

December 5, 2012

STATE OF MARYLAND
BOARD OF PUBLIC WORKS
GOVERNOR'S RECEPTION ROOM
SECOND FLOOR, STATE HOUSE
ANNAPOLIS, MARYLAND

December 5, 2012
2:02 p.m.

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P R E S E N T

LIEUTENANT GOVERNOR ANTHONY BROWN,
Presiding;

HONORABLE PETER FRANCHOT, Comptroller;

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;

KAREN WIGGINS GOODEN, Assistant Secretary,
Department of Transportation;

CHIP PRICE, Department of Natural Resources;

ZENITA WICKHAM HURLEY, 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

LIEUTENANT GOVERNOR BROWN: I want to welcome everyone to the December 5th meeting of the Board of Public Works. And as you know, I'm joined by the Comptroller and the Treasurer. And I appreciate everyone accommodating our request to move this to the afternoon. I like the afternoons. I'd like to make this permanent, but we won't.

(Laughter.)

LIEUTENANT GOVERNOR BROWN: But I'm Anthony Brown, your Lieutenant Governor, not to be confused with Martin O'Malley. I don't play in a band. And I don't have the opportunity to exercise the responsibility that he does everyday. But he did ask me to preside over, in his absence, the Board of Public Works so I'm glad to be here this morning, this afternoon.

So let's start and see if the Treasurer has any opening remarks?

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TREASURER KOPP: No, it's a pleasure to be here, Governor. A lovely tree you have here, and very nice looking at the wreaths looking out. A great, great setting for a great meeting. And a brief one, I assume. So --

LIEUTENANT GOVERNOR BROWN: I hope so.

(Laughter.)

LIEUTENANT GOVERNOR BROWN: I hope so.

TREASURER KOPP: Thank you.

LIEUTENANT GOVERNOR BROWN: Well on that note, let's see what the Comptroller has to say.

(Laughter.)

COMPTROLLER FRANCHOT: Whenever I hear, I love America's Congressman Steny Hoyer, one of the great elected officials in Maryland, but whenever he starts by standing up and saying, "I'm only going to speak briefly," guaranteed there's a half hour of very wonderful comments. But I do hope it's a brief meeting. And Lieutenant Governor, it's great to have

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you here. I totally echo the Treasurer when I say that it's a pleasure to have you here. And so three former members of the House of Delegates --

TREASURER KOPP: Yes.

COMPTROLLER FRANCHOT: -- in charge. The State had better watch out.

(Laughter.)

COMPTROLLER FRANCHOT: But let me just comment that it's amazing that December is here already. I hope everybody had a really great Thanksgiving with their families. I was lucky to have both of my kids home, and it's always a special day. It's my favorite holiday. But as we transition from Thanksgiving to Christmas and Hanukkah season I want to remind folks that one way all of us can help our fellow Marylanders this holiday season is by doing your holiday shopping locally. I misspoke and said that it's unpatriotic to shop over the internet. If you want to shop on the internet a little bit, okay.

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But if you really want to be patriotic, go down to Main Street. These family owned businesses have had a tough time. And they have great products, great customer service, great prices. They employ our friends and our neighbors. As the tax collector, they pay taxes. But these are great entities. And any support you can give them in these, in this economic climate we're in, I would encourage everyone to shop Maryland for the holidays. And additionally, the data shows that 70 percent of your dollar that you use at a local Main Street business, 70 percent of that stays in the community in contrast to money that is sent out of State.

And those computers, I know they are convenient, but they are kind of cold, aren't they? Late at night, you are sitting there looking at a computer screen, ordering some gift. I mean let's be social. Let's go down and shop, support your community businesses. It will help the more than

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500,000 Marylanders employed in our State's retail sector. And we are really helping others, and frankly ourselves, when we shop local.

And just if I could, on a bittersweet note for my agency, bitter for me but sweet I think for Ms. Tanton, our Deputy Comptroller is here today with us and she is retiring at the end of this month from a long and distinguished career. I am delighted she is here. I doubt, frankly, that she is very sad to be here at her last Board of Public Works meeting. But I'm sad that we're going to lose her at the Comptroller's Office. She's been an invaluable resource to me personally over the last six years. Her expertise has benefitted all Marylanders. We have, thanks to her leadership and dedication, absolute data that shows that in the last six years \$2 billion in heretofore uncollectable taxes owed the State have been satisfied.

She's been a trailblazer throughout her career, being the first woman ever to head the

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Comptroller's Compliance Division, and then the first woman to serve as Deputy Comptroller. And more importantly, she is respected across the country by her peers for her expertise, professionalism, and vision, and there is not a doubt in my mind when I say, Linda, that you are the national leader as far as modernizing data collection, data security in the tax field.

So on behalf of everyone, we're going to have a few more of these during the month, but I just want to thank you personally and on behalf of the State for what you have done for Maryland. You have been a tireless advocate for the Maryland taxpayer, a diligent and professional worker who has kept everyone on their toes, and a true public servant. So I wish you well, we wish you well. Thank you for coming over here and please enjoy a happy, well deserved retirement. Come back and let us know how it is. And but most of all, thank you. please stand up and --

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(Applause.)

LIEUTENANT GOVERNOR BROWN: Great. Let me say, Ms. Tanton, thank you very much for your many years of faithful service to the State of Maryland and the people of Maryland. We really appreciate it and wish you the very best in your, is it going to be a real retirement? Or a working retirement?

MS. TANTON: I think a real retirement.

LIEUTENANT GOVERNOR BROWN: Good for you. Good for you.

(Applause.)

LIEUTENANT GOVERNOR BROWN: Thank you. Thank you very much. Great. Why don't we --

TREASURER KOPP: Could I just add --

LIEUTENANT GOVERNOR BROWN: Oh yes, I'm sorry.

TREASURER KOPP: -- an echo to this? I know actually Linda is going to be running a victory lap, and this is going to go on a little while. But I would just like to add my thanks. Having been here

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for a while, and having in the Legislature also observed the financial management and managers of this State, I will say that Linda was outstanding not only because she worked so excellently well in the Comptroller's Office, but there weren't many women there in positions of responsibility, of high responsibility. And she really is a path breaker. A quiet path breaker, but an extraordinarily competent person also. But to be out there alone is not always easy, and I really salute you. And I know the Secretary not only does for that reason, but also as Chairman of the State Employees Supplemental Retirement Board, I know is joining me, but in front of all these State employees I'd like to say that Linda has been an outstanding member and leader on your behalf, thank you, Peter, on that Board. And will be very sorely missed.

LIEUTENANT GOVERNOR BROWN: Thank you. Okay with that --

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TREASURER KOPP: And envied to some extent.

(Laughter.)

COMPTROLLER FRANCHOT: You don't have to sit through the whole meeting.

MS. TANTON: Thank you.

(Laughter.)

(Applause.)

LIEUTENANT GOVERNOR BROWN: Great. With that, why don't we turn to the Secretary's Agenda?

SECRETARY MCDONALD: Good morning, members of the Board. Former Delegate Brown, Former Delegate Kopp, and Former Delegate Franchot --

(Laughter.)

SECRETARY MCDONALD: -- we have 11 items on the Secretary's Agenda this morning. There are five reports of emergency procurements. And we are withdrawing Item 9 in its entirety. We are prepared for any questions you have on the remaining items.

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TREASURER KOPP: I have just a general question on the Item 8, DHCD? I don't know if there's, is there anyone, just --

SECRETARY MCDONALD: I believe Mr. Eaton is here.

TREASURER KOPP: -- a very high level question. Which is do you all, I know you are constantly scanning the horizon but just for folks in this situation, people, homeowners who are so far underwater that they have to struggle to get out, do you have, do you project, knowing your book of trade, what is going to be happening month by month, or to some extent, into the near future.

MR. EATON: Yes. My name is George Eaton. I'm the Director of Credit Assurance for the Department of Housing and Community Development. Good afternoon. And yes, we do. We look at it very closely. In fact, not only do we handle these loans when they do go upside down and try to save them from

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foreclosure, but we measure those days when they are 90-plus days, when they are 60-plus days, and when they are 30-plus days. So we are very active in making sure that we have reacted to our borrowers very quickly.

TREASURER KOPP: So do these, the numbers that we have been seeing the last couple of months, and I assume we will see, match basically what you had --

MR. EATON: Yes, they do.

TREASURER KOPP: -- had been projecting?

MR. EATON: Yes, they do. And we did start a new program. Just for your information, we did bring a

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second servicer on board for us to make sure that people were reached in a faster way. And one of the real assets to that, and we found out about 60 percent of the people are actually paying their mortgages now by going into the bank, one of the banks that service our loans. So that is an additional service that we have given them. But we apply every possible program we can for those folks who early on.

TREASURER KOPP: No, I understand that. I don't doubt that. I just wondered if some of these were beyond, or less than, what you had projected.

MR. EATON: No, it's about what we had projected. Thank you.

TREASURER KOPP: Thank you.

MR. EATON: Mm-hmm.

LIEUTENANT GOVERNOR BROWN: Any other questions? Or issues on the Secretary's Agenda? Okay. Seeing none, hearing none, the Treasurer moves

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approval, seconded by the Comptroller. All those in favor say, "Aye."

THE BOARD: Aye.

LIEUTENANT GOVERNOR BROWN: Any opposed?

(No response.)

LIEUTENANT GOVERNOR BROWN: Hearing none, the Secretary's Agenda is approved. Thank you. Let's go to the Department of Natural Resources Real Property.

MR. PRICE: Good afternoon, Lieutenant Governor, Madam Treasurer, Comptroller. Department of Natural Resources has ten items before you today. Six Local Program Open Space development projects, three Local Program Open Space acquisition projects, and one Community Parks & Playgrounds development project. I'd be happy to address any questions you may have.

COMPTROLLER FRANCHOT: Yes. On Item, I believe it's, is it 4A? Or 3A? I see 4A at the top and Item 3A --

MR. PRICE: 3A, the raindeck project?

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COMPTROLLER FRANCHOT: The raindeck, yes.

MR. PRICE: Correct.

COMPTROLLER FRANCHOT: So this is a relatively small project, but it's in a county, Caroline County, which happens to be the only county in the State that does not have a public swimming pool. And the reason that's important is that three little kids a year ago went into a muddy creek and never emerged. And it was preceded by a mother trying to rescue her infant from another swimming hole, or something, that was out there. And I've asked Senator Colburn and my Chief of Staff Len Foxwell to try to come up with some kind of funding plan that would help Caroline County construct a public swimming pool that would allow families in Caroline County to enjoy that amenity that every other county in the State has. And it's run into a little bit of resistance. And but I'm hopeful that folks will resolve these and find an adequate funding. It doesn't have to be a Cadillac of

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a pool. It can be something that's serviceable. And any assistance that you can give to help, obviously the county is not one of the wealthier counties. But this is a situation where these kids are, I mean they are largely from economically challenged families. This is where we need to kind of be creative and come up with something. So obviously this splash park I'm all in favor of. But I just want to make sure everyone realizes that it in no way is a substitute for what we should be focused on.

MR. PRICE: Exactly. Comptroller, it's my understanding we have had staff attend meetings subsequent to your proposal, and with the county, Caroline County government, and the Town of Federalsburg, and I believe the YMCA was involved as well. And they are ongoing meetings. I was in contact with the Town of Federalsburg and there are ongoing meetings on this subject. And it's, actually there seems to be a lot of folks who agree that this is a good idea, to have a pool. Because especially

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for the purposes of training not only youth but a lot of adults who don't know how to swim, too. And with the lifestyle on the Eastern Shore, there are so many opportunities to be on the water. It's nice to know how to swim.

So folks are working to try to come up with an idea. As you said, this is just an interim step. This raindeck is to try to provide the youth in the area during those hot summer months an opportunity to cool off without being so attracted to jumping into the Marshyhope. It certainly doesn't solve the learning how to swim issue, but hopefully it gives them some alternatives. It's my understanding that Caroline County Parks and Recreation Department has already been working with the Board of Education there after school, at the elementary school in Federalsburg, the after school activities. And have to date already bussed, arranged to bus 300 students

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over to the YMCA in Easton where they received training in how to swim.

So a lot of people are working on trying to address the issue as best they can, while they continue to look for the ultimate goal of providing a pool. Which will not only provide an opportunity to train folks in how to swim, but also it's a wonderful recreational outlet that is deserving of every Marylander.

COMPTROLLER FRANCHOT: Well I really appreciate that. And keep me in the loop. And you know, let's not let the perfect get in the way of the good.

MR. PRICE: Exactly.

COMPTROLLER FRANCHOT: You know, a pool doesn't have to be -- well, put it this way. I'm sure there are companies out there that can build these pools very efficiently.

MR. PRICE: It's my understanding they are looking at a lot of different options at this point.

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COMPTROLLER FRANCHOT: Thanks.

MR. PRICE: Thank you.

LIEUTENANT GOVERNOR BROWN: So the
Comptroller moves approval of the DNR Real Property
Agenda, seconded by the Treasurer. All those in favor
say, "Aye."

THE BOARD: Aye.

LIEUTENANT GOVERNOR BROWN: Any opposed?

(No response.)

LIEUTENANT GOVERNOR BROWN: Hearing none,
that Agenda is approved. Let's go to DBM.

MS. FOSTER: Governor, Madam Treasurer, Mr.
Comptroller, good afternoon. There are 11 items on
the Department of Budget and Management's Agenda for
today and I'll be happy to answer any questions you
have.

TREASURER KOPP: I want to say again, as e
have several times, in this case particular DHR, we
did have some questions and they were really very

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helpful and good in answering them. And I appreciate it very much.

LIEUTENANT GOVERNOR BROWN: Great. Let's take a motion. The Treasurer moves approval, seconded by the Comptroller. All in favor say, "Aye."

THE BOARD: Aye.

LIEUTENANT GOVERNOR BROWN: Any opposed?

(No response.)

LIEUTENANT GOVERNOR BROWN: None. DBM's Agenda is approved. Let's go to the University System.

Good afternoon.

MR. STIRLING: Good afternoon, Lieutenant Governor, Madam Treasurer, and Mr. Comptroller. I'm Jim Stirling for the University System. We had six items on this Agenda. We are withdrawing Item 5-RP. I'm happy to address any questions you have.

LIEUTENANT GOVERNOR BROWN: Okay. The Comptroller moves approval, seconded by the Treasurer. All those in favor say, "Aye."

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THE BOARD: Aye.

LIEUTENANT GOVERNOR BROWN: Any opposed?

(No response.)

LIEUTENANT GOVERNOR BROWN: Hearing none, congratulations.

MR. STIRLING: Thank you.

LIEUTENANT GOVERNOR BROWN: DoIT, Department of Information Technology.

MR. SCHLANGER: Lieutenant Governor, Madam Treasurer, Mr. Comptroller, Elliot Schlander, Department of Information Technology. This afternoon we bring to you three items on our Agenda. And I'd be happy to answer any questions at this time.

LIEUTENANT GOVERNOR BROWN: Anything?

TREASURER KOPP: I don't. Except a request, Elliot, we do have, I do have some questions about the, and I don't know whether it's you or DGS, about the Cloud and the IMail system, and just some

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questions about how it's going to work. Not now, but just so you know --

MR. SCHLANGER: Okay.

TREASURER KOPP: -- you'll get a call.

Just, I mean, just some questions about how it's going to work.

MR. SCHLANGER: Okay. We'd be happy to address any questions that you have and then we'll follow up.

TREASURER KOPP: Maybe you could give Susanne a call?

MR. SCHLANGER: Sure.

TREASURER KOPP: Thanks.

LIEUTENANT GOVERNOR BROWN: Okay. Looking for a motion. The Treasurer moves approval, seconded by the Comptroller. All those in favor say, "Aye."

THE BOARD: Aye.

LIEUTENANT GOVERNOR BROWN: Any opposed?

(No response.)

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LIEUTENANT GOVERNOR BROWN: Hearing none, that's approved.

MR. SCHLANGER: Thank you.

LIEUTENANT GOVERNOR BROWN: And the Maryland Department of Transportation?

MS. GOODEN: Lieutenant Governor Brown, Comptroller Franchot, and Treasurer Kopp, I'm Karen Wiggins Gooden. I'm the Assistant Secretary for Administration at MDOT. And today I'm acting on behalf of the Secretary, Acting Secretary Darrell Mobley, who is not with us today in another matter. And we have 16 items to present, in addition to that one item, a supplemental item. And if you have any questions we'll be happy to answer those that this time.

LIEUTENANT GOVERNOR BROWN: Okay. The Comptroller moves approval, seconded by the Treasurer. All those in favor say, "Aye."

THE BOARD: Aye.

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LIEUTENANT GOVERNOR BROWN: Any opposed?

(No response.)

LIEUTENANT GOVERNOR BROWN: Hearing none, MDOT is approved. Department of General Services? Bring it on.

MR. COLLINS: Yes, sir. Good afternoon, Mr. Lieutenant Governor, Madam Treasurer, Mr. Comptroller, Al Collins, Secretary for the Department of General Services. We have 16 items on our Agenda. We would be glad to answer any questions you have on any of these items.

TREASURER KOPP: We watched the saga of Matapeake and Queen Anne's with great interest, but I don't have any.

MR. COLLINS: Thank you.

COMPTROLLER FRANCHOT: I just want to say for the record, the Lieutenant Governor could come back anytime.

TREASURER KOPP: Yeah, he's real good at this.

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LIEUTENANT GOVERNOR BROWN: This isn't my doing. This is the agencies teeing up wonderful awards here, and matters that --

TREASURER KOPP: But it's a little bit the heritage and the tradition --

LIEUTENANT GOVERNOR BROWN: Yes. Oh no, we'd be here a long time if we were carrying forth the heritage of the Judiciary Committee. Good. Any further discussion? Okay, seeing none the Comptroller moved approval, seconded by the Treasurer. All those in favor say, "Aye."

THE BOARD: Aye.

LIEUTENANT GOVERNOR BROWN: Any opposed?

(No response.)

LIEUTENANT GOVERNOR BROWN: The meeting is adjourned.

(Whereupon, at 2:23 p.m., the meeting was concluded.).

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