowledged this information would likely be addressed in MTA's overview presentation.
  - ii. Delegate Korman asked if MTA had always been structured in its current form and noted the previous existence of a State Rail Administration (SRA).
3. Ms. Kate Sylvester provided an overview of the MTA which included its current governance, service, and funding structure. She also provided an overview of the MTA's capital budget broken down by Baltimore region, Statewide, and MARC services.
  - i. Chair Sidh asked where the Locally Operated Transit System (LOTS) funding is contained, in the operating or capital budget? Ms. Sylvester responded noting LOTS receive both capital and operating funds and that LOTS capital funding is relatively stable due to federal support.
  - ii. Mr. Laria noted that the MTA's Capital Needs Inventory that approximately 90% of MTA's state of good repair investment needs are met. He asked if this was true in the out-years not within the CTP programming years. Ms. Sylvester noted that the 90% funding need is only within the CTP period.
  - iii. Delegate Korman asked if this has always been MTA's governance structure. Ms. Sylvester responded it has not always been. Mr. Korman noted the previous existence of the SRA. Ms. Sylvester responded nothing that governance change is possible. Assistant Secretary McAndrew encouraged the Workgroup to be briefed on the SRA in the future. Mr. Korman asked if MTA's current structure is unique compared to other State Departments of Transportation and regional transit systems across the nation. Ms. Sylvester responded that MTA's structure is relatively unique but noted that Massachusetts and Utah have similar structures.
4. Mr. Sean Winkler provided an overview of the Secretary's Office (TSO) with a particular emphasis on rail and transit related functions at TSO.
  - i. During Mr. Winkler's comments regarding TSO's Office of Rail and Intermodal Freight, Senator Michael Jackson asked if Mr. Winkler could comment on TSO's coordination with freight railroads. Mr. Winkler noted that MDOT works closely with Class I freight railroads, Amtrak, and short

line railroads to identify projects and service opportunities. He noted that, ultimately, MDOT needs railroad permission for project and service activities given they are the infrastructure and right of way owners in most cases.

- ii. Delegate Korman asked if there was an opportunity to consolidate certain functions like human resources, government affairs, and public information out of the Secretary's Office. Mr. Winkler responded that these functions at TSO are able to provide a global perspective of all multi-modal issues facing the Department; at the modes, these functions are focused on their specific services and unique workforce requirements.
- iii. Chair Sidh asked if the capital functions at MTA used to be at TSO and if the current arrangement creates bifurcation. Ms. Sylvester noted that MTA is the direct Federal Transit Administration (FTA) recipient for the State of Maryland and leads specific transit related compliance for subrecipients, like local governments that receive federal LOTS funding.
- iv. Senator Jackson asked about TSO's real estate function and noted an opportunity for enhanced transit oriented development (TOD) coordination in Prince George's County. Assistant Secretary McAndrew noted the State's TOD leadership role is focused on state-owned assets, primarily parking lots located near MARC stations. MDOT, in partnership with the Moore-Miller Administration, is focused on turning these underutilized assets into economic and transit ridership generators.
- v. Delegate Korman noted MTA's request for personnel support this session for the Purple Line's police force. He asked for a breakdown of what Purple Line services and functions are the responsibility of the public-private partnership (P3) contractor and which are the responsibility of the State of Maryland. Ms. Sylvester responded noting that the P3 contractor is primarily responsible for operating the system when it is complete and in revenue service. Mr. Korman asked if there is opportunity to consolidate the FTA required State Safety Oversight (SSO) program in the greater Washington region and noted the unique arrangement at WMATA. He also asked if the Purple Line workforce would be governed by FTA or the National Labor Relations Board. MDOT and MTA noted they would follow up on these topics, but they would have to be coordinated with FTA.

## 5. Other Business

- i. Chair Sidh moved to other business and noted for the Workgroup that the Central Maryland Transportation Alliance had provided a briefing memo to the Workgroup.
- ii. Mr. Laria noted that the next two proposed meeting topics are on MTA's contracts, federal relationship, and workforce. He asked what the process was for requesting meeting topics and identifying potential briefings. Chair Sidh responded that the next two meetings are required by the

legislation to identify all contractual relationships and note potential changes that would be required if MDOT and MTA are reorganized.

- iii. Delegate Korman noted that an Interim Report was not particularly unusual. He suggested MDOT and the Chair would submit a letter to the Budget Committees and negotiate in good faith with the Maryland General Assembly on what to include. Chair Sidh noted the Workgroup will revisit the Interim Report topic.
  - iv. Senator Jackson requested a formal designee process be determined by the Workgroup as he noted an upcoming conflict for the September meeting.
  - v. Mr. Winkler requested the Workgroup to please provide him with contact information to create an accurate member roster for communications.
6. Adjournment.
- i. Chair Sidh moved to adjourn the meeting. Mr. Laria seconded. **There was no discussion and the motion to adjourn carried unanimously.**

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# **Workgroup on the Reorganization of the Maryland Transit Administration (MTA)**

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## **State Railroad Administration History**



**September 2025**



- Currently the Maryland Area Commuter Rail (MARC) consists of:
  - The Camden and Brunswick lines operated by CSX (formerly the Baltimore & Ohio's Railroad's (B&O) local commuter train service); and
  - The Penn Line operated by Amtrak (formerly the local commuter train service of the Pennsylvania Railroad/Penn Central/Conrail).



- Due to the unprofitability of local commuter train service:
  - In 1974, the Maryland Department of Transportation (MDoT) agreed to provide a subsidy to B&O to partially cover its deficit for the local commuter train service on the Camden and Brunswick lines;
  - In 1975 MDoT entered into an operating agreement with B&O under which the State would cover the total operating deficit for local commuter train service and provide the rolling stock, including locomotives and railcars, for the Camden and Brunswick lines; and
  - In 1976 MDoT entered into a similar agreement with Conrail for local commuter train service on the Penn Line.



- Also in 1976, the Maryland State Railroad Administration (SRA) was created as a modal under MDoT to manage Maryland's investments in rail infrastructure and services.
- Key SRA duties included:
  - Administering contracts, particularly the contracts with B&O and Conrail for local commuter train service;
  - Acquiring rolling stock, including locomotives and railcars needed to maintain and improve local commuter train services;
  - Applying for and managing federal funding for local commuter train service; and
  - Overseeing short line railroads, including ensuring the financial stability and operational efficiency of smaller rail lines in Maryland (mainly on the Eastern Shore and Western Maryland).



- In 1983, due to federal law authorizing Conrail to discontinue its local commuter train service:
  - Public operators, including (under varying governance models) SRA, Metro–North Railroad, NJ Transit, and SEPTA Regional Rail, began operating local commuter train service in the Northeast U.S.; and
  - SRA contracted with Amtrak to operate the Penn Line.



- In 1984, SRA rebranded local commuter train service in Maryland as MARC service, and while operations remained the same, public elements including schedules and crew uniforms were consolidated under the MARC brand.
- In 1987, B&O merged into CSX.
- In 1991, the SRA was abolished, and all of its assets, obligations, powers, and responsibilities were transferred to the (Mass) Maryland Transit Administration.



# HB 517 Workgroup

*Governance Board Overviews*  
*September 17, 2025*



# Overview

- Legislative Background
  - The Workgroup shall study...
    - “Governance changes to the Administration necessary to ensure that Baltimore City has the appropriate oversight and input into local Baltimore City transit service.”
- Modal Administration Governance
  - Maryland Aviation Commission
  - Maryland Transportation Authority Board
  - Maryland Port Commission
- Boards and Commissions
  - Maryland Transportation Commission
  - Baltimore Regional Transit Commission
- Summary



# Maryland Aviation Commission (MAC)

- Provides oversight and direction for BWI and state-owned airport budgets, regulations, revenues, and community impacts.
  - Select key duties:
    - Review of MAA budget before submission to the General Assembly as a part of the Consolidated Transportation Program (CTP).
    - Approval of defined major capital projects.
    - Maintains personnel oversight role of the MAA Administrator and up to 12 management level positions.
    - Required annual report: [2024 Annual Report](#).
- Membership: 13 voting members.
  - Twelve (12) members appointed by the Governor (consider aviation experience and geographic representation):
    - Two (2) of which must be recommended by the Anne Arundel County Senate Delegation
    - Two (2) of which must be recommended by the Howard County Senate Delegation
  - Secretary of Transportation, who serves as Chair
- Md. Code Ann., Transportation § 5-201 – 5-201.2.



# Maryland Transportation Authority (MDTA) Board of Directors

- Provides oversight and direction for MDTA and its role constructing, managing, operating, and financing toll facilities.
  - Select key duties:
    - Review of MDTA budget before submission to the General Assembly as a part of the Consolidated Transportation Program (CTP).
    - Broad authority over MDTA operating and capital budgets, contract awards and modifications, revenue collection projects, policies, and the issuance of debt.
- Membership: Nine (9) voting members.
  - Eight (8) of which are appointed by the Governor with the advice and consent of the Senate. Appointments are required to have certain relevant backgrounds (land use, legal, planning, engineering) and reflect the racial, gender, and geographic diversity of Maryland.
  - Secretary of Transportation, who serves as Chair
- Md. Code Ann., Transportation § 4-202.



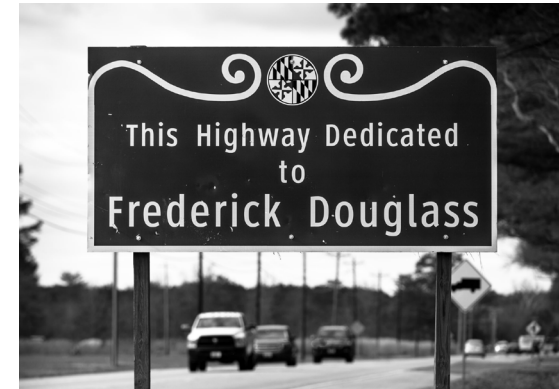
# Maryland Port Commission (MPC)

- Establishes policies directed toward improving the competitive position of the Port of Baltimore within the international maritime industry.
  - Select key duties:
    - Oversight of policies regarding port operations, financials, revenues, trade competitiveness, and community/environmental impacts.
    - Approval of contracts related to port operations.
    - Maintains personnel oversight role of the MPA Administrator and up to 12 management level positions.
    - Required annual report: [MPC 2023 Report](#).
- Membership: Seven (7) voting members.
  - Six (6) members appointed by the Governor with the advice and consent of the Senate. Appointments are to reflect diverse expertise in maritime commerce, business, and transportation.
  - Secretary of Transportation, who serves as Chair
- Md. Code Ann., Transportation § 6-201 – 6-201.2.



# Maryland Transportation Commission (MTC)

- Created to provide advice and guidance to the Secretary on policy, programs, and plans.
  - Select key duties:
    - Maintains stakeholder oversight and public engagement role to ensure transportation planning reflects geographic and modal needs.
    - Advise on any and all matters that concern transportation policy and program execution.
    - Leads the facility dedication process for eligible state highways.
- Membership: Seventeen (17) members.
  - Ten (10) members appointed by the Governor with the advice of the Secretary.
    - Seven (7) regional ex-officio members.
  - Secretary of Transportation, serves in an ex officio capacity
- Md. Code Ann., Transportation § 2-201 – 2-205.



# Baltimore Regional Transit Commission (BRTC)

- Provides oversight and advocacy for the Baltimore regional transit system, operated by MTA, and provides a forum for public and stakeholder representation.
  - Select key duties:
    - Review and comment on service changes, operating and capital budget requests for the Baltimore region, the Capital Needs Inventory, and local transit plans and services.
    - Review and approve any update to the Central Maryland Regional Transit Plan.
    - Provide recommendations on performance goals, metrics, reports, and plans that evaluate the performance of the regional transit service.
    - Required annual report: [BRTC 2024 Report](#).
- Membership: Fourteen (14) voting members.
  - Six (6) members from Baltimore City:
    - Three (3) members appointed by the Mayor of Baltimore City.
    - Three (3) members appointed by the Governor, includes transit rider and business community representation.
  - Four (4) members from Baltimore County:
    - Two (2) members appointed by the Governor, includes transit rider and business community representation.
    - Two (2) members appointed by the County Executive of Baltimore County.
  - Two (2) members from Anne Arundel County:
    - One (1) member appointed by the Governor.
    - One (1) member appointed by the County Executive of Anne Arundel County.
  - Two (2) members from Howard County
    - One (1) member appointed by the Governor.
    - One (1) member appointed by the County Executive of Howard County.
  - One (1) non-voting member of the MTA that is a member of the Amalgamated Transit Union
  - The Secretary of Transportation, who shall only vote in case of a tie.
- Md. Code Ann., Transportation § 7-213.

**BRTTC**



# Governance Board Overview

Board/Commission	Executive Personnel Oversight	Budget Oversight	Local Representation	Contract Award Review
MAC	Yes	Yes	Yes	No
MPC	Yes	Partial	No	Yes
MDTA Board	Yes	Yes	No	Yes
MTC	No	No	Yes	No
BRTC	No	Partial	Yes	No



**Thank you!  
Questions?**





# HB 517 Workgroup

*MTA Federal Relationships and  
Considerations*

*September 17, 2025*



# Overview

- Legislative Background
  - To the extent practical, the Workgroup shall:
    - Analyze the impact of any potential reorganization on federal funding and regulatory compliance.
- Federal Transit Administration
- Federal Railroad Administration
- Other Federal Agencies
- Current Federal Environment
- Key Considerations



# Federal Transit Administration - Funding

**FTA is critical in supporting public transportation across the United States, including:**

- Funding & financial assistance
  - Safety
  - Technical assistance
  - Project oversight
- Chapter 53 of Title 49 establishes Federal Transit Administration (FTA) authority
    - The Infrastructure Investment and Jobs Act (IIJA) provided historic formula and discretionary federal funding for transit through the Highway Trust Fund and Advanced Funding
  - Key funding programs for the State of Maryland include:
    - Urbanized Area Formula Grants (5307)
    - Enhanced Mobility of Seniors and Individuals with Disabilities (5310)
    - Formula Grants for Rural Areas (5311)
    - State of Good Repair Grants (5337)
    - Buses and Bus Facilities (5339)
    - Grants for the Washington Metropolitan Area Transit Authority (WMATA)
  - Funding allocations are determined by formula calculations. Factors include population and low-income riders

# Federal Transit Administration - Funding

Program	FFY 2024	FFY 2025
Urbanized 5307 (Baltimore)	\$95,731,989	\$96,010,081
Urbanized 5307 (Washington Area - MD)	\$101,790,997	\$110,754,852
Enhanced Mobility 5310 (Baltimore)	\$2,892,556	\$2,872,122
Enhanced Mobility 5310 (Maryland)	\$1,217,277	\$1,228,979
Rural 5311 (Maryland)	\$9,903,832	\$10,093,631
SGR 5337 (Baltimore Urban)	\$36,389,582	\$36,584,592
SGR 5337 (Baltimore MARC)	\$62,816,198	\$64,097,674
Buses and Bus Facilities 5339 (Baltimore)	\$4,927,085	\$4,934,743

## FTA Apportionment Data

\*meant to show general scale of funding, not a fully comprehensive list

# Federal Transit Administration - Funding

- Designated Recipient(s)
  - Each Governor or State must formally designate recipients of FTA funding.
    - The Maryland Transit Administration (MTA) serves as the designated recipient of FTA funding for the State of Maryland.
    - There are no other direct recipients or subrecipients that act on behalf of the State.
  - As a direct recipient, MTA must follow federally mandated requirements, and assure compliance for pass-through entities, including with:
    - Environmental project reviews (NEPA)
    - Federal procurement procedures
    - Civil rights statutes including Title VI and the ADA
    - Disadvantaged Business Enterprise (DBE) program
    - 49 USC 5333(b) Public Transit Employee Protections
  - MTA must demonstrate the legal, financial, and technical capacity to carry out all programs and projects, through the comprehensive review process.



# Federal Transit Administration - Funding



**MTA performs functions on behalf of all Maryland pass-through recipients of FTA funds.**



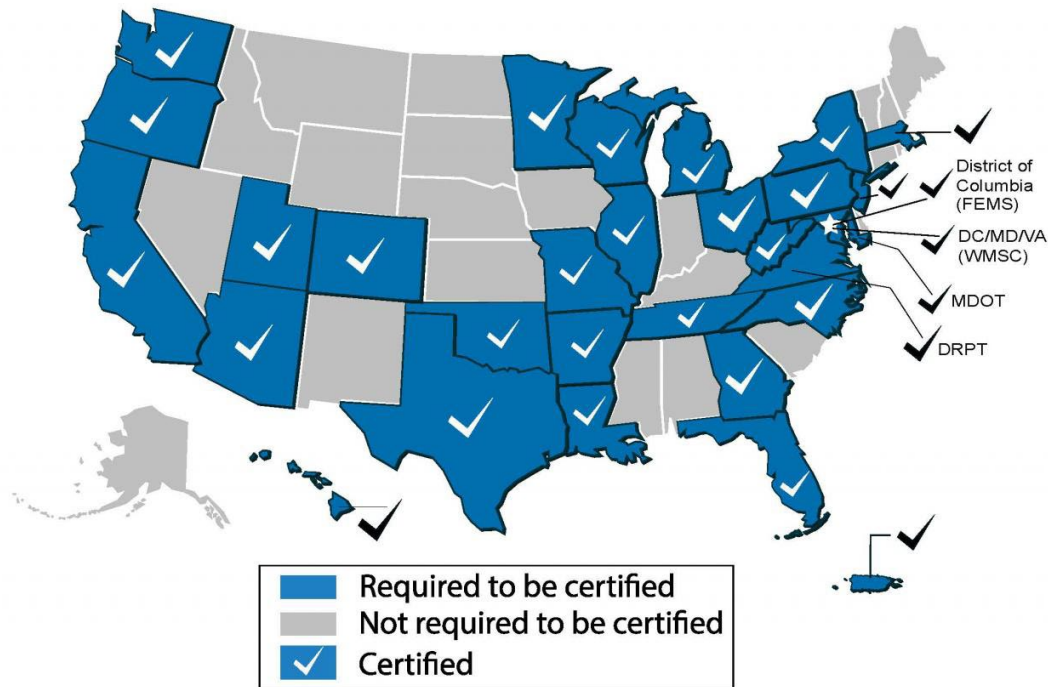
- MTA holds FTA-compliant contracts
  - The only ones held by any State agency
  - Subrecipients use these for both Capital purchases and technical assistance
- MTA is responsible for compliance with FTA requirements for local projects and services
- MTA's Office of Local Transit Support provides technical assistance
  - Reduces need for local governments to spend additional resources on staff and training to comply with federal requirements
  - Particularly impactful for rural areas in the State; direct recipients must apply for and administer funding on their behalf for certain programs
- MTA coordinates or administers many FTA discretionary grants received by local governments.

# Federal Transit Administration – Funding

- Discretionary Grants
  - Capital Investment Grants (5309)
    - Competitive funding for new fixed guideway or core capacity projects. Primary federal program for major transit system expansion projects
    - Highly technical grant process that requires close technical coordination with FTA, as well as consistent and available appropriations from Congress
    - Recent Maryland Examples: Purple Line, Red Line, SMRT
  - Transit Eligible IIJA Grants
    - BUILD
    - Lo or No Emission Vehicle and Buses and Bus Facilities
    - All Stations Accessibility Program
    - Rail Vehicle Replacement Program
    - Ferry Programs
    - Pilot Program for Transit-Oriented Development Planning



# Federal Transit Administration – Safety



- The State Safety Oversight (SSO) agency is required by the FTA for states with rail transit systems
  - FTA does not maintain safety oversight of commuter and intercity passenger rail
  - FTA provides dedicated funding to maintain the SSO
- The SSO function must be independent of the rail transit systems it is responsible for overseeing.
  - As noted in Meeting #1, this function is housed at the Secretary's Office
    - MD. Code Regs. Tit. 11, subtit. 8.

# Federal Railroad Administration (FRA)

- The FRA was created in 1966 as one of the modes at USDOT to enable the safe, reliable, and efficient movement of people and goods
- FRA provides regulatory and safety oversight for passenger and freight rail operations and projects
  - Over 400 inspectors throughout the Country support FRA's safety mission
    - Key safety functions include trespasser prevention, bridge, structure, rolling stock, and track inspection, Positive Train Control (PTC), railway grade crossings, worker protection, and train operations
  - FRA, not FTA, provides regulatory oversight of commuter railroads like MARC, including safety, train operations, Positive Train Control, (PTC), etc.
  - MTA is also required to maintain a minimum liability coverage for defined passenger rail transport (49 USC 28103)
- Also supports railroad research and development and freight/intercity passenger rail network development/corridor planning
- Department of Labor & Licensing (DLLR), not MDOT, is the companion State agency for regulatory oversight of passenger (intercity and commuter) and freight rail



U.S. Department  
of Transportation

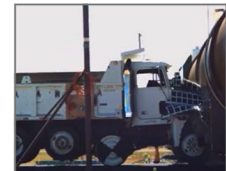
## Federal Railroad Administration



Grade Crossing Safety &  
Trespass Prevention  
Initiatives



Safety Data Website



Research



Train Horn and  
Quiet Zones

# Federal Railroad Administration (FRA)

- Similar to FTA, funding recipients are required to meet federal requirements as a condition of funding.
  - However, FRA currently does not provide dedicated formula funding
  - All FRA grant-funded projects must meet federal requirements.
- Plays a key funding and oversight role of Amtrak, including providing annual grants and participating in cost sharing arrangements with States (49 USC 24905)
- Administers numerous discretionary grant programs for States and Railroads. Examples:
  - Amtrak is the recipient of Federal-State Partnership funds i.e., Frederick Douglas Tunnel; NEC-wide and bridge projects
  - MDOT & MTA are recipients of Rail Crossing Elimination (RCE), Consolidated Rail Infrastructure and Safety Improvement (CRISI), and other discretionary funds
- FRA saw the largest percentage increase in funding of any USDOT mode from the IIJA



# Select Other Federal Agencies



## Surface Transportation Board (STB)

- Provides economic regulatory oversight of railroads in the U.S. and serves as an adjudication body for certain freight and passenger rail proceedings
- While IIJA has expanded some of the STB's passenger rail powers, services funded exclusively by state or local governments are excluded from its jurisdiction (49 USC 10501(c)(2))

## National Transportation Safety Board (NTSB)

- Independent agency that investigates all accidents and significant events involving transportation



## Railroad Retirement Board (RRB)

- Administers comprehensive retirement-survivor annuities and unemployment benefits for the nation's railroad workforce

# Federal Environment

- MDOT and MTA are facing additional uncertainty and risk.
  - On May 13<sup>th</sup>, Attorney General Brown joined 19 other jurisdictions in contesting the federal government's inclusion of federal immigration enforcement conditions in federal funding agreements.
    - Based on initial guidance, these terms and conditions would have applied to both FTA formula and discretionary funds, as well as FRA discretionary funds.
    - On June 19, 2025, a preliminary injunction was granted but summary judgement is still pending.
    - However, certain MTA projects are still under "political review."
  - NEPA process uncertainty.
  - "Banned words."
  - Highway vs transit funding, leveraging, and other considerations.



# Key Considerations

- **FTA Designated Recipient**

- If changed, State of Maryland and local partners would need to determine a split letter and funding formula process to ensure fair distribution of FTA formula funding, regionally and by mode.
- DC Region does utilize a split letter for WMATA/VRE/MTA and Philadelphia region for certain MTA eligible funds.

- **SSO must maintain independence**

- **MTA staff have demonstrated technical, financial, and legal competencies** to manage federal funds, meet safety requirements, and implement multi-modal transit projects and functions. Includes on behalf of local governments.

- **Federal Uncertainty**



**Thank you!  
Questions?**



# HB 517 Workgroup

## MTA Contract Considerations September 17, 2025



# Agenda

1. Contract and Agreement Types
2. Contract and Agreement Transfers
3. Contract and Project Management Examples



# Contract and Agreement Types

Overview of MTA's Roles and Obligations

# Contract/Agreement Types

## A&E

Procure, monitor, and provide oversight of specialized architectural, planning, and engineering services (>80 contracts)

## Services

Procure and provide task management and oversight on contracts for labor activities beyond the capacity or scope of represented workforce

## Purchasing

Procure material purchases through a competitive bid process and assure that the received product fulfills all required functions

## Construction

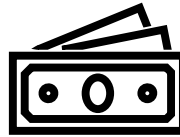
Procure, manage, and provide quality assurance and oversight on contracts for construction services

# Contract/Agreement Types



## Railroad Agreements

MTA has agreements with the railroads on which MARC service is operated that govern access



## Grants

MTA is the designated recipient for FTA funds for the State of Maryland



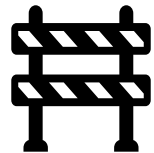
## Real Estate Transactions

MTA is lessor and lessee to access property or facilities needed for its operations, or to lease parts of its real estate portfolio to other users



## MOUs/MOAs and Intergovernmental Agreements

MTA is the signatory of agreements with government entities (e.g., school systems) and awards funds to locally operated transit systems



## Rights of Entry / Easements

MTA is a property owner with responsibility for assuring safe and legal entry for third parties needing access to property or right of way

# Overview of Contract/Agreement Types: **Collective Bargaining Agreements**

- MTA is the signatory to multiple collective bargaining agreements covering:
  - Terms of employment, wages, and pension
  - Operating and work rules
  - Schedule requirements and schedule picking
  - Training and administrative time
  - Seniority benefits
  - Grievance process regarding discipline or disputes
- As of July 1, 2025, **three separate unions** (AFSCME, ATU Local 1300, and OPEIU Local 2) represented **2,507 of the 3,500 authorized MTA employees**
- Two additional union contracts are being added for Supervisors and Sergeants

# Overview of Contract/Agreement Types: **Contracted Services & Concession Agreements**

- Three of MTA's operating modes are fully contracted, from a service provision standpoint
  - **Mobility:** Contracted operations and maintenance using MTA-owned vehicles
  - **Commuter Bus:** Contracted equipment and operations
  - **MARC:** Contracted operations and maintenance using MTA-owned vehicles and both owned and contracted facilities and stations
- The Purple Line light rail is a Concession. It is being designed, built, financed, operated and maintained by a single Concessionaire under a 36-year contract.
- Due to the various contracting structures, and MARC's relationship with host railroads, MTA has specialized supervisory, QA/QC, and contract monitoring structures for each of these modes/services

# Transfer Process/Considerations: Contracted Services & Concession Agreements



## Modal Operating Budgets for Fiscal Year (FY) 2026

**Total Value ≈ \$489,927,975**

MARC Train	≈	\$ 210,337,069
MobilityLink	≈	\$ 225,401,644
Commuter Bus	≈	\$ 54,189,262
Purple Line Ops	≈	\$ TBD for FY 2027



## Contracts for Services & Operations & Maintenance

**Total Value ≈ \$4.5B**

MARC Train	≈	\$ 2.8B
MobilityLink	≈	\$ 1.4B
Commuter Bus	≈	\$ 334M
Purple Line Ops	≈	\$ TBD

# Overview of Contract/Agreement Types: **MARC Contracts**

- 40+ contracts with 31 vendors support MARC service
- Amtrak agreements include: Access, Operations, Equipment Maintenance, Special Services, Major Projects
- CSX agreements include: Access and Master License
- MARC-wide contracts include: Vehicle overhauls, snow & ice removal, ticket vending, PTC, ancillary construction, PA/LED, landscaping, HVAC, janitorial, communications, radios
- Additionally, dozens of agencywide contracts support MARC (eg. Planning (6) Engineering (30+), Safety (3), Business & Legal services, CCTV, etc.) to support staffing, project development, performance management, construction management, policing, etc.

# Contract and Agreement Transfers

Key Considerations

# Transfer Process/Considerations: Overview

- Ability to transfer MTA contracts to a different entity is complex and varies by contract
- Succession terms are not consistent throughout all MTA contracts and agreements
- Transferring contracts would require administrative resources
  - A portion of this may be able to be accomplished by statute
- In many cases, it is unlikely contracting parties will object unless significant interests like liability and insurance are impacted
- Material changes to contracts would require BPW approval
- All contracts have a limited term, so their replacements could be negotiated with a different entity

# Transfer Process/Considerations: **Liability & Insurance**

- MTA has uncapped liability
  - Other MDOT entities' and most state agencies' liability is generally limited to \$890,000 per incident
- MTA secures excess liability coverage up to \$500M per incident for all transit modes, at a significant cost
- Transfer of contracts to an entity with capped liability could require significant renegotiation/novation of certain contracts and agreements
  - Particularly those with Amtrak and CSX
- Renegotiation of railroad access agreements in advance of current terms ending in 2032 and 2034 could result in millions of dollars of additional expense

# Transfer Process/Considerations: Federal Funding

- FTA formula funds support multiple transit modes, often within the same federal grant
- Federal funds dedicated to each mode vary year to year to support the changing mix of projects
- MTA's Capital Programming department currently manages all federal funds and uses a holistic view to best utilize limited State dollars to ensure all federal dollars are fully matched and incorporated into the program

	Operating Fund Sources	Capital Fund Sources
Mobility	State	FTA 5307, 5339, CMAQ, State
Commuter Bus	State	State
MARC	State	FTA 5307, 5337, FRA, State
Purple Line	State	TIFIA, FTA 5307, State
LOTS	FTA 5307, State	FTA 5307, 5310, 5311, 5339, CMAQ, State
Light Rail	FTA 5307, State	FTA 5307, 5337, State
Metro	FTA 5307, State	FTA 5307, 5337, State
Core Bus	FTA 5307, State	FTA 5307, CMAQ, State

In addition, numerous types of FTA, FRA and USDOT discretionary grant funds support capital contracts on all modes

# Transfer Process/Considerations: **Federal Compliance**

- MTA is the only state agency that currently manages FTA eligible contracts
- FTA oversight would extend to any other entity managing contracts with FTA funds
- If MTA continued as the FTA Direct Recipient of funding, MTA would be responsible for providing compliance oversight to any subrecipient
  - The required oversight would function like MTA's LOTS program, which has approx. 9 full-time staff overseeing ~\$150M in annual subrecipient grants
- MDOT is the federally mandated State Safety Oversight Agency (SSOA) for MTA's light rail and metro rail services, and Purple Line light rail in the future
- The Federal Railroad Administration (FRA) provides federal regulatory oversight of MARC Train Service, and therefore MARC does not fall under SSOA oversight.

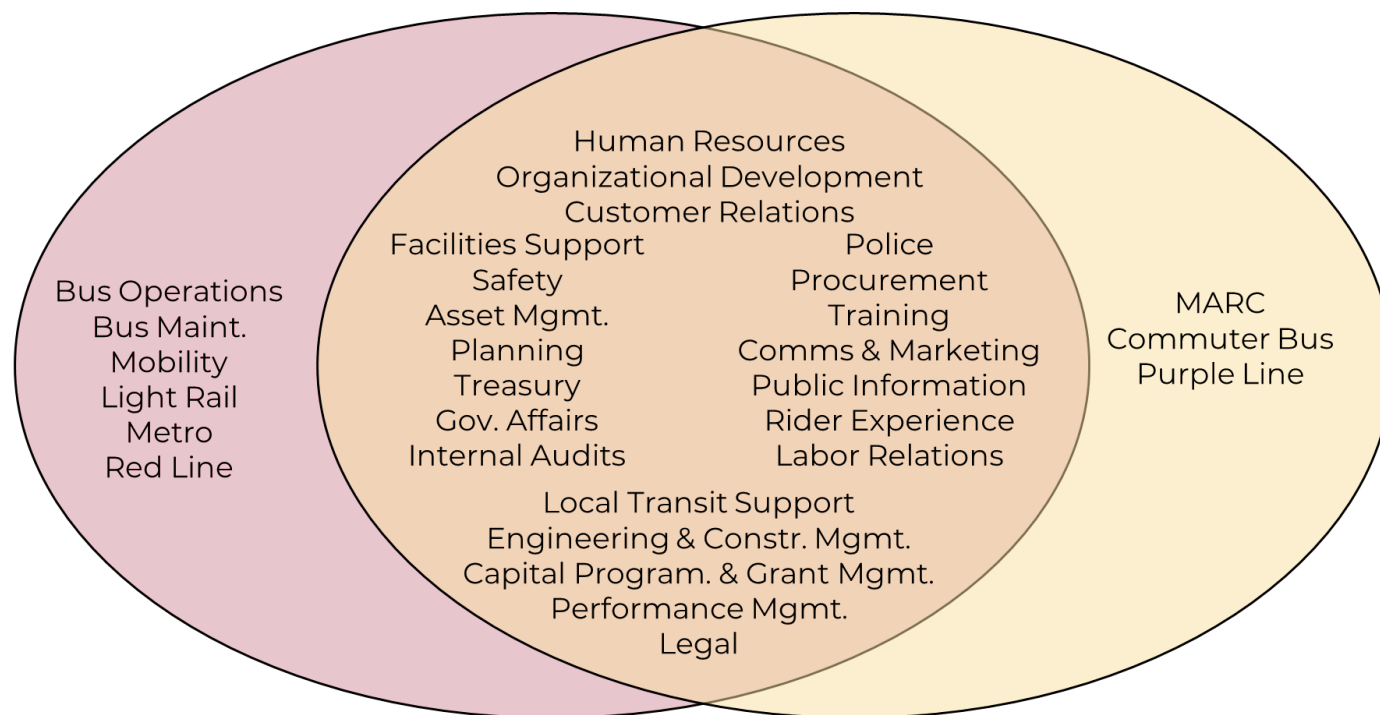
# Transfer Process/Considerations: Contracted Services Management

- MTA's Contracted Service modes are overseen by a single Deputy Chief Operating Officer, consolidating expertise and providing support across the Commuter Bus, MARC, and Mobility teams.
- Core competencies of the Contracted Service team include:
  - Operations and Transportation Oversight and Coordination
  - Maintenance of Equipment & Facilities Oversight
  - Management of Joint Benefit and capital projects in coordination with MTA engineering
  - Compliance, Safety, and Training
  - Comprehensive work with Northeast Corridor Commission staff and Amtrak
  - Contract, project, and program management

**MARC:** 23 PINS  
**Commuter Bus:** 6 PINS  
**Mobility:** 98 PINS (76 Local 2)

# Transfer Process/Considerations: Contract Development & Execution

- Significant staff time and expertise across many offices support MTA contract development and execution
- Any entity replacing MTA as holder of these contracts would need to assure adequate personnel availability and expertise



# Transfer Process/Considerations: Personnel Management

- Staff assigned to offices other than an operating mode typically support multiple modes
- Assigning support staff across all functional areas to specific modes would require many additional staff members

MTA Offices Involved in Contracts													
	Operating Modes	Procurement	Legal	Planning	Engineering	Real Estate	Contract Dev. & Controls	Construction Management	Safety	Customer Relations	Performance Management	Capital Programming	Labor Relations
A&E	X	X	X	X	X			X	X		X	X	
Construction	X	X	X	X	X	X	X	X	X	X		X	
Equipment	X	X	X						X			X	
Real Estate	X		X			X			X			X	
Access Agreements	X	X	X			X					X	X	
Operations & Maint.	X	X	X						X	X	X		X
Other Services	X	X	X	X								X	X

# Transfer Process/Considerations: Purple Line P3 Concession Agreement

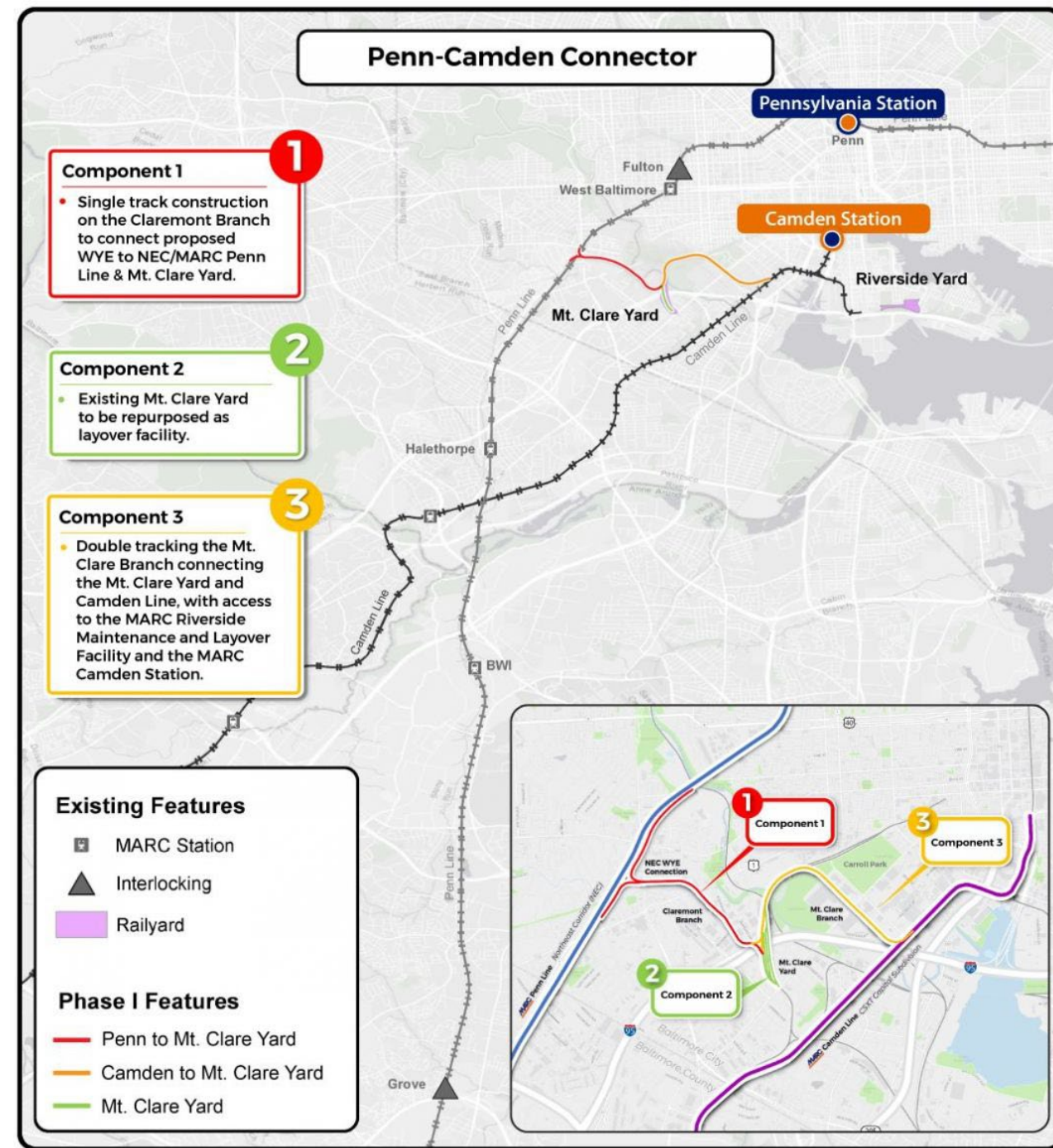
- **Police:** Purple Line will require a police force detachment
  - MDOT currently does not have dedicated police force separate from MTA & MVA police forces.
- **Busing:** Bus bridges may be required to mitigate any operating disruptions along the Purple Line corridor.
  - MTA currently operates MDOT entire bus fleet.
- **Operations:** Operations, maintenance, farebox, and labor expertise needed to successfully manage transit operations sit at MTA currently.
  - MDOT TSO does not have any existing direct experience in those areas.

# Contract and Project Management

Example Roles & Responsibilities

# Example: MARC Capital Project, Penn-Camden Connector

- The Penn-Camden Connector (PCC) is an essential enabling project for the MARC Growth and Transformation Plan
- Project is in Baltimore, but benefits statewide mode
- Cross-office, cross-disciplinary team necessary to successfully deliver, and coordinate with MARC operations and future needs



# Example: MARC Capital Project, Penn-Camden Connector

- Project development draws on teams across MTA with necessary expertise
- Combines Baltimore region and statewide service considerations

MTA Office	Support/Expertise Provided
MARC	Railroad coordination, operating and maintenance requirements, task management
Capital Delivery Team	Project sponsorship, railroad negotiating strategy, key stakeholder strategy
Statewide Planning	Fleet planning, storage capacity planning/design, long term service planning
Engineering	Technical expertise, A&E contract management and resourcing
Baltimore Planning	Local stakeholder engagement, trails coordination, discretionary grant applications
Environmental Planning	NEPA and environmental permitting
Real Estate	Appraisals, negotiation, and real estate transactions
Legal	Environmental and real estate legal support, federal grant review
Capital Programming	Federal and state funds management

# Example: Commuter Bus Service Planning

- Statewide Planning standing up an annual service planning process for CB
- Support offices support efficient operating plans and stakeholder engagement when changing schedules

MTA Office	Support/Expertise Provided
Commuter Bus	Contracted service management, contractor communications, operations expertise
Statewide Planning	Data analysis, metrics and evaluation, stakeholder communication
Office of Local Transit Support	Coordination with LOTS
Government Affairs	Local elected official coordination
Service Development	Integration with core modes, coordinated schedule development
Equal Opportunity & Compliance Programs	Title VI compliance
Real Estate	Easement and access agreement adjustments
Customer Relations	Rider feedback and information, transit ambassadors
Communications & Marketing	Public hearings, public notice