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P R E S E N T

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HONORABLE NANCY KOPP, Treasurer;

SHEILA C. MCDONALD, Secretary, Board of  
Public Works;

ALVIN C. COLLINS, Secretary, Department  
of General Services;

T. ELOISE FOSTER, Secretary, Department  
of Budget and Management;

DARRELL MOBLEY, Deputy Secretary, Department  
of Transportation;

CHIP PRICE, Associate Director, Community  
Resilience, Local POS, Community Parks and  
Playgrounds, Department of Natural  
Resources, Operations;

LUWANDA JENKINS, Special Secretary,  
Governor's Office of Minority Affairs;

MARY JO CHILDS, Procurement Advisor,  
Board of Public Works; and,

MARION BOSCHERT, Recording Secretary,  
Board of Public Works.

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P R O C E E D I N G S

GOVERNOR O'MALLEY: Good morning, everyone.

AUDIENCE: Good morning.

GOVERNOR O'MALLEY: Welcome to the Board of Public Works. Today is March 23, 2011. We are joined by a number of distinguished people, including Dr. Wilson from Morgan who we will hear from shortly. But I would like to ask the Comptroller or the Treasurer if they have any opening thoughts?

TREASURER KOPP: Well -- or we could do it right now?

SECRETARY MCDONALD: We can do it right now. We have a special handcarried item.

TREASURER KOPP: I have a, I have an opening thought. I won't tell you what my thought is. It is not an entirely happy thought. But actually, this is March 23rd, a day that will live in fame, and perhaps in infamy. Governor, this handcarried item before you is a resolution you have before you now. It's a resolution in honor of Howard S. Freedlander, Deputy Treasurer for External Affairs on the occasion of his retirement. Now --

GOVERNOR O'MALLEY: Gasp. Let the record reflect --

(Laughter)

GOVERNOR O'MALLEY: -- the crowd here at the Board of Public Works gasped.

(Laughter)

TREASURER KOPP: This is the first on a long series, actually, of celebratory events for Howard, I think. Sort of like a victory lap. But we do want to recognize not only Howard, which I will get into in a moment, but his family in case you wondered who these handsome people in the front row were. Liz Freedlander, Bess Langbein. I only know her as Bess, I apologize. And Elliott, the future recipient of Howard's talents. Kate and Van Fisher, Howard's other children. And they are here to join us on this occasion.

We did have a resolution that actually, the Secretary, Secretary McDonald, put together on behalf of the Board of Public Works. This is from all of us. There will be another one at the Board of Trustees for the Pension System, and another one at the State

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Treasurer's Office. And he already had a huge one at the National Guard. But since this is from the Board of Public Works, Governor, it seems to me it's rather appropriate for you to read it.

GOVERNOR O'MALLEY: Okay. Resolution in Honor of Howard S. Freedlander, Deputy Treasurer for External Affairs on the Occasion of his Retirement.

TREASURER KOPP: Stand up, Howard.

(Laughter)

GOVERNOR O'MALLEY: Palman Qui Meruit Ferat.

SECRETARY MCDONALD: It will come clear soon.

GOVERNOR O'MALLEY: When I go like this I'd like all of you to say, "Whereas."

AUDIENCE: Whereas --

GOVERNOR O'MALLEY: -- Howard Freedlander served this last decade as the Deputy Treasurer for External Affairs before recently announcing his retirement from State service; and --

AUDIENCE: Whereas --

GOVERNOR O'MALLEY: -- as Deputy Treasurer for External Affairs Howard Freedlander was the liaison -- Howard, the Treasurer told you to stand up.

(Laughter)

GOVERNOR O'MALLEY: As Deputy Treasurer for External Affairs Howard Freedlander was the Liaison between the State Treasurer and the Board of Public Works; and --

AUDIENCE: Whereas --

GOVERNOR O'MALLEY: -- as Deputy Treasurer for External Affairs Howard Freedlander represented the State Treasurer through participation on the State Retirement and Pension System Administrative Committee, on the Maryland Agricultural Land Preservation Foundation, and on the Task Force to Study Efficiency in Procurement; and --

AUDIENCE: Whereas --

GOVERNOR O'MALLEY: -- Howard Freedlander served in the Maryland National Guard for thirty-three years before beginning his service in the State Treasurer's Office; and --

AUDIENCE: Whereas --



GOVERNOR O'MALLEY: -- Howard Freedlander began his professional life unearthing and providing useful information as a reporter and editor in Talbot, Queen Anne's, and Howard Counties; and --

AUDIENCE: Whereas --

GOVERNOR O'MALLEY: -- Howard Freedlander is a native Marylander and a proud graduate of Baltimore City College which bears the richly apt motto Palamam Qui Meruit Ferat, Honor To One Who Earns It; and --

AUDIENCE: Whereas --

GOVERNOR O'MALLEY: -- Howard Freedlander while working full-time in his State capacity has always found time and effort for meaningful charitable contributions, such as serving as the director of the boards of the Chesapeake Bay Maritime Museum, Inc., and Leadership Maryland and as president of the University of Pennsylvania Class of 1967 where he established the Michael San Phillip Memorial Scholarship; and --

AUDIENCE: Whereas --

GOVERNOR O'MALLEY: -- Howard Freedlander performed his work with diligence, fairness,

enthusiasm, compassion, precision, and doggedness; and

--

AUDIENCE: Whereas --

GOVERNOR O'MALLEY: -- Howard Freedlander will be sorely missed by his colleagues who could not ask for a more loyal or honorable companion; and --

AUDIENCE: Whereas --

GOVERNOR O'MALLEY: -- Howard Freedlander's expertise, insight, good judgment, honesty, and integrity have provided the State Treasurer wise counsel and advice; and --

AUDIENCE: Whereas --

GOVERNOR O'MALLEY: -- the members of the Board of Public Works and all Marylanders feel a deep sense of gratitude for Howard Freedlander's contributions to our State. Now therefore the Board of Public Works resolves that Howard S. Freedlander has earned this honor and this resolution be placed in the public record as a heartfelt tribute to a man whose service will be treasured in the annals of the State. Is there a motion by the Treasurer?

TREASURER KOPP: Move we adopt the resolution.

COMPTROLLER FRANCHOT: Second.

GOVERNOR O'MALLEY: Seconded by the Comptroller. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: That is the first popularly adopted Board --

(Laughter)

GOVERNOR O'MALLEY: Congratulations.

(Applause)

TREASURER KOPP: Governor, I think the resolution said it all. But on behalf of all of us I think people don't realize that Sheila, and Jerry, Tom and his predecessor, and Howard together really reinvigorated the staff work of the BPW and has brought it, I think, to a level of serious and objective analysis that it really had not had for some time. We will miss him sorely, but build on what he helped create. It's been a great team.

I think Elliott is a very fortunate fellow. But he's got to find, he's got to learn over the next few months to share. And we'll point out some ways in which he can share with us. But I can see the attraction of all the stuff.

(Laughter)

TREASURER KOPP: Thank you, Howard.

GOVERNOR O'MALLEY: Thank you. Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes, I just think Howard is probably very grateful that we didn't let you all vote on whether he should be able to retire.

(Applause)

COMPTROLLER FRANCHOT: But I wanted to just add a personal note, because Colonel Freedlander is just an enormous presence in Annapolis and has the respect of so many people I think partly because of his contribution to the public policy record. But also just on a personal level, Colonel Freedlander is just such an outstanding Marylander.

And just a small personal thing, years ago my daughter is now, I think she is going to be thirty

this year, amazingly. But she met with her high school counselor on where she should apply to college. She was informed matter of factly, "You can just cross off all the top colleges. You are not eligible to apply to them based on whatever we decide here in the school." And I remember the shock that she felt, and obviously my response was, "Well, the heck with that. Let's go ahead and apply to whatever college we want to apply to."

But one of the schools she really wanted to go to was the University of Pennsylvania. And I have no connection or no knowledge of basically anything, but Abby really wanted to go there. And I mentioned it to Howard. And he was able to get her an interview. You know, back then it was impossible because there were so many people. And it changed, she got accepted on her own and went to that great school. And, but her life was completely affected by just a, you know, what Colonel Freedlander does, I guess, on a daily basis. And I personally am grateful for that. We're going to miss you very much, Colonel. It doesn't surprise me looking at Liz, and Bess, and

Kate, who I don't really know that well. Bess is legendary in Washington for great accomplishments. And your grandkids, why you want to retire. And, but we're going to miss you. And Godspeed, come back and visit often.

(Applause)

GOVERNOR O'MALLEY: Do you want to do a picture? Sure. I thought we were going to call on Howard to give a speech.

(Laughter)

GOVERNOR O'MALLEY: Howard, do you want to say anything? Come on over to the microphone. I mean --

(Laughter)

GOVERNOR O'MALLEY: Acknowledge the love in this room. Go ahead, acknowledge.

COLONEL FREEDLANDER: Thank you. Thank you. I just, a few brief remarks because I see we have some other business.

(Laughter)

COLONEL FREEDLANDER: So if you all can just bear up for a while. It's just been an honor to work

with the Board of Public Works, with the Governor, and the Comptroller, and especially Treasurer Nancy Kopp who is just an outstanding person and probably, and just a superb public servant. And whatever I am saying is absolutely redundant when it comes to her. And I thank you. This has been a real honor.

I also must thank some other very good friends. My friend Sheila McDonald, Jerry Klasmeier, and Tom Hickey. Where are you, Tom? Thank you for your support and your friendship, I appreciate it.

And lastly, I want to thank my family. Liz, Kate, Van, Bess, Elliott. Thank you for your love and thank you for your support, and thank you for dealing with my, well should I say my obsessive attitude toward work. You've been very good about it. And I love you. Thank you.

(Applause)

GOVERNOR O'MALLEY: Come on up front and center, Elliott. Elliott, is there anything you'd like to say?

(Laughter)

GOVERNOR O'MALLEY: Come on, move down a little more. Come on, family. Liz? Come on -- here pal, why don't you come on this side? Right in front of me. Perfect.

(Applause)

TREASURER KOPP: Thank you, Governor.

GOVERNOR O'MALLEY: All right. Shall we go to Dr. Wilson?

SECRETARY MCDONALD: Yes.

GOVERNOR O'MALLEY: Okay. As part of our Peter Franchot-inspired series called Meet the Presidents -- wasn't this inspired by you?

TREASURER KOPP: No, actually it's a great tradition on the Board of Public Works.

GOVERNOR O'MALLEY: Is it? So this pre-dates, is it a, I wasn't aware.

SECRETARY MCDONALD: It's become a tradition.

GOVERNOR O'MALLEY: Okay.

SECRETARY MCDONALD: My cousin always said if you do something twice it's a tradition, so --



GOVERNOR O'MALLEY: Well Dr. Wilson is the new President of Morgan. And doctor, we're very, very glad that you're taking over leadership of that great university. And just wanted to ask you to kind of introduce yourself to all of us and give us your take on where you've come from and where Morgan is going.

DR. WILSON: Oh boy, that's a big challenge this morning. But Governor, thank you very much. I want to thank the Board as well for giving me an opportunity to say a few words about where we are at Morgan, where we see that institution in the next decade or so. But before I do, I too would like to congratulate Howard, an aspirational peer. One of these days I hope to get one of those, too.

(Laughter)

DR. WILSON: I have been the new President of Morgan for almost a year, around July 1, 2010. I came here from the University of Wisconsin system where I oversaw half of that system. I oversaw thirteen of the campuses that comprise the University of Wisconsin's system. And I also oversaw another institution there called the University of Wisconsin

Extension, which has everything in it. Wisconsin Public Radio, Wisconsin Public Television, all of the economic development activity in the state, all of the online degree programs in the state. And so I was in the fifth year as Chancellor there when I got this wonderful opportunity to come to the State of Maryland to head up one of the truly remarkable centers of higher education in this nation, Morgan State University.

Just a little bit more about my background without really making this too long. I am a native Alabamian, as the Governor is well aware of. I grew up in rural Alabama. I did my undergraduate work there at a place called Tuskegee University, received two degrees there, and then went onto Harvard and received two more degrees from Harvard, my masters and my doctorate. And then along the way I've had stops as a vice president at Auburn University in Alabama and also as a vice provost at Rutgers, the state university of New Jersey. And so it is really, really an honor for me to provide the leadership to take

Morgan State University to the next level of preeminence and excellence.

I have to say that there's a lot of excitement taking place right now on the campus at Morgan. There's a lot of excitement because the university is growing. We had the largest increase in our enrollment in a single year in our history this past year, almost 8 percent. And we eclipsed 8,000 students. That's the first time in the history of Morgan that enrollment has actually reached 8,000.

We are looking to continue to grow the institution, having an enrollment at the end of a ten-year period of somewhere between 12,000 and 15,000 students. We're looking to grow that enrollment both traditionally and non-traditionally. For example, I have already begun conversations with some of our community college leaders so we can form some collaborative arrangements with them and bring some of what we call the new high demand programs that Morgan is currently proffering to those two-year campuses. In essence bring the junior and senior year in architectural engineering to some of our two-year

institutions where particularly the adult place bound student who has fallen into a certain rhythm in terms of the way they access higher education will not have to fall out of that rhythm to continue on to get a high demand degree.

We also are looking to grow our online presence. We think there is a wonderful opportunity to tap markets that are currently not being tapped once again. Particularly as we meet the very, very impressive goal, Governor O'Malley, that you have set for our State, which is 55 percent of our population having baccalaureate degrees by the year 2025. Morgan State University embraces that wholeheartedly and we are looking to play a significant role in helping this State to be more innovative and more competitive, and to reach that goal going forward.

Morgan is an institution that truly has a special place in this State and nationally. It is number one in the State of Maryland in producing African American engineers. When it comes to the STEM fields and the production of African American graduates, let there be no doubt that the institution

that is leading the State in doing that is Morgan State University. We are number one in the State in producing African American engineers.

More than that, we are number three in the nation in producing African American engineers.

Invariably it goes back and forth between Georgia Tech, North Carolina A&T, and Morgan. And so we perennially are ranking in the top categories in these fields.

As I made the transition to Morgan I was reading everything that came my way, and even things that did not come my way I sought them out. But one of the things that are also very impressive about the institution from my perspective is the fact that 35 percent of the graduates, the undergraduates, at Morgan are going to graduate and professional school. That's the second highest number in the State of Maryland, in terms of undergraduates going on to graduate school. And we are number four in the nation in producing African American doctoral graduates. That ranking just came out actually last week by *Diverse: Issues in Higher Education*.

We also have at Morgan one of only two accredited undergraduate accounting programs in the State of Maryland. Last week I had on my campus the reaccreditation team from the AACSB, which is the national prestigious accounting, I mean business accreditation body. And that particular group gave our business program and our accounting program in particular exceedingly high marks. As I said, we're one of only two accredited undergraduate accounting programs in the State of Maryland. And amongst the 105 Historically Black Colleges and Universities there are only three undergraduate accounting programs that are accredited.

We also had on the campus three weeks ago the reaccreditation team looking at our School of Architecture and Planning. Once again at the exit interview I received rave, rave remarks from that team about the quality of the graduates that we are producing at Morgan in architecture and planning. But more importantly, how those graduates are impacting the practice of architecture in the State of Maryland and indeed around the region.

Over the last month or so we have also seen on our campus visitations from two U.S. Secretaries. We had U.S. Secretary Ray LaHood from the U.S. Department of Transportation to actually come to Morgan about a month ago, and visited our Center for Transportation, and our Transportation Studies Program, and had a really robust conversation with our students about careers in transportation. But he really came there to uphold, if you will, Morgan's role in the transportation industry and the work that we are doing to help that field advance.

And then two weeks ago we had U.S. Secretary Steve Chu from the Department of Energy to come. And he came to recognize Morgan's role in the \$129 million Energy Hub Initiative that is taking place out of Philadelphia that's being headed by Penn State University. There are eleven universities that are a part of that initiative in the Philadelphia Naval Shipyard. You have Penn State, and Princeton, and University of Pennsylvania, and University of Pittsburgh, Carnegie Mellon. But Morgan is the only institution in Maryland that is a part of that. And

our role there at the Hub is to bring those innovations that will be occurring out of that Hub, in terms of how homes can become more energy efficient, how industrial buildings, if you will, can become more energy efficient, to bring that technology to Baltimore and to the State of Maryland so it can be implemented statewide and citywide. So we were very, very pleased to have the Secretary of Energy on campus to recognize the significant role that Morgan is playing in helping to transfer energy technologies from the Philadelphia Naval Yard to our State, if you will.

TREASURER KOPP: Dr. Wilson, could I just interrupt?

DR. WILSON: Yes?

TREASURER KOPP: The work that comes out of this consortium, how will it be, how can we grab hold of it for the State and our buildings, our development, our people?

DR. WILSON: Actually on my list is an opportunity to have a discussion with you about strengthening that partnership. Because basically



what we are seeing in the other states where the universities are taking this lead role is that the state has partnered with them in terms of providing an entree and a pipeline for that technology to make its way from the Naval Base there in Philadelphia. And so certainly there is a wonderful opportunity for us to explore how we could actually make sure that we partnering with the State more than we are to make this happen. Because right now we are not getting any support from the State for that pipeline. Most of the support that we are getting here is basically via the federal grant. But that opportunity certainly is available and I can talk with you more about that offline.

And so I guess the bottom line is that, you know, we really are in the period at Morgan where we are very excited about where we are. Governor O'Malley, we are very excited about where we want to go in ten years. We expect to have a groundbreaking late next year on our new school of business. And we expect to actually open our new building that will house the School of Architecture in Fall of 2012 in

time for our students to enter who are returning to us.

And so with that said I will be more than happy to address any questions you have. We have one item on the Agenda today. We really appreciate the investment that the State is continuing to make in Morgan. This particular item will help our campus to become more attractive to parents and students who actually come to the campus. Because we want them to experience what is positive about the institution so that the value proposition that I am putting forth here today would not be lost on them if, for example, they are experiencing the beauty and the aesthetics of the campus as a first sight when they arrive.

So thank you very much, and I'll be more than happy to address any additional questions you have this morning.

GOVERNOR O'MALLEY: Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes. I noticed that President Obama appointed you to a very prestigious advisory group.

DR. WILSON: Well, yes. I have been actually appointed to two Washington-based groups, if you will. President Obama appointed me to his eleven-member Advisory Committee on the Role of Historically Black Colleges and Universities. We have had three official meetings, there in D.C. Two at the White House. And I also received an appointment from Secretary Gates about three weeks ago to be a part of a Department of Defense committee as well. That is a congressionally mandated committee to look at how our Historically Black Colleges, for example, are faring in being competitive for the Department of Defense grants. And so, as I said, it's a pretty impressive group nationally. We are meeting to look at these issues, and we will bring our report to Congress within nine months. And so we are real, real fortunate that the State of Maryland is represented on both of these groups and that those results will make their way into the national dialogue and lexicon.

COMPTROLLER FRANCHOT: And just also I noticed that you've written twenty books or --

(Laughter)

COMPTROLLER FRANCHOT: You know, I'd like to write one book. And, but it's hard. You sit down and start to write and it's like, "Geez, this is a very difficult process."

DR. WILSON: Oh Peter, you know, I think some of that is an overstatement. Let's just say that I enjoy cogitating on the issues of yesterday, today, and tomorrow. And I wish I had more time to do that, you know? But I really have just enjoyed the opportunity to engage students along the way in the classroom, and to engage communities along the way outside of the classroom. And then to reflect on what all that means in terms of educational practice, community renewal, economic development, and the change in demographics in our society.

COMPTROLLER FRANCHOT: Thank you, Governor.

GOVERNOR O'MALLEY: Thank you.

TREASURER KOPP: I think we're very fortunate you found your way to Maryland. I appreciate it.

DR. WILSON: Thank you, very much.

GOVERNOR O'MALLEY: Doctor, thank you.

DR. WILSON: All right. Thank you.

SECRETARY MCDONALD: Good morning, Governor, Madam Treasurer, Mr. Comptroller. We have fifteen items on the Agenda. Item 15 was the handcarried item we discussed already. We need to withdraw Item 4. Dr. Wilson already talked about Item 12, the Academic Quad for Morgan State. We also have two reports of emergency procurements. And if there are any questions we can address them.

GOVERNOR O'MALLEY: Any questions on the Secretary's Agenda?

COMPTROLLER FRANCHOT: Is Item 4 going to be brought back?

SECRETARY MCDONALD: It is to be brought back. That is the request to make the MBE forms that State agencies use uniform, so that every agency has to use the same form. There are some changes that the Governor's Office of Minority Affairs and the Governor's Office and other people have introduced in the General Assembly to the MBE law. And so the Governor's Office requested that this form be held up until we know what form the law is going to look like.

So I hope to bring it back, but I think we need to find, at the end of the General Assembly session what the changes will be.

COMPTROLLER FRANCHOT: Terrific. And if, when that's brought back, Secretary Jenkins, if you could try to include the other agencies? I noticed that a number were opting out of this, from the briefing material I had?

MS. JENKINS: Yes. We --

COMPTROLLER FRANCHOT: And I don't really understand why, maybe they have a defense. But --

MS. JENKINS: Sure --

COMPTROLLER FRANCHOT: -- I would hope that whatever we'd come up with could be, you know, for every agency so that we're not, you know, complicating something.

MS. JENKINS: Absolutely. When we bring it back we'll certainly have some discussion around that. It's the University System and the Department of Transportation you're referring to.

COMPTROLLER FRANCHOT: Thank you. That's, I would very much think people would appreciate having everybody in the same boat.

GOVERNOR O'MALLEY: Any other questions on the Secretary's Agenda? The Comptroller moves approval, seconded by the Treasurer. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: The ayes have it. We now move on to Program Open Space.

MR. PRICE: Good morning. Chip Price from the Department of Natural Resources. Good morning, Governor, Madam Treasurer, Comptroller. The Department of Natural Resources has seven items on the Secretary's Agenda today. Two Program Open Space items, four Rural Legacy, and one CREP. I'd be happy to entertain any questions you might have.

GOVERNOR O'MALLEY: Any questions on Program Open Space? Hearing none, the Treasurer moves approval, seconded by the Comptroller. All in favor

signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: And the ayes have it.

We now move on to Department of Budget and Management.

MS. FOSTER: Governor, Madam Treasurer, Mr. Comptroller, good morning. There are nine items on the Department of Budget and Management's Agenda for today. I'm withdrawing Item 9-S, which the pharmacy benefits management contract for the State prescription drug program. That item is going to be withdrawn and deferred until the appeal to the Board of Contract Appeals has been decided. I'll be happy to answer any questions on the remainder of the Agenda.

TREASURER KOPP: I'm just curious about that. It's withdrawn, I understand. How is that going to be reflected in the budget for 2012?

MS. FOSTER: Essentially we had budgeted based on what the expenditures for fiscal year 2011 were. We will not be reflecting those savings that



were anticipated in fiscal year 2012.

TREASURER KOPP: You will be reflecting those --

MS. FOSTER: We will not. Not.

TREASURER KOPP: You will not be? And since we're in the hole, how much now? A billion, something like that --

MS. FOSTER: The proposal that was to be heard by the Board today was projected to achieve a savings of \$16 million for fiscal year 2012. We will not be anticipating or reflecting those savings in next year's budget.

TREASURER KOPP: Well I hope it won't just be cutting education or something like that. Another 1 percent from the employees.

MS. FOSTER: Well essentially, you know, the way this works is we have monies in the budget that cover the prescription drug program. Once the contract would have been decided essentially we would have gone back and we would have reset the rates to reflect the savings. Essentially we do have monies in the budget to cover the current contract.

TREASURER KOPP: Thank you. Thank you, Governor.

GOVERNOR O'MALLEY: Sure. Any other questions on the Department of Budget and Management Agenda items?

COMPTROLLER FRANCHOT: Item 5-S, please?

GOVERNOR O'MALLEY: Item 5-S.

MS. FOSTER: Okay. Item 5 is a request to approve seventy-one contracts to provide residential care services for over 1,300 clients throughout the State. Caroline Fenderson, who is the contracts manager for the SSA, is here to discuss that.

COMPTROLLER FRANCHOT: Hi.

MR. DALLAS: Hello, my name is Ted Dallas. I'm the Interim or Acting Secretary for the Department of Human Resources. Item 5-S is the result of our competitive procurement for group homes. It will result in the award of seventy-one contracts to provide about 1,300 beds across the State for individuals under the State's care that need to be placed in group homes.

COMPTROLLER FRANCHOT: Okay. It just struck, I'm sure that all of these

clients are, merit all of the treatment they should get. But could you just talk to me about the economics? We're appropriating \$245 million --

MR. DALLAS: It's --

COMPTROLLER FRANCHOT: -- for two years to take care of 1,376 clients. What's that, I guess on a, it's probably a false measurement, but on a per client basis?

MR. DALLAS: It is, it's a, a per client basis wouldn't give you a good idea. The kids that we serve here are going to run the gambit from the low end of the scale, you know, sort of basic services, a group home, they just need to be taken out of the home for a while while we're working through some issues, to some kids who are dealing with much higher end issues. Kids who have severe diagnoses. Those are much a much smaller percentage, but they range the gambit.

COMPTROLLER FRANCHOT: Okay. And the second issue I had was there is some question about whether there is a bid protest. Is there or isn't there a bid protest?

MR. DALLAS: I am not aware of a bid protest. There is one vendor that we are working with who had a little trouble meeting the MBE requirements. There is one appeal for one group home. I think we may have that issue resolved but we will work through that issue. And there is one home that we are working with their MBE issues on.

COMPTROLLER FRANCHOT: Well I'm going to obviously vote for this because it's an important --

MR. DALLAS: Mm-hmm.

COMPTROLLER FRANCHOT: -- constituency. But I'd like to be kept informed, and hopefully you can work that out that problem with either one or two of these organizations so that they can be included.

MR. DALLAS: I'm confident, actually, that we'll be able to work both of those out. It was unfortunate that we weren't able to work it out in time for this particular trip to the Board of Public Works but we have the ability under the RFP to award it at a later date and my hope is that once we work those issues out we'll be able to get there.

COMPTROLLER FRANCHOT: Okay, thank you.

GOVERNOR O'MALLEY: And might I ask, Mr. Dallas I'm not sure if you're prepared to talk about this today, but the, we've undertaken a number of things in order to reduce what had been in the opinion of many an overreliance on group homes, and out of home placements. The whole move to family first and providing the services where possible, when it doesn't compromise the child's safety, within his or her own home. And could, are you able to talk about the degree to which we've reduced those group home placements over the last four years?

MR. DALLAS: Yes. I think you're referring to the Place Matters Initiative that some of my predecessors had done.

GOVERNOR O'MALLEY: Right.

MR. DALLAS: It is based on the theory that children are served best in a least restrictive setting. And that has proven to be true. I'm happy to report that we've been able to reduce our reliance on group homes. And the number, and this has actually prompted this particular RFP. As we reduced the reliance on group homes and helped kids get adopted,

helped kids be served in the home, we have better outcomes for kids and we have reduced our reliance on those homes. The reduction has gone from about 2,200 beds prior down to about 1,370 beds now and still going down.

This has saved us money. But the most important thing, it has helped us serve kids better. Helped them get through the issues they need to get through and help keep them safe. And it's been a great success of the administration.

GOVERNOR O'MALLEY: And adoptions are up about 50 percent, aren't they?

MR. DALLAS: Yes.

GOVERNOR O'MALLEY: So both of those things together, I mean it's, they never make the headlines. But it's huge savings and most importantly it's better outcome for kids that would otherwise be very much at risk.

MR. DALLAS: And the other advantage as well is as we are able to safely reduce the number of group homes we can also focus on making sure the group homes we have are of the highest quality. Prior to Place

Matters the assumption was that we would have more demand for group homes than providers that are there. That is actually reversed under Place Matters and we have fewer kids in care. And it allowed us through the RFP process, through a competitive process, to focus on quality and make sure that the homes that do remain are providing the highest quality of care. And that was the theory behind the RFP and what we're moving towards.

TREASURER KOPP: What sort of follow up do you do with the kids who are left in reunited families? Or united families?

MR. DALLAS: Every child has a case plan. And depending on what the folks who are working with that particular kid, their case worker, they develop an individualized case plan. And there is, depending on the issues for that particular child there is a follow up plan that is worked out with all the people involved in that child's case. And depending on when they exit or enter care, we follow that plan. So it's different for every child.

TREASURER KOPP: And you do follow, I mean,

there was a time with your department where kids slipped through the cracks, they were not followed up, and bad things happened.

MR. DALLAS: I can't tell you the department is perfect but I can tell you we are getting better.

TREASURER KOPP: You do, if I went down and looked you in fact do have a manual of operations that all of the social workers, foster care workers, know and follow and are supervised?

MR. DALLAS: We have standard operating procedures that we make sure that our case workers follow. And there are quality assurance checks and balances to make sure they are following them.

TREASURER KOPP: And you or someone directly responsible to you then checks that?

MR. DALLAS: Yes.

GOVERNOR O'MALLEY: We also, as we have DHRStat that rolls around every two or three weeks.

TREASURER KOPP: That's a good point.

GOVERNOR O'MALLEY: I welcome either of you to come and witness some of the trends that never make it into the newspaper because the, you know, there's



not newspaper buying constituencies that care about --

TREASURER KOPP: Right.

GOVERNOR O'MALLEY: -- many of these issues.

But the people that we have at DHR have been doing a steady and consistently better job of improving outcomes for kids and families. And the numbers are all there. So if either of you ever wanted to check into one of those DHRStats we welcome you.

MR. DALLAS: And just to follow up on that briefly, not only has the number of kids in placement has gone down, we're actually below the national average and have very favorable numbers compared to the national average for maltreatment of children in care and the number of kids that we have to place more than two times in one year, which is sort of a measure of how good you are placing kids and getting them into the most appropriate setting.

GOVERNOR O'MALLEY: Could you provide in fact for the Comptroller and the Treasurer --

MR. DALLAS: Sure.

GOVERNOR O'MALLEY: -- sort of the executive dashboard with the primary --

MR. DALLAS: Absolutely. We have these.

GOVERNOR O'MALLEY: -- graphs moving in the right and the ones moving not yet in the right direction?

MR. DALLAS: Of course.

GOVERNOR O'MALLEY: That's awesome.

TREASURER KOPP: That's great. Thank you.

MR. DALLAS: Sure.

GOVERNOR O'MALLEY: Any other -- are we on Department of Budget and Management? Okay. The Comptroller moves approval, seconded by the Treasurer. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: The ayes have it. We move on now to University System of Maryland.

MR. STIRLING: Good morning, Governor, Madam Treasurer --

GOVERNOR O'MALLEY: Good morning.

MR. STIRLING: -- Mr. Comptroller. I'm Jim Stirling for the University System. We have nine

items on the published Agenda. We're withdrawing Item 5-RP to be brought back at a later meeting.

GOVERNOR O'MALLEY: Any questions, University System of Maryland?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR O'MALLEY: The Comptroller moves approval, seconded by the Treasurer. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: The ayes have it. We move on to the Department of Information Technology.

MR. SCHLANGER: Good morning, Governor, Madam Treasurer, Mr. Comptroller. Elliot Schlanger, Department of Information Technology. This morning we have three items on the Agenda. I'll be happy to answer any questions at this time.

GOVERNOR O'MALLEY: Okay, the Treasurer moves approval, seconded by the Comptroller. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: The ayes have it. We  
move on now --

MR. SCHLANGER: Thank you.

GOVERNOR O'MALLEY: -- to the Department of  
Transportation.

MR. MOBLEY: Good morning, Governor. For  
the record, Darrell Mobley, Deputy Secretary  
representing the Maryland Department of  
Transportation. MDOT is presenting twelve items  
today. For the record, Item 1-C-MOD has previously  
been revised.

GOVERNOR O'MALLEY: Okay. Item 12, there is  
a -- sisters, which one, which items are you here for?

MR. COLLINS: Me, Governor. DGS Agenda.

GOVERNOR O'MALLEY: On the DGS Agenda?

MR. COLLINS: Yes, sir.

GOVERNOR O'MALLEY: Maybe we should do that  
before we hear the protest? Because -- can we do  
that?

MR. COLLINS: May I introduce my entire  
Agenda?

GOVERNOR O'MALLEY: Sure. Can we go out of order here? Excuse me. I'm sorry. I know there's a lot of people here. And, but I mean, the protest, and Mr. Singleton has a presentation. So Mr. Singleton, with your permission I'd like to go to the Department of General Services Agenda items instead and then we'll take Department of Transportation last. So Department of General Services?

MR. COLLINS: Thank you very much. Good morning, Governor, Madam Treasurer, Mr. Comptroller. The Department of General Services has fifteen items on our Agenda. I'd be glad to answer any questions that you might have. Sister Rosemary is here on Item 10-CGL, which is a community grants and loan issue. You are approving half a million dollars for the acquisition and repair of a facility that they have in terms of an air conditioning system in the facility in Catonsville.

GOVERNOR O'MALLEY: All right. Sisters, you want to come up and tell us what your item is?

SISTER ROSEMARY: Good morning, Governor, Madam Treasurer, Comptroller. I'm Sister Rosemary.

With me is Mother Alice Marie, our Superior at St. Martin's Home in Catonsville. We are grateful for those who helped us to secure an acquisition and installation of new air conditioning equipment and the removal of old inoperable equipment. This equipment will help our elderly, low income residents to live securely, safely, with dignity and respect, and cut costs so that they are not in hospitals or being a burden on the State. We thank you for hearing us. I'd be happy to answer any questions.

GOVERNOR O'MALLEY: Sure. And that's Item 12?

MR. COLLINS: Item 10-CGL on the DGS Agenda.

GOVERNOR O'MALLEY: DGS, Item 10-C. And St. Martin's serves?

SISTER ROSEMARY: We serve currently seventy-five low income elderly in independent living apartments, assisted living, and nursing facility licensed beds. And the Little Sisters live with the elderly in the same home. We assist them until death so that no one ever dies alone. And we involve their families and volunteers and other members of the

greater community at our home and anybody is welcome to visit.

GOVERNOR O'MALLEY: And your order is?

SISTER ROSEMARY: We are Little Sisters of the Poor. We have been in Baltimore since 1869. On East Baltimore, 10th Ward for over 100 years caring solely for the needy elderly, and in Catonsville for over forty years doing likewise. And now our building is in need of repair and reconstruction to move forward to continue to render that service of dignity, respect, and love. Our elders, we stand on their shoulders. We owe them that debt of gratitude.

GOVERNOR O'MALLEY: Any questions on this item?

COMPTROLLER FRANCHOT: No. I just wanted to thank the Little Sisters. Because what a tremendous gift you give the State. And you know, you probably realize that all the time. But it's so great to have your, I don't know what to call it, facility or whatever. But it's, what you do for people just completely, Governor mentioned things not being visible. What you do is often unnoticed and

unappreciated. Thank you.

SISTER ROSEMARY: Thank you for your support. Our residents thank you, also.

GOVERNOR O'MALLEY: Thank you, sisters. Any other questions on DGS? All right. The Treasurer moves approval, seconded by the Comptroller. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: Sisters, it was unanimous.

(Laughter)

GOVERNOR O'MALLEY: I was reading Jack Newfield's book on RFK, *RFK: A Memoir*. And they talked about in the course of that final campaign that he would always appear in big crowds and there was always a group of sisters there cheering him with the RFK posters. And he would always remark as one of his standard lines, "Ah, the sisters always come out for the Democrats while the bishops and the monsignors stay home and pray for the Republicans."



(Laughter)

GOVERNOR O'MALLEY: So Sister, you are welcome anytime here at the Board of Public Works.

(Laughter)

GOVERNOR O'MALLEY: All right. Let's go now to the Department of Transportation.

TREASURER KOPP: Can I just ask one question of DGS?

MR. COLLINS: Yes, ma'am.

GOVERNOR O'MALLEY: I'm sorry, back on DGS.

TREASURER KOPP: But number one, the maintenance contract?

MR. COLLINS: Oh yes, the maintenance contract.

TREASURER KOPP: And I don't need it right now, but I would like to know what you do, how you go about assuring that we have as green maintenance practices and resources, materials as possible.

MR. COLLINS: Okay. That's a great question. Thank you very much for asking that question. We require all of our janitorial contractors to buy their products from Blind

Industries of the State of Maryland. And we work with BISM, what we call it, to make sure that their products are as green as possible. So we are sure of that. In addition to that, the Governor has a Green Purchasing Committee that's developing, that's working right now. That report will be out in the next couple of, three months. And we think within that report we will recommend to you that green products become the standard for the State of Maryland.

TREASURER KOPP: That's great. And practices?

MR. COLLINS: Absolutely with --

TREASURER KOPP: Training, I mean, it does require some training.

MR. COLLINS: Yes. The use of the products require certain techniques and we are sure that they all know how to use those products.

TREASURER KOPP: Super, thank you.

GOVERNOR O'MALLEY: Smart, green, and growing.

MR. COLLINS: Absolutely.

GOVERNOR O'MALLEY: We now go to the Department of Transportation. And there is a gentleman, Mr. Singleton, who wants to be heard on Items 11 and 12. So why don't we take that, given the --

MR. SINGLETON: Good morning, Governor.

GOVERNOR O'MALLEY: Good morning.

MR. SINGLETON: Good morning, Mr. Comptroller, and Secretary Kopp. I am here today representing BWI Taxi Drivers Association, the Cab Operators Association. I first became involved with this group when I was general counsel for the Masters, Mates and Pilots, which has the Maritime Institute very close to BWI Airport. And these drivers would come over periodically to say, "Can you help us? Can you help us? Can you help us? We want some wages. We want some benefits. We want some," and I would always say, "I'm sorry, I can't do that much for you."

They became the union a year ago, before the National Labor Relations Board, and were declared by the federal government, by the NLRB, to be employees within the meaning of the law. Before the State of

Maryland, before the Department of Labor, Licensing, and Regulation, they have been determined to employees within the meaning of the law. So both with regard to the State of Maryland and the federal government they have been considered to be employees. Yet this contract for both the concession contract for the taxi drivers and the concession contract for shuttle drivers is bid just like that and does not include any of the procurement provisions that you would normally apply to those type of things.

I'd like to, just for a minute if I can, bring up the President of this Association, Mr. Yemenu Samson. And also ask that the, because you have a whole bunch of drivers here from all over, there's 324 drivers, if you can stand up? And this is just a small portion of the drivers that are there, who come to the United States, hoping to sort of get part of that American dream of wages, and what they can do for their families. And found out it's quite the opposite. In fact, many of these people don't even make minimum wage, let alone living wage. Many of these people will wait outside BWI in line for a ride,

for a fare, for many hours and are, have very little say over their working conditions.

I'm here asking today that you revisit these two contracts. I will tell you I have been involved in two other contracts, one actually in San Francisco with Alcatraz, and another one in another state, where the Department of Labor ruled in fact these concession contracts were service contracts within the meaning of the Service Contract Act. And that therefore they had to carry prevailing wages.

Here we have never, these contracts have never been sent over from the Department of Transportation to determine whether or not, should they, these be bid as employee/employer contracts bearing both prevailing wage, or living wage, or any of these others. Because that is all these people want, is some basic standard wages which every single person in this room wants and needs.

MR. YEMENU: Yes, thank you for giving us a chance to be here today. We are as, we are here to say we need your support to do our job in a better way, in an American way, rather than in a, like a no

man's land way. I tell you to do, you do it. I tell you what to make, you make it, or you are out of here.

So we need, there is a contract at, as the lawyer described, we've been found legally by the National Labor Relations Board as an employee. But since then we have never been accepted as an employee. They are writing the new contract now, which starts April 1, 2011. And it just, it says the same thing, independent contractors. Nothing changed. The same rules, the same applications. They say you have to respect this or you're out. We, the drivers, have nothing to say on this. Nothing. We don't have no rights to say right or wrong. Whether this is legal or illegal, we have to accept it as it is.

So in the state of this contract we want the State to give us an agreement that protects the right of the drivers as well as the right of the management. And this has been, this contract has been extended for three times before. And this is going to be the fourth time to be extended now. And we, there was a contract. It was open to the public. And we don't know what happened to that contract and now it is

going to be renewed. And we asked what's going to happen to the contract in writing. The response was it is honorable and we will let you know what is going on in writing. We have never received anything. We just find out that today an extension has been requested at the Board of Public Works. And we just happen to be here. We just happened to be looking on the internet and find out.

MR. SINGLETON: And let me just say a couple of last things, is that I was lucky enough to serve on a task force that you had for the Workplace Fraud Act and putting together that piece of legislation, which I think is a marvelous piece of legislation. And it almost, it's very strange that we have here people who might very well fit as employees within the meaning of that law and yet no payroll taxes are paid on these people at all. No workers comp. I can't tell you the number of people who have been injured driving those cabs and those shuttles, with no medical coverage whatsoever. And all those other things that you would assume to be built into procurement in these State contracts, which they are not. And so I have had

numerous meetings with the various attorney generals, assistant attorney generals who represent this. And everyone has met, I think, in good faith. But I think there is really a gigantic disconnect on how this contract should be bid. And I thank you very much for your, and if you have any questions I'd be glad to take them.

GOVERNOR O'MALLEY: Mr. Comptroller?

COMPTROLLER FRANCHOT: Just a couple of things. One, if, this doesn't really concern you. But Madam Secretary, I know you sent a memo out to all the agencies making sure that they provide an explanation when they come for an extension of a procurement.

MS. FOSTER: Yes.

COMPTROLLER FRANCHOT: And I understand this doesn't fall under the procurement definition. But if my colleagues didn't have any objection I would really appreciate it if you could send a memo saying when you bring a revenue contract like this, which is not a procurement, but has to come before us because it involves State land, I guess, could they also provide



an explanation when there is an extension. Because that would help clarify a lot. I don't know whether that --

GOVERNOR O'MALLEY: Say that again? The last part?

COMPTROLLER FRANCHOT: In other words, just, you've already sent a memo saying when you send a procurement up that requires an extension please have an explanation included for those of us that are looking at it. And if you could just add in, or send an addendum to that, that says for anything like this that is not a procurement but still comes before us because it involves I guess State land, could the agency also give an explanation of why the contract is being extended.

TREASURER KOPP: If we have to vote on an extension of something, we ought to know what --

COMPTROLLER FRANCHOT: Yeah. Just get, the other part works very well, very smoothly. I appreciate the Budget Secretary sending out the memo. I'm just asking whether we could also send it out and include these types of revenue contracts that for

whatever reason come before us.

MR. SINGLETON: In theory they are revenue contracts, the concession contracts. And the State is bidding, and whoever is going to give the most money to the State. In this case I'm not quite sure that is, it also is anticipated that people would have been independent contractors but they in fact are not. And so it, when you bid it, and when we look at it, it looks like one thing but it is something quite different. And that is what I'm just asking you to take a look at.

COMPTROLLER FRANCHOT: Right.

MR. SINGLETON: Because I think not only are there these drivers but there's eighty-four more Super Shuttle drivers who I know who have spent many times twenty hours in line at BWI to get one fare and will take home \$200 at the end of a week where they have worked over 100 hours.

COMPTROLLER FRANCHOT: Let me just comment, if I could. And thank you, Madam Budget Secretary, for that. It was a more generic issue. On the specifics obviously as the Comptroller I'm concerned

with the fact that it's difficult to collect revenues, albeit small revenues based on what you've just stated. But to the extent that there are taxes that are owed it's obviously to the State's benefit to have people classified as employees rather than independent contractors. But I guess the situation with this contract is that it's going to be up in a week?

MR. SINGLETON: Right. And I will tell you

--

COMPTROLLER FRANCHOT: And so how do we, how would you possibly proceed? Because people need taxicabs.

MR. SINGLETON: These people came last time when we had a meeting, and they came with the required check. I believe it was, like, \$10,000 or \$25,000, whatever it was, to bid that contract. They came in, we met, they said, "Sorry, too late." And I'm, it might have been. But I can tell you that each one of these drivers have been doing this for years, and years, and years, and years. And could do it like that. They could be, they could be employees, whatever you want. But they could do it in an

instant, because they have been doing it. And there's only an essence of, what is this? What are we talking about? Dispatching people?

COMPTROLLER FRANCHOT: Governor, perhaps with your approval we could hear from Ms. Goldstein with the airport?

MR. SINGLETON: Thank you.

COMPTROLLER FRANCHOT: To kind of clarify the situation?

GOVERNOR O'MALLEY: Thanks. You all could sit down, if you like, now. Thank you for being here.

MS. GOLDSTEIN: Good morning. I'm Louisa Goldstein and I'm Assistant Attorney General and General Counsel at Baltimore Washington International Thurgood Marshall Airport. I'm here today to speak on this Item 12-GM.

First of all, this is an extension of an existing contract. We have over 348,000 taxi trips a year at the Airport. This contract is twenty-four hours, seven days a week. And the contract is set up so that the taxi drivers, who many of them are here representing the evening cabs, but also over here

there are other cab drivers who have come to support BWI Taxi Management and their lawyer is here with them if you have any questions about some of those.

But the taxi drivers get the fares and the tips from the patrons, from the passengers who take these cabs. The taxi management company receives a stand fee from each cab driver of \$169 a week. Some of the cabs, approximately forty-three, rent their equipment from the taxi company and they pay those rentals. And there's a third group of taxicab drivers who are second drivers who take over for owner-operators who are on vacation.

At any rate, under the contract that the taxicab company has with the cab drivers they are, the cab drivers are responsible for their taxes and anything else. And I would like to say that, you know, many times businesses file a Schedule C and when depreciation from their vehicle, gasoline expenses, title, and taxes, they may not get to the bottom line of their tax return that they will owe the State of Maryland or the federal government money. Of course, I'm concerned that people pay their taxes, too. It's

a very, very important part of being an American citizen. But even in our Maryland State law there are different classifications and different laws which determine whether you are an employee or an independent contractor.

If you look at the Maryland Insurance, the unemployment insurance, there's an exemption for taxicab drivers from the coverage of that because, in the law, in the statute. Even if you look at the Living Wage Law which went into effect in 2007 one of the requirements under those regulations is that the employee be paid a wage. In this case the taxicab company does not pay money to the drivers. I just wanted to clarify that.

We're here for an extension because there were issues with the ongoing procurement related to Airport disadvantaged business enterprises for concessions. And this required a great deal of review and I think four different technical submissions by different bidders. Because under the federal regulations there are different ways to meet this kind of DBE provision.

So we are asking that this contract be extended. The procurement is going on. And we hope to have that finished in a matter of months. But we still need to have taxicab service. And we apologize that we were a little late in getting here but we thought that it would be done before the expiration of the current contract. And --

GOVERNOR O'MALLEY: But you're asking, Ms. Goldstein, for a whole other year.

MS. GOLDSTEIN: But Governor, I would like to point out that the Board item says that we have thirty days that we can end the contract. So there is an out. So we just did a year just to make sure because we certainly don't want to come back for another extension. And we don't think it's going to take a year. But we did this in order to make sure that there was continuing taxi service.

Now I have one other issue to bring up. They have said that they bid, but they submitted a bid in a form that wasn't in compliance with the IFB. It was late. It came by fax. It didn't include technical information that would say that they were

qualified to bid. So it was rejected. And that happened last June. We met with them and Mr. Singleton, their lawyer, in July to talk about a lot of these issues. And you know, we wrote them letters, and we continued to monitor the contract.

I would also like to say that the other item, I believe it is Item 11, is limousine service. And it is not shuttle drives. It is a different kind of contract. And as far as I know we haven't had any interaction with Mr. Singleton on the limousine driver contract.

So I respectfully request that the item be approved. Thank you very much.

GOVERNOR O'MALLEY: Mr. Comptroller?

MS. GOLDSTEIN: Yes, Mr. Comptroller?

COMPTROLLER FRANCHOT: I just, obviously I think your agency is outstanding and you run one of the best airports in the country. But, and Mr. Wiedefeld is, you know, without parallel. And obviously I have a lot of respect for you. But I'm a little concerned here because, you know, on Item 12 the fact that thirteen months ago bid solicitation



was, you know, I just don't, I don't quite get what the problem is here with the lengthy bid review process that's going on. And you know, it's a little bit surprising to me because normally the airport has really got a very tight operation as far as these contracts. And this is, looks to me like a relatively routine one. But yet it's dragging on, and now we may have to face some deadline.

MS. GOLDSTEIN: Well I respectfully submit that the issues related to the airport concessions DBE analysis. Some people suggested that they would use dispatcher services to meet that. Some people suggested that they would use fuel purchases. Some people suggested other ways to do this. Some of the DBEs that they suggested were not certified or had become not certified because they graduated from the program. So we had to substitute DBEs, or they had to substitute, excuse me. And so during that process all of that had to be reviewed.

There was one proposal about ownership of cabs by minority people. We had to make sure that the transfer of cabs met the provisions of a commercially

useful function and also that they met the requirements that the MBE or the DBE was acting independently from another bidder. So all of that took more time than normal. And it just, that's what happened. And we want to make sure that the federal regulations are met. And that's the explanation for it.

COMPTROLLER FRANCHOT: Well I guess that's a logical explanation. But it still is surprising to me because the agency you work for is normally very tight and this seems to be loose on, obviously I don't want to interrupt taxi service. But I think some of these folks have a point that this is not really very tightly managed right now.

TREASURER KOPP: Louisa, are you saying it takes two years to do what you just described?

MS. GOLDSTEIN: No, I don't think it does take two years, Madam Treasurer. But I would say to you that in this case there were circumstances that made it more difficult to do these analyses. And I don't want to talk about the bids process too much because it's still going on. And we may be subject to

court challenge on it once we get to the end of it.

So the timeline that I have is that there were different submissions of technical responses. We issued the IFB on April 14, 2010, which was right after we got the original extension. And the responses were received in December. Excuse me, that was the Agenda. I misspoke. But we had different responses in June and August and December. We asked for revised technicals based on the MBE, the DBE issue.

COMPTROLLER FRANCHOT: I mean to me the first, let me just say from my perspective --

MS. GOLDSTEIN: Right.

COMPTROLLER FRANCHOT: -- if we could just have it quiet, please? The first two contracts seem to be no-brainers and your explanation is fine. It's that last one that I'm not very comfortable with. And I don't know whether you have an alternative suggestion, or whether my colleagues on the Board share my --

MS. GOLDSTEIN: I mean, all I can say is we will endeavor never to have this happen again. But I

can't tell you that it won't happen. I mean, I don't have a crystal ball and I can't control what bidders submit to us in response to IFBs. But we were trying to do a diligent review of the DBE plans. And I would say to you that under our regulations other taxicabs aren't allowed to pick up passengers at the airport, only the ones under this contract. So hopefully we would be able to get the extension approved. Are there any other questions?

COMPTROLLER FRANCHOT: And DBE stands for disadvantaged business enterprise?

MS. GOLDSTEIN: ACDBE stands for airport concession disadvantaged business enterprises. And there are federal regulations which control that at airports who receive federal funding in the United States. And so this contract is reviewed under --

COMPTROLLER FRANCHOT: And this is what number of extensions that we're --

MS. GOLDSTEIN: I think this is the third extension. So.

COMPTROLLER FRANCHOT: Well, you know I have great respect for you and for Mr. Wiedefeld. But I

probably will vote against the third one just because

--

MS. GOLDSTEIN: I understand. You have to do what you have to do, and we are respectful of that.

COMPTROLLER FRANCHOT: You know, maybe you can start over and get the, keep the cabs on the road. I can't imagine there aren't going to be cabs available.

TREASURER KOPP: But you're saying there are no cabs that will be legally allowed to pick up passengers?

MS. GOLDSTEIN: No, Madam Treasurer. Because our regulation, which is found in COMAR 11.03.01.11-A(3) says that outside taxicabs who are not under this contract can only discharge passengers at the airport. They can't pick them up. This was done as an exclusive contract to make sure that patrons of the airport had taxis that met certain requirements. And it's been this way, I think, since about 1989, this kind of contract, I mean.

GOVERNOR O'MALLEY: I'd sure, I have a tremendous amount of respect for you as a lawyer and

your reputation precedes you, and I have no doubt that this is a complicated matter. And because it is a complicated matter, Ms. Foster, I would really like Secretary McDonough to get involved here and take a look at this. I mean, it could well be when it comes back to us we would, I don't want to presuppose. I mean, it could well be that we decide to reject it altogether. I mean, it just, there's just something about the equities of this that just seem a little --

TREASURER KOPP: Do we have to extend it for a year?

GOVERNOR O'MALLEY: Yeah, why do we have to do this for a year?

MS. GOLDSTEIN: It does have a thirty-day out --

GOVERNOR O'MALLEY: Oh, I know you can end it.

TREASURER KOPP: Yeah, but you said you didn't, you wanted it for a year because you wouldn't have to come back here.

MS. GOLDSTEIN: Well, I mean, no, in case there was another issue. I mean, I, but at this

point, I mean, we need an extension because we need taxi service. So I would say, I don't know if I'm able to modify an Agenda item at the Board --

GOVERNOR O'MALLEY: Oh, I think we can.

MS. GOLDSTEIN: Okay. Could we respectfully request for six-month extension with a thirty-day out? I would tell you though the history of this contract is, at least the last two times it was bid, we ended up in the Circuit of Baltimore City in front of Judge Byrnes on a mandamus. And the time before in 2003 we also had challenges by the bidders, not by the drivers.

GOVERNOR O'MALLEY: Right.

MS. GOLDSTEIN: So that's the other issue. And I can't control that part of the process at all. I can only work to make sure everything else gets done properly.

GOVERNOR O'MALLEY: But if we did ninety days we'd be guaranteed to see you again sooner.

MS. GOLDSTEIN: Well I guess we'd be back in ninety days and hopefully we'd be able to do it, but -

-

GOVERNOR O'MALLEY: Or shorter, if we decide

-- MS. GOLDSTEIN: I think --

GOVERNOR O'MALLEY: -- the new award.

MS. GOLDSTEIN: If we could get it done.

But I would respectfully ask for six months just to give us a cushion. Because I know the best laid plans of mice and people don't always work out. So.

GOVERNOR O'MALLEY: But this has been three years.

MS. GOLDSTEIN: Yes, sir. I understand.

But --

GOVERNOR O'MALLEY: All right. Well, but it is true that everything you say about the plans of mice and men. But it is also true that people work against deadlines. And --

TREASURER KOPP: I could go for three months.

GOVERNOR O'MALLEY: Okay. It looks like we have a consensus. So the Treasurer moves that it be, that this item, Agenda item, be modified as a three-month, ninety-day extension. And that motion is seconded by the Comptroller. All in favor signal by



saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: So the amended item is before us along with the balance of the Department of Transportation items. Any questions on the remainder of the Department of Transportation. Hearing none --

(Applause)

GOVERNOR O'MALLEY: Ms. Goldstein, that was the first time I have ever heard a legal presentation receive that sort of applause here at the Board of Public Works.

MR. SINGLETON: On behalf of all the drivers I just want to thank you.

GOVERNOR O'MALLEY: So now we move the Department of Transportation Agenda items -- what's the matter?

SECRETARY MCDONALD: I just want to make sure the Comptroller is voting for the ninety days --

GOVERNOR O'MALLEY: Yeah, he voted for the ninety days. Yes, the Comptroller seconded it, and we all voted for it. It was amended, and now all in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response).

GOVERNOR O'MALLEY: The ayes have it. And that concludes our meeting of the Board of Public Works. Thank you.

(Whereupon, at 11:33 a.m., the meeting was concluded.)