

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

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P R E S E N T

GOVERNOR MARTIN O'MALLEY, Presiding;

HONORABLE NANCY KOPP, Treasurer;

HONORABLE PETER FRANCHOT, Comptroller;

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

AL COLLINS, Secretary, Department of
General Services;

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

JAMES SMITH, Secretary, Department of
Transportation;

EMILY WILSON, Director, Land Acquisition
and Planning, Department of Natural
Resources;

CARMINA PEREZ-FOWLER, Assistant Secretary
for MBE Compliance and Procurement,
Governor's Office of Minority Affairs;

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

MISSY HODGES, Recording Secretary, Board
of Public Works.

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P R O C E E D I N G S

GOVERNOR O'MALLEY: This is the Board of Public Works. And this, we have a number of items, as you can guess by the overflow crowd. We have Unite Here! who is here. Good to see you all for your quarterly protest, and we will be hearing from you shortly. And we also have, we also have every school board in the State that wasn't snowed out of getting here. I understand some of our neighbors from the west might have problems. The School for the Deaf will not be here because of, because of ice on I-70. But we're going to start getting through this as expeditiously as possible. And this is what we're going to do.

We're going to handle, there is also a wetlands permit issue, a brief revisit, a matter having been remanded back to us for greater clarification. We're always glad to provide greater clarification. And so we're going to go through the regular Board of Public Works docket. We're going to hold off on the school issues. And after we get done with the regular Public Works docket we're going to take a break for the school issues. Secretary Smith,

I don't know if you stay for those or not? Do you?
Al? Al, you stay. Well, you all know who stays and
who goes.

(Laughter.)

GOVERNOR O'MALLEY: So I'll leave that to
the discretion of the people at the head table. I
know that Secretary Smith has specifically asked if he
had to stay and the answer is no, you do not have to
stay. So anybody have opening comments? Oh, let me
say something by way of opening.

Our condolences go out to Lieutenant
Governor Anthony Brown, and his mom, and his entire
family on the passing of their father. I was at the
funeral yesterday in New York. And the whole family
was there. And Dr. Brown was an outstanding human
being. An immigrant from Jamaica, studied and
learned, studied for his medical exam, or studied for
medicine in the German language. Attended a pretty
prestigious medical school in Zurich, Switzerland,
where he met Anthony's mom. And they raised a
wonderful family. He lived to the age of 89. He
passed away with all his family around him just last
week. And so our condolences go out to Lieutenant

Governor Brown. It's always difficult when the big trees fall. And he was such a tremendous force of love in that family and in that world. He saw patients all the way through his life, until he started declining in recent weeks. So we send condolences to him. And any of us who have been fortunate of us to have parents, I guess at times like these you realize how blessed we have been.

So Madam Treasurer, Mr. Comptroller, any opening thoughts?

TREASURER KOPP: No, except that it's moments like this that we remember that we are all children, and how difficult it is really to see the passing of a generation, whether it is an extraordinarily great person like Dr. Brown or a normal person like me. Another passing, you mentioned protests. I would not want the time to go without the acknowledgment of the passing of one of my heroes, Pete Seeger. Who was not only a great musician but a great spokesman for America and for civil liberties and civil rights in America. There are those of us who think that the nation would be better off if we had more songs and I am among them.

GOVERNOR O'MALLEY: Me, too. I second the motion.

TREASURER KOPP: Yeah.

GOVERNOR O'MALLEY: All in favor?

TREASURER KOPP: Really, it's, there is nothing like really good music to bring people together and that is what Pete Seeger up until his 94th year could do. And I just want to go on record recognizing the passing of a great man and urging folks who don't know that much about Pete Seeger to go back and read and listen and be inspired. Thank you.

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

COMPTROLLER FRANCHOT: Thank you, Governor, and Madam Treasurer. And I couldn't agree with you more about the Lieutenant Governor. Obviously a lot of people are thinking of him, and including myself. And thank you for making those remarks about his dad.

So I don't know what it is about the school construction beg-a-thon but I think it was rescheduled to today. I kind of got the feeling that if we had it the third week in August, it would be snowing.

(Laughter.)

COMPTROLLER FRANCHOT: But I hope everyone manages to get down here safely. I would like to take just a moment to thank my staff in the Comptroller's Office for the successful start we have had to the tax filing season. As you know, it started ten days late because of the IRS in Washington and we started on Friday processing returns. I'm always on tenterhooks on this because it's all technology based. We process three million tax returns, many of them electronically. And I'm delighted to report that since Friday we have processed almost 250,000, heading towards 300,000 tax filings. These are incredibly important for our citizens because unlike all the people in this room, these are folks that actually get refunds back from the government. Most of us wait until April 15th to send our returns in. But there are literally hundreds of thousands of Marylanders that count on these tax refunds to pay their bills. And I'm delighted to report that, knock on wood, it is off to a great start and running smoothly.

No obligation, frankly, is more fundamental to us than providing fast and effective customer service to the taxpayers who pay our salaries. I have

actually asked my 1,100 employees to no longer refer to themselves as State employees. We call ourselves taxpayer employees to remind us at all times of whom we are here to serve. And it is why I have told each of my 1,100 employees that they need to abide by what I call the three Rs of taxpayer service: respect, responsiveness, and results. You may not always like the answer when you get hold of us, but you can always expect my agency to get you an answer in a timely manner. That is why the first couple of weeks of tax season is so important to me, particularly in these tough times, economic times.

I really appreciate everything my staff is doing on behalf of Maryland taxpayers. Our whole team of programmers, testing personnel, call center representatives working around the clock at times to ensure a smooth process. And I am deeply appreciative of their ability to come through time and time again. And as I say, I lie awake at night because, hey, I have to run for office. And the public is not particularly charitable. So this is important stuff.

There are two people I would like to thank in particular, Rhea Reed, Director of the Revenue

Administration Division, one of the finest managers in all of Maryland State government; and David Hildebrand, Interim Director of the IT Division, brings order out of chaos by rolling up his sleeves, getting the job done through good teamwork is his idea. He is huge on teamwork. And David and Rhea, thank you very much. I don't know whether they are here. If they, they are probably back working. But I would like to give them a pat on the back. They have done a superb job. And we owe them along with their staffs a debt of gratitude for the long hours they put in. If they are listening in on the internet, can I please ask you just don't mess it up at this point? Because it's always a very delicate operation.

I would not mention the tax season without urging you all to file electronically. We are the only agency in this country that guarantees a three-day refund if you file electronically. And --

GOVERNOR O'MALLEY: Wow, say that again. That's a good one.

COMPTROLLER FRANCHOT: -- and you allow us to electronically put your refund in your bank

account. Those two things, you get it within three days. It's an elite agency.

GOVERNOR O'MALLEY: That's very good.

COMPTROLLER FRANCHOT: No one else throughout the country is able to do it.

GOVERNOR O'MALLEY: That's very good. I think we can all applaud that.

(Applause.)

GOVERNOR O'MALLEY: I have not seen that sort of results, delivery, and vision since we implemented the 48-hour pothole guarantee in Baltimore City in 2000.

(Laughter.)

COMPTROLLER FRANCHOT: Well --

GOVERNOR O'MALLEY: That's good stuff. How many, how often can you get something turned around in three days in the world?

COMPTROLLER FRANCHOT: Yeah.

GOVERNOR O'MALLEY: All right, a book from Amazon. But --

(Laughter.)

COMPTROLLER FRANCHOT: And we're talking 80 percent of three million tax returns that are filed

electronically. I know that's hard to believe. Now not all of them let us deposit electronically. But Governor, thank you. And it absolutely is in line with your whole roll up your sleeves, get the job done, and let's move forward and do what the taxpayers want which is, you know, get the potholes fixed. Right?

GOVERNOR O'MALLEY: Right? And get their checks back to them. That's good.

COMPTROLLER FRANCHOT: So --

GOVERNOR O'MALLEY: I can see the headline now in the paper, Mr. Comptroller, tomorrow will be, "IT Proficiency, Delivery, Big IT Project, 72-Hour Tax Turnaround, Spectacular Success in State Government."

TREASURER KOPP: Right. Right.

(Laughter.)

COMPTROLLER FRANCHOT: Don't jinx me.

(Laughter.)

GOVERNOR O'MALLEY: Those are the ones that always, those are the ones that always make the headlines, right? Those are the ones that make the headlines.

COMPTROLLER FRANCHOT: Don't steal my IT guy away from me.

(Laughter.)

GOVERNOR O'MALLEY: Is this all done in house? It's all done in house. It's probably --

COMPTROLLER FRANCHOT: But it's teamwork, as you know. And you have done a great job in getting State government focused on that. And we're just part of the team effort.

GOVERNOR O'MALLEY: Okay.

TREASURER KOPP: Well just to add one more perspective as a taxpayer. Not only is it more efficient and more cost effective, but it is actually safer for the taxpayers. Because I used to wander around with the check in my purse. And you always wonder when you are depositing it, you know, if you are going to lose it, or somebody is going to take it. It just, it is a much better way of doing business from the perspective of the individual.

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR O'MALLEY: Okay. Let's dive into this seven-hour Agenda.

(Laughter.)

GOVERNOR O'MALLEY: The items, hold on one second, the item, the wetlands permit, is that on the Secretary's Agenda? Okay. Hold Secretary's Agenda. The Unite Here! is on what? The Transportation? What one are they on? I did not hear you.

SECRETARY MCDONALD: Department of Budget and Management Agenda.

GOVERNOR O'MALLEY: Okay. Hold Budget and Management Agenda. What is the, is there another one that is at all controversial?

SECRETARY MCDONALD: No, because it's a DBM and the Secretary's Agenda, and the two speakers.

GOVERNOR O'MALLEY: Okay, we're going to skip, what is the, let's --

TREASURER KOPP: There is an issue I'd like to bring to your attention, Governor, in the Secretary's Agenda.

SECRETARY MCDONALD: And actually, could I just technically withdraw that Agenda from January 22nd to start this meeting off? What I would like to do is withdraw the January 22nd Agenda in its entirety. The meeting was cancelled due to a

snowstorm. I'm going to substitute in its entirety the February 5th Agenda.

GOVERNOR O'MALLEY: All right.

SECRETARY MCDONALD: And then I can tell you about the Secretary's Agenda with the 27 items. But I will do that later except for I think the Treasurer wants to talk about Item 27 on the --

GOVERNOR O'MALLEY: All right. Well let's handle --

TREASURER KOPP: Well did you want to withdraw something?

GOVERNOR O'MALLEY: Let's do this. So the Treasurer, the Treasurer moves to withdraw the January 22nd Agenda items, 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. The Comptroller moves to, what? Substitute?

SECRETARY MCDONALD: Well then we just, then we're now presenting the regular Agenda to you and then you do your regular motions --

GOVERNOR O'MALLEY: Okay. All right. So now we already have the regular Agenda before us --

SECRETARY MCDONALD: Right. But I don't know --

GOVERNOR O'MALLEY: -- and we don't need a motion for that. So --

SECRETARY MCDONALD: You don't need a motion to put the regular Agenda on, correct. You have it in front of you now. And you have the whole thing. I don't know if you want me to go just to Item 27? Or -
-

TREASURER KOPP: I would love to do Item 27 and get it done with.

GOVERNOR O'MALLEY: Okay.

SECRETARY MCDONALD: Okay.

GOVERNOR O'MALLEY: Item 27 on the Secretary's Agenda --

SECRETARY MCDONALD: -- on the Secretary's Agenda is the resolution for --

TREASURER KOPP: If you don't mind --

GOVERNOR O'MALLEY: Sure.

TREASURER KOPP: -- it's the resolution to start the process for the next General Obligation Bond Sale.

GOVERNOR O'MALLEY: Okay.

TREASURER KOPP: And it really is just brought to you and to the public for their notice. We are planning on going to the market on March, the Board of Public Works meeting of March 5th with bonds totaling \$750 million to finance capital projects such as schools, community colleges, universities and hospitals. The first part of it, Series A, 450, will be a competitive institutional tax exempt bond. The second Series B, \$50 million of taxable bonds is for things that don't qualify for tax exemption. And First Series C up to \$250 million refunding tax bonds. Obviously the number that goes in there depends on the market. And as we approach we will have a better idea of what the market is telling us about the value of the refunding and how much of it is worth putting out on that particular day.

The rates have been very favorable so far this year and we are looking forward to a good sale, which is why we are putting this much up in the first

sale. However, as you know the argument on Capitol Hill about the debt limit is coming up again. And so I would remind you that we do reserve the right to change the timing of the sale and obviously the amount of the refunding depending on what the markets look like at that time. If everything is smooth and normal, I think we will probably go ahead with exactly this proposal. If the markets are roiled because of what is going on on Capitol Hill, we may stand back and take a look and let them finish their battles and then go forward.

So the question before you would be an approval of going forward with the planning for the March 5th sale. And Amber Teitt, who is the Debt Manager for the State, is standing quietly back there to answer any questions.

GOVERNOR O'MALLEY: And this is item number?

TREASURER KOPP: Twenty-seven.

GOVERNOR O'MALLEY: Twenty-seven. 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. And now we're at the other item on the Secretary's Agenda was, what, the contested item?

SECRETARY MCDONALD: Yes. For the entire Secretary's Agenda of 27 items and six emergency reports, we are withdrawing Item 2. And --

GOVERNOR O'MALLEY: Okay.

SECRETARY MCDONALD: -- that will be the School for the Deaf. Dr. Tucker will be at the next meeting for his naming item.

GOVERNOR O'MALLEY: Item 2 is withdrawn.

SECRETARY MCDONALD: We're going to hold Item 7, that's school construction. We have speaker requests on two items. I don't know if you want to go to another Agenda, or whatever. We have speakers' requests on Item 6, which is the African American Preservation Grants; and Item 12, which is the wetlands license to which you referred.

GOVERNOR O'MALLEY: Okay. Let's go to Item 6. And Item 6, we love hearing from, this is what --

SECRETARY MCDONALD: Anne Raines is here, and then she has the --

GOVERNOR O'MALLEY: We always love hearing from you. I hope in deference to all the other people here you guys might be as succinct as you can possibly be.

MS. RAINES: Absolutely.

GOVERNOR O'MALLEY: I think I speak to the entire Board when we tell you we are enthusiastic, we are supportive, but we also have a whole dome full of people today.

MS. RAINES: Absolutely. Thank you. I'm Anne Raines from the Maryland Historical Trust. And I'll take half a second to tell you that as great as our partnerships are in this program with our grantee organizations who always come before you to thank you, our relationship with the Governor's Office of Community Initiatives and the Maryland Commission on African American History and Culture has just been outstanding. And we are looking forward to the grant round that's going to kick off here in a couple of weeks, workshops in March.

And without further ado, we are unfortunately missing our representatives from Kennard High School and the Sandy Spring Odd Fellows Lodge

because of the weather. They have both been here before. You have seen them. They have wonderful projects. They are being funded again this year.

And Sotterley Plantation, which you are seeing now, does have representatives here today. We have Nancy Easterling, who is the Executive Director; and Jan Briscoe, who is from the Board of Trustees. Sotterley is a wonderful tidewater plantation, a National Historic Landmark, and we are fortunate that it is the only plantation in Maryland that is actually open to the public.

GOVERNOR O'MALLEY: And it is on the banks of the Patuxent? That's what I thought.

MS. RAINES: All right. So Nancy is ready.

GOVERNOR O'MALLEY: Okay Nancy, lay it on us.

MS. RAINES: She has answered quiz question number one, Nancy Easterling.

MS. EASTERLING: Good morning, and thank you for the opportunity to be able to tell you a little bit about this project. I know we've got a time crunch so I won't go into it too long. But let me just say if those of you who are not familiar with

Sotterley, 300 years of history. And in the past few years we went through a reinterpretation plan knowing that we needed to make our story more inclusive. That means don't just tell about the people that owned the site. Tell about the people that labored the site. And one of our dreams was to have an exhibit that could talk about the laborers on the site.

Those who were enslaved is one of our big stories at Sotterley. We know it's our obligation to tell the stories that are not always easy to tell. So you don't just tell the easy ones, you have to tell the difficult ones. It is your obligation and responsibility.

We have a historic structure, our corn crib, which dates back to the late 1700's. It traditionally housed wonderful farm equipment outside of it. With - - that's not what you are seeing up there, that is the plantation house. But this corn crib is going to --

GOVERNOR O'MALLEY: Is that the corn crib?

MS. EASTERLING: No, that is the corn crib.

GOVERNOR O'MALLEY: Okay.

MS. EASTERLING: And you can see the historic tools that have been outside of it for years.

What we are going to do is this building does need restoration. And so we're going to put some of the money toward restoring the structure. And then both inside and out we are going to create an exhibit, which we have already started working on, called our Land, Lies, and Labor. We're started with the ideas already. We're going to bring to life the stories of those people: the enslaved, the tenant farmers, the 20th Century farm workers who lived and worked that site. So often these are stories that aren't told, and they need to be told.

This is an exciting exhibit. We can't wait to share it with the public. We hope to have it ready for Summer of 2015. And this is one of the few grants out there that are available to do this kind of project. And it is so critically important for us to make sure that we are as inclusive as we can and that we bring these stories to the forefront. And so we are so appreciative of that.

I do want to take one moment to let Jan Briscoe, our Board of Trustees President, take a moment to thank you on behalf of the Board as well.

MS. BRISCOE: Good morning.

GOVERNOR O'MALLEY: Good morning.

MS. BRISCOE: As Nancy said, I am here as the President of the Board of Trustees of Sotterley. And I did want to assure you that the Board is totally committed to not only this project but many others that serve as an educational resource for our State. This National Historic Landmark in the 1990's was very close to being closed to the public permanently. My father John Briscoe, you may have known, was President at that time. And he --

GOVERNOR O'MALLEY: I was going to ask you if you were related to the great John Hanson Briscoe.

MS. BRISCOE: Yes. Yes, sir. I am. And I saw you recently and thank you.

GOVERNOR O'MALLEY: Yes, our condolences on his passing. A great man.

MS. BRISCOE: Thank you. I appreciate that. But I know he was very grateful for the State support that had been given during his life, and appreciative of, he was aware of this grant, too, before he passed. And he was very excited about it. He was, again, we have come so far, this site, but only with the support

of the State. And we are very grateful to all of you.
Thank you so much.

GOVERNOR O'MALLEY: Well, thank you.

MS. BRISCOE: Thank you.

GOVERNOR O'MALLEY: And people like John Bohanon and other delegates, during these tough times there were some that said, look, we're going through a recession. We can't afford to preserve history or land right now.

MS. BRISCOE: Right.

GOVERNOR O'MALLEY: But we never strayed from our obligation to future generations of preserving and passing forward both the land and our history. So thank you for noticing that.

MS. BRISCOE: Absolutely.

GOVERNOR O'MALLEY: Thank your friendly neighborhood delegate.

MS. BRISCOE: Absolutely. Trust me, we have. Thanks again. We so appreciate it.

GOVERNOR O'MALLEY: Thank you. Thank you, Tony. He's like Spider-Man. Okay, who else have we got?

DR. JONES: Good morning, all. My name is Joni Jones. I am the Director of the Maryland Commission on African American History and Culture, a unit of the Governor's Office on Community Initiatives. I am joined today by the Vice Chair of the Commission, Lyndra Marshall. And in the interests of time we'll just be very brief and I will speak for both of us to say that this preservation grant has been, as you have seen and continue to hear, a wonderful endeavor and a great partnership with the Maryland Historical Trust, and something that we will work to keep going. So thank you.

GOVERNOR O'MALLEY: Cool. Thank you. Anything else? All right. Well the Comptroller moves approval of this item, seconded by the Treasurer. All in favor signal by saying, "Aye." All opposed?

(No response.)

GOVERNOR O'MALLEY: The ayes have it. So Item 6 passes unanimously. Thank you. We're going to hold off on Item 12. Oh I'm sorry, but we, and then we're now going to consider the balance of the Secretary's Agenda.

SECRETARY MCDONALD: Everything except Item 7, which is school construction, and Item 12, which is the wetlands item.

GOVERNOR O'MALLEY: So we're holding Items 7 and 12. Any questions on anything else? 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. So anyone that was here on the Secretary's Agenda, with the exception of that wetlands revisit and Item 7, the school stuff, is free to go now and vacate your seat. Congratulations.

TREASURER KOPP: Thank you.

GOVERNOR O'MALLEY: Have a great Wednesday. I don't see many people leaving. All right, we're on now to the Budget item. What is the contested Budget --

SECRETARY MCDONALD: DNR --

GOVERNOR O'MALLEY: I'm sorry, DNR, sure, Real Property. What have you got?

MS. WILSON: Thank you. Good morning, Governor, Madam Treasurer, Mr. Comptroller. Emily Wilson, Maryland Department of Natural Resources. We have nine items today. We do have a representative from Delegate Tawanna Gaines' office for Item 6A, which is the Greenbelt Community Center Facility upgrades. Ms. Pam Powers is sitting behind me.

GOVERNOR O'MALLEY: Okay, come on down.

MS. WILSON: She did tell me she doesn't need to speak, but I just wanted to recognize that she was here.

GOVERNOR O'MALLEY: Okay. God bless you. We're going to vote for it unanimously, then. We love Delegate Tawanna Gaines. She's a very responsive and responsible delegate. One of the sharpest and clearest speaking and thinking members of the House of Delegates.

MS. WILSON: I couldn't agree more.

GOVERNOR O'MALLEY: Okay. Anything on real property? 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. So --

MS. WILSON: Thank you.

GOVERNOR O'MALLEY: -- thank you. We now move on to Department of Budget and Management. And the one Agenda we are holding off on that one is?

MS. FOSTER: One. Item 1.

GOVERNOR O'MALLEY: Item 1. Which is?

MS. FOSTER: This is the item that provides 20 temporary general laborers to support the BWI Marshall and the Martin State Airports. They are providing unskilled labor.

GOVERNOR O'MALLEY: Okay. All right. We're holding off on Item 1. Any questions on the balance of the DBM Budget? Hearing none, 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, we'll be coming back, Unite Here! Just

hang in there, or hang in here. The University System of Maryland?

MR. STIRLING: Good morning, Governor, Madam Treasurer, Mr. Comptroller. Jim Stirling for the University System. We have eight items on today's Agenda and will be happy to address any questions.

GOVERNOR O'MALLEY: Okay. I think we're good on these eight items. I'd like to ask you, Mr. Stirling, could you go back to your hierarchy, to President Loh and also to the Chancellor, and the Regents for that matter. And I'll write to them, too. Help me remember this, K. Large. There is nowhere on the University of Maryland College Park campus any recognition of the great Frederick Douglass anywhere and he is probably one of the most recognized Marylanders in the world. And there is no statue, no bust, no plaque. There are people working on this sort of thing. But I couldn't think of a better use of those sort of foundation endowment, you know, the money that you all never like to tell us about? I think a great --

(Laughter.)

GOVERNOR O'MALLEY: I think it would be a great use of those funds. Perhaps maybe to commemorate and mark the progress making eight years of this last administration, not that I am soliciting by any means. But I think we need a statue or a bust or some tribute to Frederick Douglass on that campus. We are one, our cause is one. And we must help each other if we are to succeed, as he said.

MR. STIRLING: Understood. I'll pass that along this afternoon.

GOVERNOR O'MALLEY: Good. Thanks a lot. 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 to Department of Information Technology.

MR. URBAN: Good morning, Governor, Madam Treasurer, Mr. Comptroller. I'm Greg Urban with the Department of Information Technology. I have seven items for you. I'm happy to answer any questions.

GOVERNOR O'MALLEY: Okay.

TREASURER KOPP: So how are things?

(Laughter.)

MR. URBAN: They are going swimmingly.

GOVERNOR O'MALLEY: They are actually doing some great stuff. I was reading about the really positive things we are doing on procurement reform. We had to revisit terms and conditions because we were scaring away all of the best potential IT contractors because of the rigidity and the outdated nature of our procurement, our requests for proposals. And so you guys are ahead of the curve on that procurement reform and I appreciate it, and encourage you to make sure you include on the front end of those procurements an open period where the potential vendors/bidders can pitch to you as to how you can dial up the innovation and the flexibility on the bids as you put them out there. Sometimes just knowing that on the front end, and it would be open for everyone.

MR. URBAN: Sure. Absolutely.

GOVERNOR O'MALLEY: And whatever we need to do, we were talking about this together. Whatever we need to do to make it clear that that sort of conversation up front, provided it's open and on the

record and all of that, is encouraged and permissible, I would encourage you to do. You guys are doing great on that.

MR. URBAN: Thank you.

GOVERNOR O'MALLEY: And also Elliot Schlanger and what he is doing on the cyber security and the IT -- what do you call it? IT hygiene? Or awareness?

MR. URBAN: The awareness program that --

GOVERNOR O'MALLEY: Threat awareness? Really, really good stuff. I mean, what we're doing as a State, and I would encourage you, use the power you have to turn off computers, shut down networks, if anyone is not getting their training on a regular basis. And I saw that our own office needs to dial up our percentage of participation in that. But that's some really good stuff.

MR. URBAN: I'll carry that back to him.

GOVERNOR O'MALLEY: Thank you.

TREASURER KOPP: Governor, I would be very curious about learning more about what you are doing and where you are going. And I wonder if maybe the State Procurement Officer could --

GOVERNOR O'MALLEY: That's on the procurement front?

TREASURER KOPP: On the procurement front, pull us together. But also the cyber security thing?

MR. URBAN: Sure.

TREASURER KOPP: There was just an article in the Wall Street Journal this morning about a breach in California last year and what it would mean to the electric grid. And when you stand back and think about what little thing could totally screw up all of America, I would like to learn more about what we're doing and I think the entire Board would.

MR. URBAN: We'll schedule a time to get together, then.

TREASURER KOPP: That would, if you --

GOVERNOR O'MALLEY: And I have a couple memos, Kevin, I can share with the Comptroller and the Treasurer.

TREASURER KOPP: Yeah. People start reading the newspaper they are going to be interested in knowing what is being done here to --

MR. URBAN: Absolutely.

TREASURER KOPP: -- to protect --

GOVERNOR O'MALLEY: And in fact --

TREASURER KOPP: -- them and the infrastructure, our infrastructure.

GOVERNOR O'MALLEY: And if you look at the strategic goal on homeland security we have added another subgoal within that, taking us from 12 to 13. The 13th was the cyber security. We added that a few years back. And we have done drills and exercises that MEMA has organized for us on cyber threat, cyber security. Running through scenarios, what would a department head do, what would an office agency head do, and those sorts of things. But they do very cool kind of spoon fed, bite sized, I don't know what you call them, exercises? Exercise-lets? Some very short, short but regular things to keep the threat awareness up. Because the main way that they attack networks is not by jumping into your mainframe with little paratroopers. It's to go through somebody that is logged on the wrong website --

MR. URBAN: And social engineering certainly is one of the biggest risks that we have. So that people tend to be the weak link. And how we can educate people to take the appropriate measures and to

be able to identify things that are suspicious so they don't, you know, in turn end up compromising things. That's what the cornerstone of having such a comprehensive security awareness training program is -

GOVERNOR O'MALLEY: Right. So the email that looks like it's from somebody friendly, then they tell you to click on this, it's really cool inside, and then you are compromised. So we will get you both those memos. All right. We spent too much time on this Agenda item today. 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.

MR. URBAN: Thank you.

GOVERNOR O'MALLEY: Thank you. We now move on to the Department of Transportation. Yes?

MR. SMITH: Yes.

GOVERNOR O'MALLEY: Secretary Smith?

MR. SMITH: Good morning, Governor, Treasurer, Comptroller. Secretary Smith representing MDOT. MDOT is presenting 26 items today. I'll be happy to answer any questions.

GOVERNOR O'MALLEY: I don't believe we have any. 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. And that concludes the Transportation Secretary's Agenda. We now move to the Department of General Services. Al?

MR. COLLINS: Yes, sir. Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record, Al Collins, Secretary of the Department of General Services. We have 27 items on our Agenda today. We are withdrawing Item 22. We would be glad to answer any questions on the remaining items.

GOVERNOR O'MALLEY: Okay. Item 22 is withdrawn. Any other questions? 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. All right. We are now going back to revisit those items that we have not handled before. So the first one we are going to tackle is on the Secretary's Agenda, I'm sorry, is on the Department of Budget and Management Agenda. And that is Item 1-S, the Maryland Aviation Administration. We have representatives here from Unite Here! who would like to be heard here. So would the Unite Here! panel please come up.

I also notice as they are assembling their panel that 122,927 of our neighbors are without power at this moment. Most of those power outages have occurred along a pretty nasty strip of ice across our northern border, the Mason Dixon Line. And crews are working to restore those. The culprit is of course heavy ice on limbs of trees and also on the lines themselves. If people are at home and watching this webcast you might want to use this occasion to go onto

our common platform for emergency management which has been developed in recent years which will show you real time, up to date power outages in the State down to the zip code level. That is something that did not exist before. It exists now. And I don't believe that it exists in any other state. You can find it by going onto MEMA. Google in MEMA, and Osprey, that's the name of our common platform, O-S-P-R-E-Y.

We now have the representatives here from Unite Here! on Item 1-S, Maryland Aviation Administration.

DR. ALLEN: Good morning, Governor --

GOVERNOR O'MALLEY: Good morning.

DR. ALLEN: -- and all assembled. My name is Dr. Carletta Allen and I serve as a Board member for Interfaith Worker Justice of Maryland, a coalition of labor and clergy working together to advocate for low wage workers. I'm also pastor of Asbury United Methodist Church located right here in Annapolis on West Street. And for those of you who may shelter in place during the session, you are invited to come worship with us at any time.

Today I am here to speak in favor of Item 1-S for the hiring of 20 general laborers for the maintenance of Martin State and BWI Thurgood Marshall Airports. I, we welcome expanding employment opportunities at the Airport and I applaud the fact that one of the bids for this endeavor was rejected for not meeting the requirements of the Maryland Living Wage so that employees of the State of Maryland are able to provide for themselves and their families.

Unfortunately many of the 700 food and retail workers of the Airport still do not earn a living wage and cannot provide for themselves and their families. Forty percent of covered workers lack healthcare coverage and 40 percent of covered workers receive their healthcare from Maryland's Medicaid program. Median pay for concession workers at BWI is \$8.50 an hour and employees who work full time, defined as 36 hours of work per week, earn an income of \$15,912 annually, which as we know is well below the poverty line.

The last time Interfaith Worker Justice stood before you, Governor O'Malley, you were presented with the voices of over a thousand of your

constituents who had signed Boarding Passes for Justice asking for improved working conditions and employment practices at State-owned BWI Thurgood Marshall Airport. Unfortunately conditions at the Airport for food and retail workers have remained unchanged.

Today I stand here with a sign on letter signed by over one hundred clergy, elected officials, and community organizations asking for the food and retail workers to have an opportunity to be able to earn a living wage and to be able to provide for themselves and their families through their employment at the State-owned BWI Thurgood Marshall Airport. I would like to present this to you at this time.

GOVERNOR O'MALLEY: Okay. Thank you, Pastor.

DR. ALLEN: A few short weeks ago and just two days ago, we heard you say, Governor, that we all do better when we are all doing better. Unfortunately the food and retail workers at BWI are not doing better. The last time representatives from Interfaith Worker Justice stood before you you heard the story of Natalie Hickman, a McDonald's worker who was evicted

from her home when she was nine months pregnant because she could no longer afford to pay her rent. Today Natalie is still struggling to pay rent despite working two jobs. Her home has no heat and she and her infant daughter are currently heating their home using an oven. We also told you the story of Yaseem Abdul-Malik, a young man who stands beside me now who holds two jobs at the Airport.

GOVERNOR O'MALLEY: Who is this?

DR. ALLEN: Yaseem --

GOVERNOR O'MALLEY: How are you doing? Good to see you, Mr. Malik.

DR. ALLEN: -- Abdul-Malik and you will hear from him in just a moment, one at McDonald's and another at Potbelly's. He has been unable to afford an operation required to save his leg. He is still trying to save enough to afford to take the time to care for his health. We all do better when Natalie and Yaseem do better. When the 700 food and retail workers at our State-owned BWI Thurgood Marshall Airport do better then your constituents across the State of Maryland do better.

Fortunately, Governor, you have the power to make things better. The State of Maryland owns the Airport and has a responsibility and a duty to ensure that there is equity at BWI. We are now working with legislators to introduce a bill that would provide the food and retail workers at BWI with the same wages and benefits as the lowest paid worker at the Maryland Aviation Administration. The Thurgood Marshall Equity Pay Act would end poverty employment and inequity at our State-owned Airport. We hope that you will support the BWI food and retail workers and listen to the voices of your constituents that are working to ensure that BWI Thurgood Marshall Airport lives up to its namesake.

I have spoken enough. I believe that it is even more important that you hear directly from Yaseem Abdul-Malik.

MR. ABDUL-MALIK: Good morning, Governor O'Malley, Treasurer Kopp, and Comptroller Franchot. My name is Yaseem Abdul-Malik. I'm a 28-year-old resident of Baltimore City. You know I work two jobs at Thurgood Marshall Airport and I'm also a leader of Unite Here! Local 7. I came here in Annapolis last

July, eight months ago, to speak to you, Governor O'Malley, about the State-owned Airport. I'm returning here today on behalf of myself and my coworkers to ask where have you been? Last July I told you that I make \$11.98 an hour at Potbelly's and \$7.88 at McDonald's. I told you that these low wage jobs means that I live paycheck to paycheck and struggle to pay my bills. Over the past eight months my wages have stayed exactly the same with one change, my rent has gone up.

This is the reality that me and my coworkers face. The cost of living is rising and our wages have not kept up. For many of us this means working two jobs, applying for food stamps or other government assistance, or simply going without.

Last July I told you that I was facing a choice between my health and my finances. I told you that I had a painful ulcer on my leg and that I could not afford to take time off from two jobs for surgery. Today, eight months later, nothing has changed. I have not had the surgery. I continue to work two jobs on my feet. And I still face the decision between

addressing my deteriorating health and paying my bills.

Last July you stated firmly, and we believed you, that you would support what we are doing. We are now disappointed that in the last eight months we have not seen any change even though we knew that Governor Martin O'Malley had our back. It's just not enough for you to say that you understand the hardships that we are going through. It's not enough for you to fill our heads with some type of false hope that our leaders will be there with us when we are fighting to have good wages, benefits, and just be respected on our jobs. We ask that you stand with us in word and in action, not just because we are your constituency but because we are human beings.

Our struggle is a struggle for equality. We demand that all workers at the State-owned Airport be paid at least the same minimum rate of pay as State workers. To achieve this we have introduced the Thurgood Marshall Equal Pay Bill.

The time for action is now. Because we look at you as a leader in the State of Maryland, we demand that you lead. Many of us at the Airport are young

people who are pursuing higher education, working hard, and trying to advance. We know you have aspirations for higher office and we, too, have aspirations. We aspire to jobs with equality, respect, and fair wages that move us forward. No more false hope, no more empty promises, no more telling us what we want to hear without any action. We deserve to know now where our leaders stand in fighting for justice and protecting our welfare. We ask you now, Governor, will you support the Thurgood Marshall Equal Pay bill and will you sign it into law?

GOVERNOR O'MALLEY: Thanks a lot. Anyone else who would like to step up and say whatever it is that's on their heart or on their mind? Okay, thank you all very much for coming. We now move on to the - - oh, 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. And Mr. Malik, if you could, there is no reason you should go with that leg untreated. We can help you with

that. Okay. And also I want to thank Unite Here! in their work in raising the minimum wage. That will be a huge help at the Airport and every place else. And also to the leaders of Unite Here!, you know how very much involved, or you should know how very much involved Secretary John McDonough has been in attempting to mediate this. At your request he has stepped back from that mediation. Not at mine, not at his, but at the request of your leadership. And so we have. But we will see you next quarter, and you are welcome here any time.

Anything else on Budget and Management? No? Okay. We move on now to the wetlands permit, Item 12.

SECRETARY MCDONALD: Okay. All right. I think Bradley Neitzel, there you are --

GOVERNOR O'MALLEY: Hey Kevin? Go find Mr. Malik and give him your card, would you? There is no reason why he should not have that leg treated. I mean, there is no reason for it.

SECRETARY MCDONALD: Reverend, can you stand at the microphone?

GOVERNOR O'MALLEY: Yeah, the problem is if he takes the time off of work. Uh-huh. Okay. Well

there is no reason, there is no reason he should have that leg untreated. It doesn't make for a more persuasive argument here, either, in case that is part of the motive, you know? Let's get his leg treated. Okay. All right.

SECRETARY MCDONALD: Okay. So Item 12 on the Secretary's Agenda is a remand of a wetlands license that the Board granted in March of 2013 to Timothy Beckwith. The opponents at the time of the Board meeting when they granted the license, opponents opposed the license. The Board granted the license and those opponents went to Circuit Court in St. Mary's County. And St. Mary's Circuit Court did remand the case, the license to the Board of Public Works. And Bradley Neitzel is going to explain that item that is in front of the Board today and then we have both Mr. Beckwith's attorney on behalf of the applicant and the opponents' attorney are here to speak on this license. So Mr. Neitzel, do you want to give a short summary of Item 12?

MR. NEITZEL: Good morning. My name is Bradley J. Neitzel from the Office of the Attorney General. I represented the Board in the Circuit Court

litigation regarding this license application. On November 21, 2013 based on a petition for judicial review filed by opponents of the license the Circuit Court for St. Mary's County remanded the license application back to the Board to address relevant factors and provide a basis for its decision. The Office of the Attorney General noted an appeal out of an abundance of caution because the office disagreed with the Court's finding that the Board in ruling on such an application was acting in a quasi-judicial fashion. Nonetheless, the Court ordered the item remanded back to the Board, which is why it's here today.

Although you may hear something different from Mr. Schaller, the lawyer for the opponents of the wetlands license, the mere noting of an appeal does nothing to affect the validity of the court order. The court order is still in effect and in fact the Board would be compelled to follow that court order and could potentially be in contempt of court if it did not. And conversely, not doing something, not doing what the Court ordered is simply not a legal option here for the Board. Again, merely noting an

appeal does nothing to stay the Circuit Court's order. And that order has not been stayed. And so therefore the Board is required to do what it is going to do today.

GOVERNOR O'MALLEY: Okay. And that, and our reasons for the decision are in the record here?

MR. NEITZEL: They are, yes.

SECRETARY MCDONALD: Yes. Item 12 has the detailed findings of the Board, if that's what the Board would care to adopt after looking at the record. And I don't know if you want to hear from the opponents, Mr. Schaller? And then perhaps the attorney from Mr. Beckwith?

TREASURER KOPP: So this is just a specific articulation of what was implicit before?

SECRETARY MCDONALD: This is an articulation, exactly.

GOVERNOR O'MALLEY: Okay. And members of the Board, is there any change to any of those findings?

COMPTROLLER FRANCHOT: I have some questions after we hear from whoever else is speaking.

GOVERNOR O'MALLEY: Okay.

SECRETARY MCDONALD: Is the opponent Mr. Schaller --

GOVERNOR O'MALLEY: Come on down, Mr. Schaller.

SECRETARY MCDONALD: You're blocked, my vision was blocked by the podium, so yes. All right. And you want to explain who you are here on behalf of?

MR. SCHALLER: Yes. Thank you, Ms. McDonald. Charles Schaller on behalf of shall we call them the opponents, or the petitioners in this case, the Slabys, Munns, and Marshes. I am here to simply have this Board address process. I don't disagree with what Mr. Neitzel has put forth. I do have a different legal interpretation as to whether this Board actually has jurisdiction to hear the matter or not. Mr. Neitzel correctly advised the Board that the State has taken an appeal. The matter sits with the Maryland Court of Special Appeals at this point. There was an order that was subsequently issued January 14th of this year, 2014, wherein the Circuit Court specifically clarified its prior ruling in November that Mr. Neitzel mentioned, and specifically revoked the license.

Now the matter is here before the Board of Public works. The issue and the subject matter that is before this Board is now sitting in the Court of Special Appeals. Mr. Neitzel and I just simply disagree as to whether this Board can hear it. So for the record I just want to advise the Board I disagree on that point.

The other issue that I think this Board needs to understand, and what the Slabys have asked for, is simply process in this case. What was presented to this Board back when it originally approved the license were the Slabys', the petitioners' concerns that process had not been followed in this case. And in an effort to provide brevity, because you do have a longer day in front of you, I want to present the Board with simply our memorandum that, and there are three copies, that identified the errors that the petitioners believed where the process and including the underlying merits were not followed. So I want to just move that forward.

The other issue is that it appears that the Board has predetermined this matter by having findings

already as part of the record without having gone through a review process. And so we take issue with that. One of the more concerning matters is that as I mentioned the January 14, 2014 order by the Circuit Court Judge Karen Abrams revoked the license. As a revoked license this Board can't reinstate the license. Your own regulations 23.02.04.18E, as in Edward, states, and I will quote, "an expired license or a license revoked for other than failure to execute the license may not be reinstated, extended, or transferred, but requires reapplication under regulation 04E of this Chapter. 04E references back to the application for a license shall be filed in accordance with COMAR 26.24 with the supportive information prescribed by the department. So what you have here is a situation where even if this Board wanted to reinstate the license, as it appears that it has predetermined to do so, it can't do so as a matter of law. Your own regulations say you can't do that.

So as a result of that the safe course for this Board should it choose to try to take some action would push it through the process. And that is all the Slabys, Marshes, and Munns have ever asked in this

case. And I won't go into whether we believe there is erosion or not, we don't believe there is erosion justifying it. We believe there are some hazards to navigation. But those are all issues that the Department of Environment was required to look at, didn't look at sufficiently in our mind. The MDE original R&R never referenced the statutory factors as set forth in 16.202G. Neither did the administrator's report reference the factors. And as a result of that there is a flawed process here. And we respectfully ask the Board to at a minimum deny the license, and a very minimum send it back through the process. It's unfortunate that Mr. Beckwith chose to proceed at his own risk. He built these structures out there. That is unfortunate. I believe there is one groin that is left, but that is the risk he took. Thank you very much, unless there are questions.

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

COMPTROLLER FRANCHOT: Yes. I have a, I'm not sure whether it's you, Mr. Schaller, or the AG. What caught my attention in this was the action by the Court in explicitly revoking the license that was

granted by the Board of Public Works. And my question I guess at the outset is, if the Court had concerns about an articulation of the basis for our decision to grant a State title wetlands license, and I am quoting from the decision, why didn't the Court just accept a letter from the Board of Public Works saying this is our decision, here is the explanation and the basis for it, and obviously send him or her a copy of the background materials? Why doesn't that suffice --

MR. NEITZEL: I'm not sure what letter you are referring to.

COMPTROLLER FRANCHOT: In the decision the Court said that they are sending back, well at least according to my background materials, we are supposed to articulate the basis for our decision to grant a State title wetlands license to Timothy Beckwith, something that I supported. So it's really a mechanical question. Why is this item even before us? And I guess from Mr. Schaller, it's because the judge in -- is it a her?

MR. SCHALLER: Yes, Karen Abrams.

MR. NEITZEL: Yes.

COMPTROLLER FRANCHOT: Okay, in her wisdom chose to explicitly revoke the license that we granted and that apparently the basis is that we didn't explain our decision well enough and used the points in the background materials, which I remember from the deliberation were relatively extensive. So what is the problem that the Court has? Why don't we just send them a letter saying with all due respect, here is how we, here is, apparently there is some confusion there as to whether or not our background materials, what they were that were used.

MR. NEITZEL: Well I think what the Court was looking for was explicit application of certain factors and connecting the factors to actual evidence before the Board, if you look at the memorandum of opinion from the Court. And that is what this item today does. I do not think anything other than that would be sufficient.

COMPTROLLER FRANCHOT: Oh, okay. Well you know --

MR. NEITZEL: And in terms of the explicit revocation, that actually in my opinion was not even necessary. Because any time a Circuit Court remands

something back to an administrative agency, the remand itself is a revocation of what the agency did.

COMPTROLLER FRANCHOT: But my understanding is that the Court is interested in this Board explaining its basis. Why are we, why is in effect we have to go back and revisit it?

MR. NEITZEL: Because I believe that is what the Court ordered in its memorandum and opinion.

COMPTROLLER FRANCHOT: Okay. Could you maybe summarize the factors that this Board is to consider when making the decision now as opposed to the factors that we considered before?

MR. NEITZEL: Well --

COMPTROLLER FRANCHOT: And I don't have the transcript in front of me, but I believe it's quite extensive.

MR. NEITZEL: I don't think so. Actually I think what the Court decided was that the first time the Board was not actually explicit about what factors it was applying.

COMPTROLLER FRANCHOT: Oh.

MR. NEITZEL: And was not explicit about how it connected to any evidence. It was our argument to

the Court that that was not necessary because the Board acts in a quasi-legislative fashion. But in the end the, because the Court disagreed and believed the Board was acting quasi-judicial fashion that it has to be more explicit. And that is why the Court sent it back the way it did.

COMPTROLLER FRANCHOT: Okay. But you have appealed the decision, I take it?

MR. NEITZEL: That is correct.

COMPTROLLER FRANCHOT: Okay. I would certainly hope so. Because it strikes me that this is an effort, well-intentioned but misguided, to chip away at the decision making prerogatives of the Board of Public Works and in so doing erode the authority of this body by relegating it to a mere administrative body. Am I wrong?

MR. NEITZEL: I agree. I agree. That is what our office actually argued in the Hovnanian opinion from several years ago as well.

COMPTROLLER FRANCHOT: Mm-hmm.

MR. NEITZEL: And that is something actually that still has not been decided explicitly by the Court of Appeals but I am sure it eventually will be.

COMPTROLLER FRANCHOT: Okay. If the ruling by the St. Mary's Circuit Court were allowed to stand and thus become legal precedent, how would it affect the process by which this Board considers future requests for tidal wetlands licenses?

MR. NEITZEL: Well as it stands now obviously this Court's order has no authority other than actually even before that judge. Even other judges in St. Mary's County could go a different way. But obviously if it became precedent in a reported opinion then every single county in this State would have to do what this judge did. And that is something that certainly our office is opposing.

COMPTROLLER FRANCHOT: Okay. And just a question on Mr. Schaller's point, if it were repealed why act on this matter now? Why not simply allow the appeals process to run its course?

MR. NEITZEL: Well I think the decision was that it was better for the Board to just simply resolve this matter and do what it wanted to do the first time.

COMPTROLLER FRANCHOT: The decision by whom?

MR. NEITZEL: I think the decision by the staff of the Board. I met with the staff and it was a decision based on their decision and based on what the Attorney General, its legal advice. It's our position that this has gone on long enough. The Board did what it did properly the first time and it should just be resolved.

COMPTROLLER FRANCHOT: Okay. Well let me, the project is 95 percent complete?

MR. NEITZEL: I hadn't heard the 95. I have heard mostly complete, is what I have been told.

COMPTROLLER FRANCHOT: Okay. Well for the benefit of my colleagues who I have great respect for, here would be my response today if, you know, there was a second vote. A brief letter to the Honorable Circuit Court Judge of St. Mary's County. And it would state in capital letters, "Your Honor, you are out of order. Sincerely, Board of Public Works."

Now we based our decision, and I remember this very clearly, on the supporting documents. And we also based it on the Constitution of the State of Maryland and the statutes that authorize this Board of Public Works. And I draw the line when one branch of

government intrudes on another. All due respect, I don't work for the Circuit Court Judge of St. Mary's County. I work for the taxpayers. And this is, this is a major problem. So maybe I'll have to send it by myself, but I'm happy to do that. Because this is not right.

And I voted for Mr. Beckwith, but I'm going to vote against it unless, if we have to be pushed to a vote. I don't think we need to. I don't think it should be an item. I think we should let the process, the appeals move forward. I remember when the Governor came down famously to the Maryland Legislature and talked to us about the way the court system as Mayor worked up there in Baltimore City. And I couldn't have been prouder of it. Because this does not pass the common sense test. Thank you.

Sorry for --

MR. NEITZEL: Thank you.

COMPTROLLER FRANCHOT: -- articulating my concern. But --

GOVERNOR O'MALLEY: All right. We've all reviewed this matter and we have reviewed and agree with the, and have no amendments to the finding and

the rationale contained in the record for the Judge to be able to review. The Treasurer moves approval, seconded by the Comptroller --

COMPTROLLER FRANCHOT: No, I do not second.

GOVERNOR O'MALLEY: Oh, you don't second?

COMPTROLLER FRANCHOT: I oppose this because this is a significant precedent setting vote that is unnecessary. It chips away at the authority of the Board of Public Works. It is an overreach by the Circuit Court of St. Mary's County. It would turn this Board into an administrative body that simply rubber stamps whatever decision comes up. And furthermore, it would bog us down in unbelievable litigation on the granting of these licenses because obviously lawyers would have the right to have full evidentiary hearings on these matters ad nauseam. And I resent a sister branch of government intruding into something where they have no gosh darn business. And this is wrong. And I don't mean to get hot under the collar. But you know, geesh, we are not part of the judiciary.

GOVERNOR O'MALLEY: Okay.

COMPTROLLER FRANCHOT: Excuse me for --

GOVERNOR O'MALLEY: That's okay.

COMPTROLLER FRANCHOT: -- and I didn't mean to bring up the court system in Baltimore that you so brilliantly showed me out in the corridor many years ago how screwed up it was. This is an overreach. Well-intentioned, I don't mean any disrespect, and I know I voted for this a couple of weeks ago or whenever it came up before us. I'm voting against it now out of protest that this is completely unnecessary and will lead us into a thicket that we will later regret.

GOVERNOR O'MALLEY: Do you want to vote against or do you want to abstain?

COMPTROLLER FRANCHOT: Well I'm voting against any action by this Board that would at all validate this particular request. It's already, we've already done far too much. And a letter, if you want to make it a longer letter than the one I mentioned, feel free. But that's all that's necessary here. And let the process, I opposed Mr. Schaller before. I think he's got a good point, which is let the process work.

GOVERNOR O'MALLEY: Hi. You are approaching the podium and --

MR. GABLER: I'm sorry, I didn't want to interrupt.

GOVERNOR O'MALLEY: That's okay.

MR. GABLER: My name is Mark Gabler. I'm here on behalf of Mr. Beckwith. And if I may have a minute or two --

GOVERNOR O'MALLEY: Sure, Mark.

MR. GABLER: -- to speak, I would certainly appreciate it. Mr. Comptroller, I certainly agree with your vehement disagreement with the Judge's decision. And I also believe that she was wrong in her decision.

COMPTROLLER FRANCHOT: Mm-hmm.

MR. GABLER: However, there is a fight now between Mr. Schaller's clients and the Board of Public Works as to whether or not the action taken was quasi-legislative or quasi-judicial. I agree with your viewpoint on that. But what I'm trying not to do, and what I would prefer not to do, is have Mr. Beckwith be caught up in the middle of that.

He was issued a license. I believe that the decision that this Board made back in March was proper, was correct, and was supported by more than an adequate record and adequate findings. I don't, I understand where you are coming from. I don't see the harm in reissuing and acting on the remand, explaining in more, with more clarity and detail additional findings for the decision that was made so that Mr. Beckwith can go forth and complete his improvements. And I would add to that that there was attempt to stay the process, as you mentioned. There was no appeal filed of the county building permit. So when this Board issued the license and then the county followed with its building permit issuance, that was not appealed by Mr. Schaller's clients, which would have acted as an automatic stay of the construction.

So I would implore you to allow Mr. Beckwith to go forth and complete the work that he contemplated under the license. It is 90 to 95 percent, I don't know the exact percentage, but we have submitted photographs and Mr. Beckwith is here. He would be happy to explain to you and show you the nature of those improvements, and how much has been done and how

much is left to do. And I would certainly prefer that he be able to complete that and that this matter then go forth and the other issue can be decided.

And I personally don't think, as Mr. Neitzel said, that following what the court said on remand, despite your disagreement with that, creates any kind of binding precedent as to future matters. And that if you comply and you issue your clarified findings based on what is put forth in the Agenda, that would allow Mr. Beckwith to complete and not get caught up in this battle between these two departments. So we think that the record was adequate previously and we would like to see you go forth and reissue the license.

COMPTROLLER FRANCHOT: Well I appreciate your point of view. Probably you have two votes to support it. I, Mr. Beckwith wherever he is, I think you are entirely valid in your project. I voted for it. But the State of Maryland will continue, if my view were to prevail, the State would still have your back because we would be fighting for your issue at the higher courts. And I just hope you understand that my voting against this, however inconvenient it

might be if I had a second vote, is not to mean that we don't support you. I stand behind my earlier support of this. But this is an outrageous action. I mean this is really, you can say it's not precedent setting. But I assume that future wetlands permits will be, well they will be long meetings, that's for sure. Because everybody is going to want to have each of these criteria debated back and forth with all the information. And if we say, oh no, we're sick and tired of hearing these things, they will say okay, we will see you on that.

This is not right. And so thank you for being here. How much of the project is finished?

MR. BECKWITH: Everything is complete with the exception of one groin, one jetty. All of the structures have been inspected by the complete Department of the Environment, including Mr. Gary Setzer, and it follows compliance, and --

COMPTROLLER FRANCHOT: Well anyway, I've made my point. Thank you for your input.

GOVERNOR O'MALLEY: Okay. The Treasurer moves approval --

TREASURER KOPP: I would move approval. As I understand it we are articulating what was implicit before, the bases for our decision. I don't find that a, I think that's a good thing to do. *Marbury v. Madison* was fought a long time ago. And I move adoption.

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

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

COMPTROLLER FRANCHOT: No.

GOVERNOR O'MALLEY: The Comptroller votes no in protest for all the reasons formerly stated.

COMPTROLLER FRANCHOT: Thank you.

SECRETARY MCDONALD: Previously --

GOVERNOR O'MALLEY: Previously stated.

COMPTROLLER FRANCHOT: Yes.

SECRETARY MCDONALD: Thank you.

GOVERNOR O'MALLEY: Although I thought you were pretty formal as well. Okay. That concludes all but the school matter. So we're going to do a change

of set here and we will be back with the school matters.

(Recess.)

GOVERNOR O'MALLEY: Here we are here at the Board of Public Works, the longest day. It's good to see you all. Thank you. I know many of you have come from distances, through ice and snow. A lot of our neighbors out of power right now in Western Maryland and on the Mason Dixon Line. We have a few charts we wanted to share with you, I think, Kevin? Or no? Do you want to wait a while on that?

MR. LARGE: We can, sir.

GOVERNOR O'MALLEY: Okay. So that, whatever you want to do, Kev.

MR. LARGE: -- school construction overall -

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GOVERNOR O'MALLEY: Okay, thanks a lot. The chart that you see over there shows the school construction allocation, State public school investments, and that's average annual for the life of every administrative going back to four of us, going back to William Donald Schaefer. And of course, Treasurer Kopp was a leader of this improvement, the

Kopp Commission, which called upon all of us to do better by our children and the conditions in which they accomplish the most important activity for generational progress of all, which is learning. And becoming as smart as they can possibly, and literate as they can possibly be. Because a more a person learns, the more a person earns, the better for our entire economy.

We have a few counties right off the bat. We've got, I'm told here is the batting order. Before break we have Frederick --

SECRETARY MCDONALD: Frederick is not here.

GOVERNOR O'MALLEY: Frederick is not here? They were iced out?

SECRETARY MCDONALD: Yes --

GOVERNOR O'MALLEY: So we have Calvert, Cecil, Kent, Wicomico, and Washington. So Calvert County, are you here? Come on down --

COMPTROLLER FRANCHOT: Could I --

GOVERNOR O'MALLEY: I'm sorry, Mr. Comptroller?

COMPTROLLER FRANCHOT: I have a question for Dr. Lever.

GOVERNOR O'MALLEY: Sure. Dr. Lever, hold on to that microphone.

COMPTROLLER FRANCHOT: Oh, great. There we are. Good. I'm sorry. If I could just wait for one second, Calvert, much as I love you. So you see this chart, Dr. Lever. My question, and I'm a little bit concerned about this, is that as the construction costs increase over the next couple of years as the nation begins to move forward as far as the economic recovery --

DR. LEVER: Yes?

COMPTROLLER FRANCHOT: What exactly does that I guess magic figure from \$250 million from Treasurer Kopp's report, what does that get us compared to five years ago when construction costs were a lot lower?

DR. LEVER: Compared to ten years ago, I have a figure for that, it's about 60 percent less dollar for dollar than we were able to buy in 2004 compared to now because of construction cost escalation in the interim. I'd have to check my charts for five years ago. But looking forward, five

years ago was actually fairly stable because we're coming out of a recession --

COMPTROLLER FRANCHOT: Mm-hmm.

DR. LEVER: -- and costs have been fairly flat --

COMPTROLLER FRANCHOT: Mm-hmm.

DR. LEVER: -- since the beginning of the recession. But looking forward the predictions from groups like Gilbane, which runs an annual report, is that we will be seeing construction cost escalation as part of the economic recovery. And we're seeing that already. And I think some of our colleagues from around the State can probably attest to this. Less competition on bid day than we saw say in 2008, 2009 -
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COMPTROLLER FRANCHOT: Mm-hmm.

DR. LEVER: -- 2010. So --

COMPTROLLER FRANCHOT: So we may have to recalibrate our expectations as to what X amount of school construction dollars will result in as far as new facilities?

DR. LEVER: That is correct.

COMPTROLLER FRANCHOT: Okay. The second question on facilities maintenance, I've been a champion of local systems that take good care of the buildings that they have so that they extend their useful life and save the taxpayers money as far as having to do unnecessary renovations and new construction because they didn't maintain the buildings well. How is the State measuring the commitment of local school systems to cost savings through improved school maintenance? And can you help us understand which systems are doing well and which systems are not doing well?

DR. LEVER: Well we, as you know we inspect 230 schools, 220 schools year, with some reinspections. And so we do evaluate the individual school. We also evaluate the school system as a whole. Overall I think we're seeing maintenance improving. We like to think it's probably because of our maintenance inspection program keeps a focus on that. The detail that is in those reports I think is very important in terms of highlighting specific issues. We now have seven years of data. And so I can't give you trend information yet but this will be

part of our analysis in the report that we'll be providing to the Board of Public Works this Autumn on the fiscal year 2013 inspections and that will also look at the fiscal year 2011 and fiscal year 2012 inspections. And what we want to see is where are we seeing improvement and in what specific categories? But also where are we seeing the trend staying the same and also where we might be seeing problems develop. Because that points to needs for capital improvement. And this always comes back to the individual school system, where they want to invest their money. But I think that our information can assist in that way, pointing out where there can be deficiencies. I could not be able to put a dollar figure --

COMPTROLLER FRANCHOT: That's okay.

DR. LEVER: -- on the savings that we're achieving.

COMPTROLLER FRANCHOT: Any progress you can report, please do so. I appreciate that. And I appreciate that. And then finally, I have read a lot about the Common Core issue. And it reminds me intellectually of how everybody in the seventies got

so ignited and energetic over something called open classrooms, probably the worst idea ever inflicted on our school facilities. Some of these unfortunate constructions still exist in Maryland. And I'm going to be asking most of the jurisdictions, or a lot of the jurisdictions, what exactly are the budget, particularly operating budget, implications of the Common Core testing. I understand we're talking tens of millions, maybe hundreds of millions of dollars. New tablets, new computers, new internet wiring, new this, and new that, all of which is going to be imposed on the local jurisdictions. And the question is, aren't some of those costs going to be prohibitive given the budgets of these jurisdictions that you oversee?

DR. LEVER: Those would fall into the operating budget rather than the capital budget, so --

COMPTROLLER FRANCHOT: But they are connected to the capital.

DR. LEVER: Well, that's a question. I mean the, it depends on what type of improvements are needed. As you know, we fund what we call the behind the wall improvements in IT, the infrastructure that

supports the IT computers, the software, and so forth. But we don't participate in the funding of the actual equipment itself. That does go back to the local jurisdiction's operating budget.

COMPTROLLER FRANCHOT: Well would you please just keep an eye on this? Because obviously we're talking about large amounts of money that most systems, well look at a system like Allegany or even Calvert, that's going to be difficult to come up with. And, you know, we'll have our debates down the road on whether this overemphasis on testing, much as we want to have accountability, ends up being counterproductive because the teachers can't teach. And so I hearken back to the seventies in my urging of everyone involved to be very cautious as far as the implementation of whatever shiny new idea comes out of Washington. Thank you. Sorry to interrupt the Calvert presentation.

MR. KAROL: Not a problem. Good afternoon -

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TREASURER KOPP: What, as long as we've interrupted --

(Laughter.)

MR. KAROL: I should have sat back down.

TREASURER KOPP: There are people watching for the first time, this process, and there are a lot of people who are very interested in school construction and the quality of their schools. And I wonder if Dr. Lever could very briefly and succinctly address how, what the process is for arriving at the decisions that they are already recommending, what the process is for proposal, and what the formula that the funding process and factors are? I apologize for taking it out of Calvert, but you are first. So --

DR. LEVER: I'll be glad to.

TREASURER KOPP: Succinctly.

DR. LEVER: Yes, I'll do my best. We receive the applications in October and the local boards establish the project lists and the priorities of the projects. They also develop the requests that they are making, whether it is a planning request, if it is a funding request, how much. We try to follow local priority order as much as we can.

Our first action is to determine the eligibility of the project requests and we do that continually through the entire CIP process, taking

projects, seeing if there are any outstanding issues that need to be clarified, getting letters to the LEAs and having ample discussion with them, meeting with them to see. As we move through the process, more and more projects become eligible and we base our recommendations on the eligible projects only trying to follow the priority order as much as we possibly can.

TREASURER KOPP: Priority meaning the local school --

DR. LEVER: The local system priority order. We might have to jump over a project if there are still outstanding issues that mean it's not ready yet. Occasionally projects are not eligible at all and then those projects are set to the side. Also a project is not eligible if it is not supported by the local government. And we receive an assurance from the local government in usually late November or early December of which projects bear supporting.

We then develop our recommendations. There are three rounds. The first recommendation, which you are considering today, by law the IAC has to recommend at least 75 percent of the Governor's preliminary

budget which is presented before November 1st. And by law the Board of Public Works can approve no more than 75 percent, and so 75 percent is the number that you see in front of you. We are also required by law to present recommendations. The IAC presents recommendations before March 1st for 90 percent of the submitted capital budget, which is \$275 million. And then at the end of the session when we know what the final capital budget is we also know the total amount of reverted funds that we have available to be redistributed to specific LEAs, that is your LEA of origin, or a statewide contingency, we can add that onto the total allocation. We also analyze any special initiatives that may have been approved to determine how they impact.

We base our total recommendations, we look at the projects that must have a certain level of funding to proceed. We work very closely with the LEAs to determine what that level might be. Obviously from our perspective we are trying to spread money as far as we can to do as many projects. And so we do ask the LEAs to put a very fine pencil on their draw schedule on what they are actually going to need in

the upcoming fiscal year based on bid date, anticipated schedule of construction.

We try and distribute to the, particularly the large jurisdictions and the mid-sized jurisdictions invariably, not always but almost always, have requests that go well beyond any possible level of funding we could get to. Their programs are large, they have many projects, they are complex programs as well. And we try and base our funding on a parity concept that we recognize that the needs are different in different jurisdictions but they are ample, and that the State should participate to show support for those projects based on equity across the State. And we find ourselves dealing always with the money never goes even close to as far as we would like it to go. And so that is one of the tensions that we are constantly battling with, is how to address the projects that are critical and to give ample funding to jurisdictions that have multiple needs.

If you would like me to address the State/Local Cost Share formula?

TREASURER KOPP: Yes.

DR. LEVER: Okay. It is in regulation, in COMAR there are a number of factors that go into it. It's a fairly complex formula, but --

TREASURER KOPP: Right. Factors such as --

DR. LEVER: Well it's the foundation program amount for the jurisdiction is the first factors. The guaranteed tax-based program addition is the second factor. And then it looks at the FARM population and --

TREASURER KOPP: Low income population.

DR. LEVER: Low income population, and that's the student population --

TREASURER KOPP: Yes.

DR. LEVER: -- and that's an add on. There is an add on for each of the two factors that make up the One Maryland designation. So One Maryland counties can apply for one or the other or both of those factors and get an additional --

TREASURER KOPP: Can you put in English and like maybe two or three words, each one, what these factors --

DR. LEVER: Right. The foundation program is --

TREASURER KOPP: The foundation is?

DR. LEVER: Foundation is established as a result of the Thornton Commission determined the formula for the per student allocation, which is adjusted annually.

TREASURER KOPP: Thornton, the school operating one?

DR. LEVER: For the operating budget, right. And then the State participates in that per student allocation in varying amounts based on local wealth. And wealth is measured by income tax and property tax, as I understand it.

TREASURER KOPP: Okay.

DR. LEVER: The guaranteed tax base portion is an add on for certain jurisdictions based on cost of living, as I understand it. FARMS, I think that it is, as you said, that has to do with children --

TREASURER KOPP: Free and reduced price meals.

DR. LEVER: Exactly. The One Maryland jurisdictions are established by DBED on an annual basis. And these are jurisdictions that either have a

higher than average unemployment rate or a lower than average per capita income by certain factors.

TREASURER KOPP: Okay. Wealth related again?

DR. LEVER: Yes, that DBED established. And then the next item is the percent growth.

Jurisdictions that have a more rapid student enrollment growth above the statewide average can receive additional points.

TREASURER KOPP: Historical or projected?

DR. LEVER: It's historical. It goes back to the sixth prior year. So it's looking at trends, six years back. And then the final amount is what we call the effort, the capital effort component. It means how much has the jurisdiction issued in debt and expended within a period prior to the calculation on capital above one percent of the local county wealth. And then that becomes an add on as well.

TREASURER KOPP: How much in absolute terms or in proportion to something --

DR. LEVER: It is, all of these are in percentage terms. So how much that would be, how much that exceeds one percent of the county wealth.

TREASURER KOPP: Okay.

DR. LEVER: So that calculation is the denominator and then --

TREASURER KOPP: So you get a basic per pupil and then there are factors mostly related to the wealth of the jurisdiction, and the effort that the jurisdiction has made?

DR. LEVER: Correct. There is a floor of 50 percent. So that even if a jurisdiction by calculation comes out let's say at 35 percent, they still will get 50 percent. It is on a per project basis. And it's also based on only eligible costs. These are other complications --

TREASURER KOPP: Right, eligible costs. And then you have to do a full project. So you can't get it down to the, like operating funds. I mean, you're not going to say, well, the factors would lead us to fund 60 percent of your high school, of our obligation for your high school. You're going to do the whole --

DR. LEVER: Oh no, the commitment is to fund as much as we have funds available.

TREASURER KOPP: Thank you. I'm embarrassed. I should have known that. I should have remembered it. I didn't. Thank you very much.

DR. LEVER: It's complex.

COMPTROLLER FRANCHOT: Could I ask a question, Dr. Lever? Thank you, Governor. Is the Superintendent of the State Department of Education Dr. Lowery here?

DR. LEVER: No, she could not be here today. Mr. John White, Chief of Staff to the Superintendent is standing in.

COMPTROLLER FRANCHOT: Oh, good. Welcome. I remember you from Transportation days.

MR. WHITE: Absolutely.

COMPTROLLER FRANCHOT: Yes.

MR. WHITE: It's good to be back.

COMPTROLLER FRANCHOT: Where is Dr. Lowery?

MR. WHITE: Dr. Lowery is actually in Washington today talking about the progress Maryland is making in digital learning. Today is National Digital Learning Day, and she was invited to be one of the national speakers.

COMPTROLLER FRANCHOT: Well, would you please tell her she should be here? Thank you very much.

MR. WHITE: I will convey that. Thank you.

COMPTROLLER FRANCHOT: Thank you very much. I don't know why I would say that, but anyway thank you.

GOVERNOR O'MALLEY: Calvert County?

MR. KAROL: Good afternoon.

GOVERNOR O'MALLEY: Hi.

MR. KAROL: Governor O'Malley, Comptroller Franchot, and Treasurer Kopp. I'm Gene Karol, President of the Board of Education in Calvert County. And we bring greetings from our Calvert County Board of Education, our Superintendent, faculty, and the student population we serve.

First I want to thank you for the opportunity to appear before you to discuss Calvert County Public Schools' capital improvement program for 2015. The level of support you have given Calvert County Public Schools in the past has just been great and to be highly commended. And I might say we are very fortunate and grateful that the State of Maryland

I think is one of three states in the country that has a program, or it may be, I don't know, that actually has State participation in school construction. It comes with our being number one in many other ways and we want you to know that as local education agencies we do appreciate that.

We just recently completed the replacement of our Calvert High School, and you have been there, Comptroller --

COMPTROLLER FRANCHOT: Thank you.

MR. KAROL: -- in Prince Frederick, Maryland. It's a beautiful school. I'd like to extend a personal invitation to all of you to attend our school dedication ceremony, which is 2:00 on Sunday, March 30th. But we will be sending you an invitation and hope some of you, or all of you, can make it.

We'll try to be brief. Assistant Superintendent Tony Navarro is here today and he'll speak to our CIP request for 2015 in a moment. First, again, I want to thank you in advance for your continued support of Calvert County Public Schools' construction program. Calvert County Public Schools'

success in the area of student achievement, I think you are all aware of that, we do very well, is part due to the IAC's consistent and responsive funding of school facility improvements that meet the needs of today's instructional programs. And you were just talking a little while ago about what it's going to cost for Common Core. We don't know that, but I'll tell you it's going to be a lot of money I think when it comes to the technological stuff. And that's where we're really going to be going in the future, I think. Technology is going to take over and it's galloping by leaps and bounds and it's costly. But it's good stuff. And so I don't know how we're going to do it, but it's something you guys have got to think about.

Anyway, I'd like to introduce now our Assistant Superintendent. I also have George Leah, who is Director of our Capital Projects here so if there are questions. Tony?

MR. NAVARRO: Good afternoon, Treasurer Kopp, Comptroller Franchot, and Governor O'Malley. My name is Tony Navarro, Assistant Superintendent for Calvert County Public Schools. We thank you for your level of support you have given to the Calvert County

Public Schools with regard to our CIP. Our appeal today concerns the first year of funding for the replacement of Northern High School being requested in the fiscal year 2015 cycle.

This school replacement project is a phase effort over four years while the current high school and middle school, both sharing the same campus, remain in session. Construction is to commence in April to May of 2014 and be completed in 2018. The first phase will be the construction of and subsequent occupancy of the new high school by 2016. The second phase will consist of the demolition of the old high school and extensive site improvements. The third and final stage will be the construction of additional instructional spaces at the existing high school auditorium.

Schematic design documents have been submitted and reviewed. Design documents are underway and progressing towards a March submittal. Our submission timeline is different from that --

TREASURER KOPP: You said a March submittal?

MR. NAVARRO: Yes. Our submission timeline differs from that suggested within the guidelines of

the Public School Construction Program Interagency Committee on School Construction and is the underlying reason consideration for funding has been deferred to date. This is intentional so as to keep the design momentum in concert with our construction timeline.

Our appeal for the Northern High School replacement project is for the first year of funding, which is \$2,040,000 in State funds. The total project budget is \$67,309,000 in combined State and local funds. Of the total project budget, \$60,558,000 is for construction. We have requested \$4 million in the fiscal year 2015 funding cycle which is comprised of \$2,040,000 in State funds and \$1,960,000 in local funds. The funding requests will be spread over a five-year cycle. We would respectfully ask for the \$2,040,000 to commence with construction.

In respect to school security with Maryland State and local funding that are being provided, in all of our schools we are designing perimeter improvements that include window glazing, landscaping, and hardscapes. We are designing school access improvement that includes electronic access and surveillance. We will be having guided vestibule and

interior improvements and we also have safety advocates in all of our high schools, and local police advocates available to all schools.

In conclusion, we sincerely appreciate your most generous support. As the former Principal of Mount Harmony Elementary School in Calvert County, I had the opportunity to provide tours of our school to prospective parents from outside Maryland and outside Calvert County. While they were very impressed by the students and teachers they were just as impressed with our building. The systemic improvements that you have supported to our schools ensures an excellent learning environment for everyone. Thank you for your support.

GOVERNOR O'MALLEY: Thank you. Anything else? Mr. Comptroller? Okay. How are you doing on school breakfast?

MR. NAVARRO: Pardon me?

GOVERNOR O'MALLEY: School breakfast?

MR. NAVARRO: Yes.

GOVERNOR O'MALLEY: Do you do it?

MR. NAVARRO: Yes, we do.

GOVERNOR O'MALLEY: All right.

MR. NAVARRO: And we have it every day, yes.

GOVERNOR O'MALLEY: What's the gap between the number of kids that are free lunch eligible and the kids that get breakfast?

MR. NAVARRO: We have a large, most of our kids that get free breakfast, that are part of the free lunch program take advantage of the free breakfast program.

GOVERNOR O'MALLEY: What, 60 percent?

MR. NAVARRO: I would say closer to 75, if not 80.

GOVERNOR O'MALLEY: Okay. Do you know Anne Sheridan right there? Anne, raise your hand. Anne is our Children, Youth, and Families person. I want to make sure you said hi to her on your way out.

MR. NAVARRO: Will do.

GOVERNOR O'MALLEY: Okay, thanks a lot.

Okay we move on --

TREASURER KOPP: Could I just --

GOVERNOR O'MALLEY: Sure.

TREASURER KOPP: Do you have a ballpark estimate of what universal pre-K would require in terms of construction with regard to seat space?

MR. KAROL: That would be very hard to figure out. But that's where we want to go. That's, the research shows that's what we need to do.

TREASURER KOPP: Right.

MR. KAROL: To really make a difference. But it would be costly, with the extra classrooms --

TREASURER KOPP: So are you all looking at -

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MR. KAROL: Yes, we are.

TREASURER KOPP: Are the superintendents look at, or boards looking at --

MR. KAROL: Yes, we are. We are looking into it right now.

MR. NAVARRO: My wife taught pre-K at Beach Elementary School and she feels that it's very beneficial for children.

TREASURER KOPP: I think that's absolutely right. I couldn't, every day in the paper there is more and more substantiation.

MR. KAROL: -- in the pre-K program than anywhere else and that's where we need to get with it.

GOVERNOR O'MALLEY: Mr. Comptroller?

COMPTROLLER FRANCHOT: Yeah, I enjoyed going around to different systems this, around the State giving Maryland Masters Awards to elementary school artists, middle school artists, and high school artists that the systems recommended to me. And it was very satisfying because the arts are obviously connected to the economy. But 23 out of 24 jurisdictions nominated people and all we got was radio silence from Calvert.

MR. NAVARRO: We will take care of that. I'll address it.

COMPTROLLER FRANCHOT: And I've already visited 23 jurisdictions and you guys kind of --

MR. NAVARRO: I will take care of it.

COMPTROLLER FRANCHOT: Thank you.

MR. NAVARRO: You have my assurance.

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR O'MALLEY: Ms. Sheridan, is there a place online on the delivery website goals where we can see the counties and where that delta is? What is it? I'm not finding it.

MS. SHERIDAN: -- each of their jurisdictions putting an outline along with the --

GOVERNOR O'MALLEY: Okay. Good. Pass them down to me before they speak, will you? So I can look at them? But you can give Calvert County theirs. Thanks a lot. Okay. Next up is?

SECRETARY MCDONALD: Cecil.

GOVERNOR O'MALLEY: Cecil County. Could you pass me the folder, Kevin, on Cecil County? Thank you very much. Good thinking, Anne. Hi, Cecil County.

MS. DEVINE: Good afternoon.

GOVERNOR O'MALLEY: Lay it on us.

MS. DEVINE: I'm D'Ette Devine, Superintendent of Schools, and with me today is Mr. Perry Willis, our Executive Director for Support Services.

Good afternoon, Governor O'Malley, Treasurer Kopp, and Comptroller Franchot. I would like to thank you and the Board of Public Works for your continued support of public school construction. I would particularly like to thank our Governor for visiting Cecil County. The residents really appreciated that in this past year. As well as our Comptroller joining us on two separate visits. And in fact one of the

projects I'm going to discuss today, sir, is the school that you visited.

So thank you for the opportunity to make our appeal to you regarding our fiscal year 2015 capital improvement plan. We are very grateful for the current recommendations from the Interagency Committee for Public School Construction and continue to receive additional information from our County Executive that indicates more support for addressing the current deferred maintenance in our school facilities. As you know, Cecil County is a wise investment in capital construction. Our facilities continue to receive favorable inspections by the public school construction program. In fact, last year we received five superiors out of five inspections.

Our appeal to you today is that you continue to support our efforts to improve our school facilities and recognize our long range plan to benefit our students and communities in a positive way. I'm going to talk to you about four projects. First, the Perryville Elementary funding. We want to thank you for recommending the \$2.3 million to begin the major renovation and transformation of a building

that has been in dire need of change for the past ten years. The request this year for the \$3,100,000 is to assist us in moving this project forward as soon as students and staff leave for upcoming summer break. Cash flow is always projected and closely estimated and we believe that the total request will be needed to keep the project moving at a constant pace and potentially shorten the time for construction activities. We are going to be relocating our students to two neighboring elementary schools causing somewhat of overcrowding for a short period of time but we believe this is the best manner in which to achieve this project in a reasonable time period. So we respectfully request the remainder of the funds for this year's CIP in the amount of \$775,000 to ensure that this project remains on track.

The second project that I wish to discuss with you is very, very exciting to us. It is our proposed new School of Technology. It is one of the highest projects our Board of Education has had for the past eight years. This has potential to impact thousands of students going into the future. We'll be able to expand the opportunities. And heretofore we

had a very small program in an antiquated building, finally convinced our County Executive and County Council to purchase this property that will be an adaptive reuse of an existing research and development building that has in excess of 140,000 square feet on 90 acres. It will give us a short term solution for a School of Technology and provide long term possibilities as well. And it has the full approval, as I said, of our local government. So we respectfully request that you approve the total State funds in the amount of \$5,304,000 to move this project forward so we can open our doors and expand opportunities for children in August of 2015.

We also are asking for the local planning for the replacement of Gilpin Manor Elementary School. Mr. Franchot visited there with us within the last year. Located within the Town of Elkton with a very, it's in a priority funding area, a very high poverty rate, one of our highest in terms of free and reduced meals. It was once a center for special needs children and so the facility does not work for the current instructional program. So the plan is to use the site next to the current property, building a new

school, and then tear down the current one. It is just, the feasibility study indicated it is not an opportunity for renovation. So we respectfully request that you approve local planning for the replacement of Gilpin Manor Elementary.

And finally we recently shared with our Board of Education we have a \$47 million price tag in deferred maintenance, mostly because of the lack of local support which thank goodness has changed. Renovations and replacements to some of our older facilities along with systemic repairs will help pare down this number. The Conowingo roof is 21 years old and beginning to cost more dollars in terms of repair and maintenance. So we request that you approve the \$216,000 to replace the flat roof portion of Conowingo Elementary.

And to conclude Cecil County prides itself on protecting our investments, creating instructional environments that serve many students today and beyond. We are very pleased with our rising graduation rate, a full ten percent in the last five years. We know that there are many competing needs across the State, we can appreciate that. And we

would just like you to consider that we have not had a full renovation since 2005. We have the momentum in our local county with county government and we hope that you will support investing in our schools at this time.

GOVERNOR O'MALLEY: Okay. Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes, I'm a big fan of the School of Technology. I think it's crucial to have that on the northeast border to compete with Wilmington and Philadelphia. But maybe because I was up there I get a lot of mail from opponents of that project. But could you just briefly assure me that the, you have a critical mass of students who are going to be able to take advantage of this?

MS. DEVINE: Yes. Currently we have almost 200 children on a waiting list every year for existing programs. So we are redesigning, and that's in progress, that space so that we can increase the programs that are viable. Those that, like Allied Health, that really are good programs that need to be expanded. We will replace some other programs with new programs. And as so we will gradually grow the number as we move there. But we are confident that

with the renewed opportunities, not just for in a School of Technology but in some of the STEM fields. Because this facility has tremendous science labs also on site. So there are, there's a lot of different possibilities for the use of this school. But there will be new programs and expanded existing programs.

COMPTROLLER FRANCHOT: Well tell the supporters I spoke up for it, and tell the opponents you didn't hear anything.

MS. DEVINE: I will do that.

COMPTROLLER FRANCHOT: It's a great project, so good luck.

MS. DEVINE: Thank you, sir.

GOVERNOR O'MALLEY: Okay.

TREASURER KOPP: What is the issue with the planning?

DR. LEVER: The issue disappeared as of Friday.

TREASURER KOPP: Oh, good.

DR. LEVER: It was, we didn't have design development projects and as of Friday I was told that we do have them now.

TREASURER KOPP: Excellent.

DR. LEVER: So it's now an eligible project.

MS. DEVINE: Thank you. Thank you. Thank you for your time.

GOVERNOR O'MALLEY: There are, I'm going to pass this folder down for you on the way. There are 1,299 kids in Cecil County who get free lunch but not the free breakfast. That I know because I have seen it happen all throughout our State. If you cross that delta and get them the, whatever, the breakfast to go, what's the term of art?

MS. SHERIDAN: Grab and go.

MS. DEVINE: Grab and go, we --

GOVERNOR O'MALLEY: And the lunch or breakfast after what? After the bell?

MS. SHERIDAN: After the bell.

GOVERNOR O'MALLEY: Breakfast after the bell, it will have a big impact on your student achievement. It will have an impact on your department. And it will have an impact on your attendance. 1,299 kids, you know who they are and you know where they are. And we're going to give you this pack on the way out.

MS. DEVINE: All right. Thank you.

GOVERNOR O'MALLEY: Thanks a log. Okay.

Kent County?

DR. COUCH: Good morning.

GOVERNOR O'MALLEY: Good morning.

DR. COUCH: Governor O'Malley, Comptroller Franchot, and Treasurer Kopp, and members of the Board of Public Works, my name is Dr. Karen Couch. I'm the new Superintendent for Kent County Public Schools. And I'm pleased to be here this morning to talk to you and to deliver our appeal. I'd like to thank the Interagency Committee on School Construction for recommending partial funding for our two highest priority systematic renovation projects at Garnett Elementary School. Today we are here respectfully to request additional funds so that we can move forward and complete these two very important projects.

Dr. Lever and the IAC recommended and recognized the wisdom of moving forward simultaneously to replace not only the roof but the HVAC mechanical systems. More importantly it is important to note that we will not only save money by moving both of these projects forward simultaneously, but we can also

coordinate both of the mechanical and roofing contractors at the same time.

The roof at Garnett was replaced in 1995 due to its poor condition. It has been repeatedly patched and repaired for the last several years. As a matter of fact right now we have trash cans catching all of the water that's going into the school at this time. So it's in very poor shape. The semiannual roof inspections determined that the roof has outlived its life expectancy and the HVAC roof units were also replaced in that same year and they have also outlived their normal life expectancy as well. Kent County Public Schools plans to install high efficiency units that will ensure better comfort and create an improved learning environment for our teachers and our students. This will also reduce our energy usage and expenditures.

We requested \$666,000 to replace the roof at Garnett and we only were recommended to receive \$500,000, leaving the balance of \$166,000. We also requested \$151,000 for the HVAC system and again we have a remaining balance of \$51,000. Today we are

requesting the total amount of \$817,000, which is the appeal for \$217,000.

You may be aware, and I know that Dr. Lever and the IAC is also aware, that we have not received a State allocation for capital improvement funds in several years. I am pleased to report that the Kent County Commissioners are in complete support of this project which is not, and I understand has not always been the case. But they are very supportive of this project. And they have committed to pledge the 50 percent county matching funds that is necessary to move forward. The commissioners also committed to providing necessary funding to prepare the required design and bidding documents, which we were pleased that they were willing to allocate that as well. They are anxious to complete these projects this summer because they plan to use the cash reserves that they have available at this time.

Kent County Public Schools requests your support and approval for the remaining balance so that we can move forward with the completion of roof and HVAC systems simultaneously. We anticipate the projects will be under contract before July 1, 2014

with an estimated completion date before the end of the calendar year. So we intend to be done by December 31st.

This concludes my testimony and I would be happy to answer any questions. What I might add, the reason why this project is particularly important for us with Garnett is that it's the central command center for the district phone system and the central landing point for the internet. So we also are the primary link for county government. We also help them with their internet as well. And it's the central location for warehousing food at our schools. We invested \$150,000 to install a generator. And it, in the event of a power loss it is our primary critical server backup, and it's also been named as one of the emergency shelters for the county. So it's a very important school for us and we would really truly like to move forward with this project, and are requesting your support.

GOVERNOR O'MALLEY: Okay. Well, thank you. Mr. Comptroller?

COMPTROLLER FRANCHOT: You mentioned your HVAC systems. I salute the Shore all over the State

for their wisdom in putting geothermal heating and cooling in. I don't know whether it's applicable here, but is that a priority for you?

DR. COUCH: Well we do have one of our schools that is using geothermal. And with this particular project we don't have the land available to, you know, to drill the necessary wells. So it's, we're kind of landlocked because it's right in the center of town, in Chestertown.

COMPTROLLER FRANCHOT: Mm-hmm.

DR. COUCH: So we really do not have the available land to do that. But certainly if we could, I'm sure we would like to do that.

COMPTROLLER FRANCHOT: Great.

DR. COUCH: Yeah.

COMPTROLLER FRANCHOT: And I know the Governor and the Treasurer like that also.

DR. COUCH: Right.

COMPTROLLER FRANCHOT: Because it's the wave of the future.

DR. COUCH: Absolutely.

GOVERNOR O'MALLEY: Zero energy schools, David. If you continue to outlive governors here,

soon you will be doing zero energy schools all across the State. And so Garnett, it's all Garnett?

DR. COUCH: Yes, this is all for Garnett.

GOVERNOR O'MALLEY: And we required, did we not, that any new schools or substantial renovations be required to have electrical wiring such that they can accept a rolling generator?

DR. LEVER: We're in the process of implementing that with MEMA. With the current round of projects we have, I believe if I remember correctly, about 60 projects that are under consideration now across the State. And the walk throughs have been completed on a large number of those, and that requirements are known. We are also investigating how much we can look at HVAC projects. For instance, a replacement project like this --

GOVERNOR O'MALLEY: Mm-hmm.

DR. LEVER: To see at what point it makes sense to do it in a situation like that.

GOVERNOR O'MALLEY: Yeah, it's a small amount of money. In other words what happens is, sometimes people design these wonderful, I mean, schools that can serve as emergency shelters, but they

don't put the wiring in place so that they can accept a generator when it shows up on wheels when your electric goes out because of an ice storm.

DR. COUCH: Right.

GOVERNOR O'MALLEY: So it seems, why would we be still working on this requirement for seven years? That seems like a no-brainer.

DR. LEVER: It's, now we've been working on it for about two years, actually.

GOVERNOR O'MALLEY: Hm, I guess it took the order a little while to get down to you. It really needs to be done. And if you are designing, if a school serves potentially as an emergency shelter, you've got to have a receptacle there so that when one of the many emergency generators on wheels arrives from us or from one of our contractors that you can put it in.

DR. COUCH: Right.

GOVERNOR O'MALLEY: And then your people have the electric they need to keep their hot water going, or --

DR. COUCH: Right. Well we installed a generator, so, in that school.

GOVERNOR O'MALLEY: Good. That's good, too.

DR. COUCH: Yeah.

GOVERNOR O'MALLEY: You should do both.

Because also sometimes what happens is, I mean it's a small expense given everything else you are doing to have something wired to accept a rolling generator.

DR. COUCH: And for our district we committed the \$150,000 it took to install that generator.

GOVERNOR O'MALLEY: Good.

DR. COUCH: That was installed this summer.

GOVERNOR O'MALLEY: Awesome.

DR. COUCH: Yeah.

GOVERNOR O'MALLEY: Great. Yeah, those help, too. And I see your, the number of kids that get breakfast in your county, over, almost 92 percent of your kids that get free lunch also get the breakfast.

DR. COUCH: Right.

GOVERNOR O'MALLEY: That leaves a delta of just 117, and so we have your packet on your way out.

DR. COUCH: And this particular school we have about 75 percent of our kids that are on free and

reduced lunch. So it's a high needs student population.

GOVERNOR O'MALLEY: Well any help you can be in crossing that last, you can be the first to get to 100 percent. Do we have anybody at 100 percent yet?

MS. SHERIDAN: We do not.

GOVERNOR O'MALLEY: Nobody is yet at 100 percent.

DR. COUCH: Yay, we'll work on it.

GOVERNOR O'MALLEY: Okay. Thanks a lot, Dr. Couch.

DR. COUCH: Thank you.

GOVERNOR O'MALLEY: Okay. Let's move on to

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TREASURER KOPP: Could I ask Dr. Lever just a question?

GOVERNOR O'MALLEY: Sure.

TREASURER KOPP: To come back later, not, why does it take so long, why does it always take so long for these regulations and orders to be completed? That just, this is not rhetorical question but I don't want to go into a long extended discussion of it now, either. But I would really love to, whether it deals

with maintenance or any of these issues, I just, is it lack of personnel? Is it that you have to bring a lot of other people together? If so, have we proposed ways of dealing with that resource issue? Just in general discussion, not this moment, but on that issue?

DR. LEVER: On the regulation of indoor quality of relocatables, that did take seven years. We didn't have a standard until March of 2012.

TREASURER KOPP: Yeah.

DR. LEVER: That we could even work to. There was no standard. And after that we developed regulations --

TREASURER KOPP: But we can develop a standard. I just, I would like to understand what, and this is not the only agency, this is not the only agency.

DR. LEVER: I understand.

GOVERNOR O'MALLEY: Okay. We move on now to Wicomico. Good morning, afternoon, whatever we're at.

DR. FREDERICKSEN: Good afternoon, Governor, and Comptroller Franchot, and Treasurer Kopp. It's a delight to be with you folks this afternoon and the

opportunity to present a little bit about what's happening out in Wicomico County. We have several projects that we're interested in advocating for. And I want to say thank you first off for your assistance in James M. Bennett, our newest school which has been in operation for a couple of years and it operates very, very efficiently. The geothermal works perfectly.

GOVERNOR O'MALLEY: That's great.

DR. FREDERICKSEN: And it's also an emergency collection center, which means it has its own generator. All of our other sites are actually hardened beyond just pigtailling. There are other products and tools that you need on site if you are going to be an emergency collection center for whatever level. And we worked with the county. We have three sites in the county. The Wicomico Youth and Civic Center, James M. Bennett High School, and then our newest building that's under construction right now, that's Bennett Middle School out in the Fruitland City area and that will be the third designated emergency collection site or center.

We have had some very good scores in terms of our inspection rates. We received a superior for James M. Bennett two years ago. Parkside High School and Wi High, which are two older buildings, significantly older, received good inspections which for an older building is really a challenge to get to. We have not received our reports back yet for the 2013 inspections that occurred last fall. But we anticipate, because we did our own pre-inspection before your folks showed up on site, for North Salisbury Elementary, Northwestern Elementary, Salisbury Middle School, and Westside Intermediate School, and we are looking forward to receiving those posted up on the share point site.

The number one priority for us is Bennett Middle School. That's under construction right now. The steel is up. The roofs are up. The roofs are in the process of getting insulation and roofing and bricks and blocks are going up as we speak. People are working there all winter this year, as they do in every winter on the Shore and doing a great job. We're looking for our request to be completely fulfilled of \$10.26 million. We have, thank you to

the IAC, a recommendation for \$7.65 million, which means we are about \$2.6 million short. So we would look forward to your positive review and on affirmation in terms of a check on that one.

We have, by the way, a perspective on this project. It's not just a service for the students to have a better school that has air conditioning and appropriate ventilation technology. It's also a jobs program. If you look at our community and our county, we have had a harder hit on the Shore as compared to the rest of the State for jobs as far as unemployment and job loss. And so when you put 120 people to work, that not only means that they are buying materials and sheet rock and stuff in the community, and bricks and blocks are going up. But it also means those folks are working and stopping at local cafes and hardware stores and buying other items that they need, maybe it's housing and the like. And that helps the entire community. Those dollars roll around a great deal.

Our second priority, it's actually priority number four, is East Salisbury Elementary School. We are requesting \$1.033 million for that. And that is the majority of the roof is needing to be replaced.

This is, we are looking at an energy star roof situation which helps us make sure that the roof not only is going to last us, but also help us save energy, possibly contributing to a zero energy school.

GOVERNOR O'MALLEY: Great.

DR. FREDERICKSEN: Wicomico Middle School is a 1931 construction so if you like the WPA buildings you will love this one. The HVAC system was put in in 1978. We want to fix that, replace the unit ventilators, as well as we want to replace the 1968 boiler. For those of you that like Chevrolets it was a pretty good year. For the rest of us I think it's time to get that boiler changed out. We are requesting \$1.78 million and so far the recommendation has not been for any money. So we're looking forward to a little bit of assistance there, please.

GOVERNOR O'MALLEY: You need to, I want to encourage you to stay for Baltimore City.

DR. FREDERICKSEN: Okay.

GOVERNOR O'MALLEY: Because if you like nostalgia, man they can walk you through some buildings with nostalgia.

(Laughter.)

GOVERNOR O'MALLEY: I mean, they can take you back to the defense of Baltimore. It's the bicentennial and they no doubt have some buildings that were standing at that time.

DR. FREDERICKSEN: I'll have to do some more checking. Fort McHenry was very nice and I'd like to see that part, too. We're also looking at Chipman Elementary School. This is a 1986 construction project that we did, renovation of that. The HVAC we want to go to geothermal with energy recovery systems, and we are requesting \$1.549 million for that. The recommendation up to this point has been zero.

And then finally Delmar Elementary School, you are talking about 1978 construction. And we had some open classrooms there, we want to get rid of the rest of them. We are looking at HVAC, lighting, fire safety, ceilings, and a new elevator. We also want to upgrade the cafeteria, the gym, and put in permanent walls and doors in those classrooms. And we are looking for planning approval for that facility.

We are delighted to be able to be in front of you today and look forward to your assistance on it. And if you have questions as far as specific

details in terms of how many wells at a particular site, or other details like that, we would be delighted to answer them at that time. We stand for any questions you might have.

GOVERNOR O'MALLEY: Where are you from originally?

DR. FREDERICKSEN: From Minnesota. And I was in International Falls, Minnesota for six years. We have a matching WPA building right up there in International Falls just like we have in Wicomico County.

GOVERNOR O'MALLEY: I knew it was someplace in the Midwest --

DR. FREDERICKSEN: Yes.

GOVERNOR O'MALLEY: -- by your pronunciations of roofs.

DR. FREDERICKSEN: I'm working on trying to get, say Baltimore just right but it's going to take me a while.

(Laughter.)

GOVERNOR O'MALLEY: It was the roofs that betrayed you.

(Laughter.)

DR. FREDERICKSEN: Thank you.

GOVERNOR O'MALLEY: Anybody have questions?
Comptroller?

DR. FREDERICKSEN: Please.

COMPTROLLER FRANCHOT: Yeah, I had the same
feel. I thought I was listening to Prairie Home
Companion.

(Laughter.)

DR. FREDERICKSEN: I have met Garrison
Keillor and all that sort of thing.

COMPTROLLER FRANCHOT: I just wanted to
thank you, Dr. Fredericksen, for a great system down
there.

DR. FREDERICKSEN: Thank you.

COMPTROLLER FRANCHOT: I came down for an
exceptional volunteer, Henrietta Parker, who helps out
in Salisbury.

DR. FREDERICKSEN: Thank you.

COMPTROLLER FRANCHOT: I also have the
artwork I mentioned earlier, Maryland Masters, of
Grace Davis, Pat Rafferty, Kira Kim from your three
schools.

DR. FREDERICKSEN: They're great kids.

COMPTROLLER FRANCHOT: It's all up in my office if you want to stop by and take a look.

DR. FREDERICKSEN: Thank you.

COMPTROLLER FRANCHOT: And I did stop by on the roof replacement issues down at Mardela Middle and High Schools. Thank you for --

DR. FREDERICKSEN: Thank you very much for your support and your visits. We welcome any of you if you would like a tour and see some of the wonderful things we are doing with our children.

GOVERNOR O'MALLEY: And how long have you been there, doctor?

DR. FREDERICKSEN: This is my sixth year, thank you.

GOVERNOR O'MALLEY: Sixth year. Okay.

DR. FREDERICKSEN: I've got a great team here, and most of them there already before me. So Tom Field and some of the other leaders did some great work.

GOVERNOR O'MALLEY: Good. Hey, can you help us out? There are 2,524 kids in Wicomico County who get the, who participate in lunch but not breakfast. So you all are at about 64 percent of your kids

eligible to participate in breakfast versus Kent County by example a higher performer at 91 percent. It's, the money is already there. The program is there. It's a matter of the grab and go or the breakfast after the bell. But I'll leave this with you. If you could help us please reach these kids I know it will have an impact on your department and your achievement and everything else.

DR. FREDERICKSEN: I personally have seen some of the kids getting their breakfast and they do a great job. But there are a lot of little technical things that occur. And some of the kids, they aren't quite engaged with that activity yet. But we're working on it. We'll do what we can to make sure that grows. Thank you.

GOVERNOR O'MALLEY: Yeah. We find if you structure it and just make it, a lot of them aren't that engaged in the algebra either. But, you know, if you make them do it, they'll do it, and they'll benefit from it. So I'm going to leave this for you. And Anne Sheridan right there is our Secretary of Children, Youth, and Families. And we can help you.

DR. FREDERICKSEN: Thank you. Great, I'll exchange cards with her. Thank you.

GOVERNOR O'MALLEY: Thank you. Thanks a lot. Okay. Next up is Washington County. How is it that Washington County made it here but Frederick couldn't make it here? Those North Montgomery Countians and Frederick that couldn't make it here?

DR. WILCOX: I'm another Midwestern superintendent. We travel in snow.

GOVERNOR O'MALLEY: There you go. Thank you.

DR. WILCOX: Governor O'Malley, Mrs. Kopp, Mr. Franchot, Dr. Lever, Mr. White, thank you very much for having us here. Members of the committee, thank you. Today we are speaking to really two specific asks. We are looking to have funding supported for our West City Elementary School project and we would like additional resources to help us replace the heating and air conditioning at Washington County Technical High School. For those of you who are familiar with Washington County you know that this is our 13th consecutive year of student population growth. It is also our 13th consecutive year where

the number of kids who receive free and/or reduced price meals has increased. Now one out of every two kids in Washington County receives a free and/or reduced price meal.

We have a great partnership with our county commissioners. They have stepped forward to help us whenever we have asked. We continue to build on that partnership but we need your support as well to continue the good work that we are doing on behalf of our kids.

Let me speak to West City Elementary School. West City Elementary School is, we are seeking full funding for the 2015 CIP school year. This is an extremely important project for us because what it allows us to do is create seating capacity and close two schools that have lived well beyond their useful life. It allows us to put kids in energy efficient buildings that really are worthy of our children as opposed to some of the really deplorable conditions that they are facing today. The two schools that we are looking to replace are two schools that have our highest incidence of deferred maintenance. They are

also our schools that have the most challenging and pressing problems.

The systemic renovation that we are looking at is at Washington County Technical High School. Many of you have visited the Technical High School. You'll know that it is one of the finest technical high schools in the State of Maryland. We have waiting lists of two and three kids for every seat in that school. We are looking to expand with some boutique type projects but in the interim what we have to do is put a new heating ventilation and air conditioning system there. It is at the end of its useful life.

I want to thank the Board of Public Works for the service that you have provided us over the years, simply saying that we can continue our mission with your continued support. Governor O'Malley, thank you so much for what you have done for education. You have really placed us in a great position. Comptroller Franchot, you are a regular guest at Bester. They actually have a parking space now for you, so we thank you for that. I want to personally apologize for not being there at the last

Masters award, but I was home tending to my mother who was sick. But I will tell you it was greatly appreciated. Our kids look forward to your visits. Thank you very much. Treasurer Kopp, thank you so much. Just the other night she graced us with an hour of her time to talk about alternative funding methods for some of the new projects that we want to do that will involve private dollars as well. So again, thank you very much for your time. I'm ready for any questions.

GOVERNOR O'MALLEY: Thank you. Questions?

COMPTROLLER FRANCHOT: Yes, and thank you for those comments and your leadership. And the unbelievable artwork that you kids have is hanging in the office. It's really unbelievable. It was Alexis Smetzer, Haley Rodriguez, Anastasia Fedorko, it's really just a real feather in your cap in Washington County.

DR. WILCOX: Thank you. We have really an outstanding fine arts division within our school system. Many of you know of the Barbara Ingram School for the Performing and Fine Arts.

COMPTROLLER FRANCHOT: Yes.

DR. WILCOX: We are actually looking, when I mentioned to Treasurer Kopp that we were talking about alternative funding, we are looking for a way to expand that project right now with the building next door to it and tying it into the Historic Maryland Theater. We think that great things will happen in the City of Hagerstown and the school system can lead the way.

COMPTROLLER FRANCHOT: Yes. Great. And I want to just ask you a question about the subject I mentioned at the beginning, the Partnership for Assessments of Readiness for College and Careers, PARCC Assessments. Apparently 2014-2015 is the school year, this is the Common Core program that I mentioned. I noticed in another report, not this school construction report, that in Washington County you are going to need more than a million dollars in additional technology infrastructure in order to deliver these tests online as will be required by the start of 2017. And where is that going to come from?

DR. WILCOX: Well Comptroller, we believe we will be device ready for that. But what we are looking for are wireless ports and switches. That's

where that million dollars comes in. It's actually I think \$900,000 that we have said that we would need.

COMPTROLLER FRANCHOT: Uh-huh.

DR. WILCOX: That said, we would hope that the Legislature in its wisdom would earmark some money for local school systems that are trying to accomplish this. Absent that we will have to find it in our operating budgets or our deferred maintenance budgets.

COMPTROLLER FRANCHOT: Well please keep me in the loop on the request for additional funds, because otherwise you have to take it, I assume, from your normal programs?

DR. WILCOX: Absolutely. I will say to you that I had the opportunity to speak to Senate Appropriations at one time earlier this year and I did make them aware of the need that we would have, not specifically dollar amount but simply that people would have to attend to it so we can fully implement the PARCC exams.

COMPTROLLER FRANCHOT: Excellent. Thank you.

DR. WILCOX: Thank you.

GOVERNOR O'MALLEY: Anyone else? We have got 2,333 kids in Washington County that receive lunch but not breakfast. So Dr. Wilcox, if you could help us reach those kids. You all are right now at about 77 percent, which isn't bad. But if you could help us, that was Anne Sheridan out in the hall.

DR. WILCOX: Absolutely. Absolutely, Governor. I will tell you that our School Food Service Director is probably second only in the State of Maryland to you in wanting to serve more kids. We are a pilot district for many initiatives. We will get to those kids.

GOVERNOR O'MALLEY: Awesome. Thank you.

DR. WILCOX: Thank you.

GOVERNOR O'MALLEY: Thanks a lot.

DR. WILCOX: Thank you all.

GOVERNOR O'MALLEY: Okay. We're going to take a break now or are we going to keep going? We're going to take a break now. Okay. We're going to take a break. We'll be back here in a half hour to wrap up the remaining 17 jurisdictions. Eighteen.

SECRETARY MCDONALD: 1:35.

GOVERNOR O'MALLEY: 1:35, okay. Thank you.

(Recess.)

GOVERNOR O'MALLEY: Okay, we're on Somerset County. Come on down. Hi.

DR. GADDIS: Good afternoon, Governor O'Malley, Treasurer Kopp, and Comptroller Franchot. My name is John Gaddis. I'm Superintendent of Schools in Somerset County. I have with me today Mr. Paul Jefferson, who is our Chief Operations Officer, and Mr. Ed Barber, who is a Facilities Consultant. We'd like to thank you for the previous support you have given Somerset County with the recent renovation of Washington Academy and High School, also the work done in opening up a centralized intermediate school, and also what you did in Crisfield at Woodson Elementary in 2006.

You are very aware of the economic challenges that face Somerset County. To be honest we are number one in many lists that you don't want to be number one when it comes to poverty, income, childhood obesity, unemployment rates. However, we are looking at this as an opportunity to make a change, to make a difference in what we do, and to plan for the future.

Despite these challenges we continue to move forward with our request and with our vision for the future.

In front of you is one project for Greenwood Elementary School. Greenwood was built in 1961 and the project has been before you before. However, after arriving in Somerset County and sitting down we decided that we needed to redo this project, if you will, in two phases with the focus on not interrupting the academic environment in the building. So we have entered into a two-phase project and with that project we initially received funding from the IAC for \$2 million and we are asking for an additional \$1.5 million.

The unique situation with this HVAC replacement is the fact that Gipe, who we were working with, has told us that approximately 75 percent of the cost will be in phase one. So at minimum for us to be able to do the project we would need 75 percent of the State share.

This school is a school you are probably familiar with as you make, many of you make your annual pilgrimage to Crisfield for the J. Millard Tawes Clam Bake it is on the left of 113. It is

something that definitely, definitely needs to be done. The project will include a geothermal system with 180 wells and also we have been working with Dr. Lever and we will have the generator transfer switch installed as well.

So again, we appreciate what you have done. And that is our one project that is our priority and we need it for our students. Thank you very much, and I'll take any questions.

GOVERNOR O'MALLEY: And how much of it is funded so far?

DR. LEVER: Two million out of a request for \$3.519 million.

GOVERNOR O'MALLEY: Well good, okay. Thank you for, I see that 95 percent, 96 percent of your kids that receive free lunch also are getting breakfast.

DR. GADDIS: Absolutely.

GOVERNOR O'MALLEY: So thanks for what you have done on that.

DR. GADDIS: Absolutely.

GOVERNOR O'MALLEY: You are our highest so far. Is that the highest, Anne?

MS. SHERIDAN: That's the highest --

DR. GADDIS: Fantastic.

GOVERNOR O'MALLEY: That's good. Is that a big, is that a change in recent years? Or --

MS. SHERIDAN: -- always done --

DR. GADDIS: We've always done well with those numbers. We will be at 100 because as any Superintendent would do during the break I called our head of food service to find out what our numbers were and to find out why, and we know why we're not at 100 percent. And hopefully you'll fund everything right now, but if we're back next year it will be at 100 percent.

GOVERNOR O'MALLEY: Good. Yeah, I'm told 150 kids. And if we can be of any help, we'd like to.

DR. GADDIS: Right. Absolutely. Anything else?

COMPTROLLER FRANCHOT: I just wanted to say that the State is lucky to have you. I know it's, you personally, but also Somerset. It's got all sorts of economic challenges, but it's great people --

DR. GADDIS: Mm-hmm, thank you.

COMPTROLLER FRANCHOT: -- and it's a wonderful part of the State. Thank you for the work, leadership you have given on geothermal energy. I was down at Greenwood --

DR. GADDIS: Mm-hmm.

COMPTROLLER FRANCHOT: -- and it's a very impressive project. And you're doing it in two phases and, you know, it makes a lot of sense. So thank you for that. I also, after visiting you I went over to the, Governor this is not a school project, but it's the Great Bay Wind project in Somerset.

DR. GADDIS: Absolutely.

COMPTROLLER FRANCHOT: And if that isn't something that's incredibly impressive. It's a private company that by the end of 2015 is going to have 90 megawatts of wind generated energy down there in Somerset.

DR. GADDIS: Mm-hmm.

COMPTROLLER FRANCHOT: And lots of jobs, alternative energy, local taxes paid. I mean it was outstanding.

DR. GADDIS: There is quite a buzz in the county about the possibilities. We are working with a

group out of Massachusetts and they have done presentations to our Board of Ed to the point of looking at contracts where we could be the first school system totally powered by wind energy. There is a proposal across from Woodson Elementary School to be able to do something there. And it's a unique perspective but it's something that the county is ready for. And again, it's clean energy and --

TREASURER KOPP: What does that mean if you are totally powered by wind energy, what --

DR. GADDIS: They would, the turbine, if you will, I mean, that would be the exact word, but would produce enough kilowatts based upon what we use as a school system. It's big enough that it would produce enough kilowatts to cover our energy consumption at our school system.

TREASURER KOPP: So could you be off the grid?

DR. GADDIS: Yes, we could be off the grid.

COMPTROLLER FRANCHOT: And they were big proponents of the Governor's plan for offshore wind when I was down there. But they said because of the proximity of the transmission center, I didn't quite

get it all, but they said we are going to turn Somerset from having the most expensive electricity in the State to having some of the cheapest simply because we're here where the electricity is needed.

DR. GADDIS: Mm-hmm.

COMPTROLLER FRANCHOT: I guess you guys are at the end of somebody's pipeline.

DR. GADDIS: We're at the end of a lot of pipelines.

(Laughter.)

DR. GADDIS: To be honest with you. You know, we're on the low end of the Lower Shore. No, you're absolutely right. There was a meeting held three weeks ago at our J.M. Tawes Vocational School and about 250 community members came out. There are 29 proposed sites that are being looked at right now. Two have been approved for the Town of Crisfield. The site across from Woodson Elementary School with the group from Massachusetts that wants to work with the school system, has all the permits. UMES, University of Maryland Eastern Shore, has two sites as well. So it's something that could be big in economic

development but also save us tremendously on our energy costs.

COMPTROLLER FRANCHOT: Well the head of the company down there used to work for Barney Frank, the congressman?

DR. GADDIS: Mm-hmm.

COMPTROLLER FRANCHOT: And I said, gosh, what's the connection between wind energy and politics? And he said everything. And he specifically said, you know, you should try to get the Governor to come down. Because he would be amazed at what we are going to have going down here. And --

DR. GADDIS: We're actually meeting next week to discuss that very thing. So --

COMPTROLLER FRANCHOT: So Governor, if you, I mean, you will not believe what they have got going down there.

DR. GADDIS: It could be something very special. And it's a great educational experience as well for our students.

COMPTROLLER FRANCHOT: Yep.

GOVERNOR O'MALLEY: I'm looking forward to going down.

COMPTROLLER FRANCHOT: Maybe I could go sell wind power after I get out of politics.

DR. GADDIS: You never know.

COMPTROLLER FRANCHOT: Very impressive.

TREASURER KOPP: Just so I understand, being off the grid?

DR. GADDIS: Mm-hmm.

TREASURER KOPP: I mean, the way you are saying it --

DR. GADDIS: Yes.

TREASURER KOPP: -- I understand you can feed back in. If you really want a total grid independence, and not to be impacted at all if the grid goes down, would you be in that situation?

DR. GADDIS: My understanding, and by no means am I the expert, but looking at our consumption of about 4.8 kilowatts, 4.8 million, the project would produce over 5 million. So yes, we would be --

TREASURER KOPP: And there is a way to store that energy so that --

DR. GADDIS: Yes. Yes. There is quite a bit of infrastructure work that has to be done. There's quite a bit of switches and things that would

be done by the investors that are with this group.
But it could broad term take us off the grid, yes.

TREASURER KOPP: This is another alternative school financing? Construction financing, P3 sort of thing, for the new era, as opposed to the oyster sort of thing?

DR. LEVER: Yes. Very different model.
That's right.

TREASURER KOPP: That's very exciting.
That's cool. That is truly cool.

DR. GADDIS: We're good? All right, thank you very much. Thank you.

GOVERNOR O'MALLEY: Thank you. Okay, now up is St. Mary's. President Jack Russell.

MR. RUSSELL: And good afternoon, members of the Board of Public Works. Governor O'Malley, Treasurer Kopp, Mr. Franchot, Comptroller, and all of the other notables sitting around the table here. My charge today, ladies and gentlemen, is to bring you all greetings from Southern Maryland. We've made great strides in our school system. Our graduation rates are around 91 percent. Our Board of County Commissioners has stepped up to the plate for the

remodeling of Spring Ridge Middle School, which we looked at, which needed some repairs and what not.

So look, shortly we hope that you would look favorably upon our appeal. And I'll get out of the way and let the heavyweights take care of the heavy lifting. Thank you for letting me be here.

DR. MARTIRANO: Good afternoon, Comptroller Franchot, Governor O'Malley, great to see you again, and Treasurer Kopp. It is so wonderful to be in front of you. I really enjoy this day tremendously because I always like to take it at a higher level and understand why we do what we do, and I'm sure that's why you are here today. Commissioner Jack Russell as well as our great Delegate Bohanon and several of my Board members, Mrs. Allen and Mr. Brooke Matthews, with additional representatives from our community are here because we're so proud of the work occurring in St. Mary's County.

Today the headline in the county is More Students Succeed in St. Mary's County. Our graduation rate is at an all-time high. Commissioner Russell, I appreciate the 91 percent that you acknowledged. But to be factually based it's 91.5. And not that we're

competitive, that puts us at the seventh highest level in the State of Maryland, exceeds national and State averages, because more children are achieving now in St. Mary's County than in history. And as a result of our very robust capital project program that we have, it has all been based upon that.

So I am very pleased to be able to talk to you about that today. We have had a very exciting week in St. Mary's County. I also had the opportunity to meet President Obama this week at the event at Buck Lodge Middle School. And I was able to, in that brief moment that I had with him, I was able to tell him all the great things that were happening in the St. Mary's County Public Schools, for that brief moment that I had. But he said he will come back and visit again and I'll tell him about that graduation rate of 91.5. And have I told you lately what our graduation rate is? Remember that, it's very important.

So as I'm moving forward in terms of our presentation, I know that we have a limited period of time together, we've already taken this through a very robust IAC process where all of our projects have been vetted. I appreciate that our Commissioner President

Jack Russell has started off our presentation because we experienced tragedy in our community last Spring. At the end of a Board meeting I received a call from one of our Board members that said one of our middle schools was on fire. Spring Ridge Middle School was truly engulfed in flames. A great response occurred to get the school back on line. But what we determined was that we needed to renovate our school. With the support of our local membership in terms of our resources from our Board of County Commissioners, they stepped up and advanced \$10 million of funds from our local tax base and advanced that for us to be able to advance this project.

So we have two major projects going on simultaneously. The renovation of Spring Ridge Middle School, which is our premier STEM school which we are going to add an addition on for that program as well, but to bring it up to where we fully need to be with all of our systemic renovations. And we are the third fastest growing school system in the State of Maryland, the third fastest county I should say, and we are in need of a new school. So we broke ground on a brand new school, the Captain Walter Francis Duke

Elementary School. And that school is moving rapidly as well.

So I'm here in a nutshell to say that so far through the IAC process that over \$7 million has been allocated for our two projects. I'm appealing today the Captain Walter Francis Duke Elementary School for \$1.1 million for the completion to move that project forward. Simultaneously I'm here to appeal an additional \$4.9 million to advance the renovations of our Spring Ridge Middle School, which truly is in need of that as well.

Both of these projects are robust in nature for our county and the individuals that are with me, my Deputy Superintendent Mr. Brad Clements, and staff members from his area are moving both of those projects together.

But my ending result is going to be where I started. Great things are happening for young people in the State of Maryland. We recognize that. And wonderful things are happening in St. Mary's County for the young people based upon a variety of different data points.

And again, thank you for your visits to our community. Thank you for your visit for the artwork. I'm looking forward to seeing that on display today.

COMPTROLLER FRANCHOT: Great.

DR. MARTIRANO: And we just appreciate the effort constantly to support St. Mary's County. Thank you very much for your time.

GOVERNOR O'MALLEY: Thank you, Mike. Thank you for your leadership as well.

DR. MARTIRANO: Thank you.

GOVERNOR O'MALLEY: Really, you all have one of the most outstanding superintendents in the State. Delegate Bohanon, anything you want to say?

DELEGATE BOHANON: You bet. Members of the Board, thank you very much. And Governor, thank you for the opportunity to say something. Let me just add very briefly, we do in fact have a system that continues to be on the rise. We do have what we believe is the best superintendent not just in the State but indeed in the country. So we're very proud of that. And we have a couple of projects before you, and some good projects. Captain Walter Francis Duke certainly is a good project.

I want to point to particularly the Spring Ridge Middle School. This is a school that shortly after we adjourned since die last year caught fire as the Superintendent said. And I went down there on the following Monday and toured with the Superintendent. And it became clear to me, this is a school with one of our highest percentages of FARMS students, and it is our STEM school, and our STEM middle school academy. This is an important project and long overdue, and this is one that we cannot delay.

The reason is, let me just point to one thing in particular. The HVAC system is the original one that was installed in the early 1970's, which reached its useful life, the end of its useful life in 1999. It is still in place. And it is, it has got to be replaced. So this major renovation will take care of that and the other needs of that school and put it more in line with many of the rest of our, our other middle schools and our other schools in general.

So I would ask you in particular to pay attention to that project. But the entire appeal today. And thank you so much for your time. Thank you.

GOVERNOR O'MALLEY: Thank you. Thank you, Delegate, for your leadership. This is a delegate who has supported time and again the capital budget. There will be other delegates coming before this Board shortly who vote against the capital budget every chance they get, and then will be the ones that jump up and down the loudest and say how come there isn't more money for our school system? But I appreciate the forthright nature of your leadership, Delegate, and also President Russell. Anything more?

COMPTROLLER FRANCHOT: I just want to say how much I respect Dr. Martirano, and thank you for your hospitality. You run a great system. Jack Russell is always there. He's the ambassador for the county as far as I can tell.

DR. MARTIRANO: He is. He is.

COMPTROLLER FRANCHOT: And I always kid John that his boss, Steny Hoyer, in my view is America's Congressman. And John is just like him, America's Delegate. He does a great job. Thank you for --

DELEGATE BOHANON: That's a great comment. Thank you.

COMPTROLLER FRANCHOT: If I could just ask a quick question. John, you don't need to stay for this unless you want to hang in there. But --

GOVERNOR O'MALLEY: The Somerset people might want to talk to you about wind.

DELEGATE BOHANON: I was going to talk to the Comptroller about wind, also.

COMPTROLLER FRANCHOT: Okay.

DELEGATE BOHANON: But I have, the Chancellor is before the subcommittee so I have to get back.

COMPTROLLER FRANCHOT: Yeah, no, please. And I look forward to it.

DELEGATE BOHANON: Thank you.

TREASURER KOPP: Thank you, John.

DR. MARTIRANO: Thank you, John.

COMPTROLLER FRANCHOT: So I just wanted to ask a quick question on the, I know it's not capital, but the Common Core --

DR. MARTIRANO: Yes.

COMPTROLLER FRANCHOT: -- readiness. I see from the MSDE report that St. Mary's will need to

invest \$3 million per year over a four-year transition period for laptops, computers and tablets --

DR. MARTIRANO: Right.

COMPTROLLER FRANCHOT: -- to administer the test. It will need to commit \$288,000 over that to update and maintain its wireless infrastructure; \$231,000 per year to upgrade its internet bandwidth to the required one gigabyte; and \$275,000 per year for technology support staff. The total price tag as I read the report is \$14.3 million over a four-year period. Are you confident that the resources are going to be available to put this new infrastructure in place?

DR. MARTIRANO: So the answer to that is, is that we have used our original Race to the Top money, directed all of that to technology. We have been addressing this ongoing in a very systemic way. We are also advancing the fact that we are moving away from regular textbooks and moving to techbooks.

GOVERNOR O'MALLEY: Great.

DR. MARTIRANO: We have developed a partnership with Discovery Education who has provided the background for all of the curriculum tools, and

that is being provided for us right now for online curriculum and being piloted in St. Mary's County. We have a robust partnership with them.

We also acknowledge we are always looking forward in the sense that in order to fully implement the PARCC assessments you have to be able to have the tablet or the device for our young people to do that, to be prepared for the 21st Century learning. So we are doing many of that information now.

I've got some information in front of our Board of Education. We have a public hearing this evening regarding the fact that I have declared publicly that I am not going to buy another textbook in our county. We want to move to one to one computing in terms of that whole digital conversion piece of it. So all of our monies that we would typically allocate for textbooks, we are going to stop spending it on the textbook piece and move those dollars into technology.

GOVERNOR O'MALLEY: Great.

DR. MARTIRANO: So it's a matter of efficiencies, of using the dollars that we currently have to shift and to achieve that. Because we

recognize that in St. Mary's County we fully have the bandwidth based upon the Maryland initiative and the wrap around infrastructure that we need, and the great partnership that we have. But recognizing our distance away from the Washington Metropolitan Area, we want our children to be just as competitive regardless of what county they are from. And we are making great strides. It is an incredible heavy lift. But what is missing in those dollars is the explanation I am providing, that we are taking existing resources and stopping what is going for those resources and shifting to do that to prepare our young people.

COMPTROLLER FRANCHOT: Not to be a Luddite, but I still kind of like books. So maybe --

DR. MARTIRANO: Well I do too, sir --

COMPTROLLER FRANCHOT: -- a few available down there would be great. And thank you again for exceptional volunteerism. I gave an award to Trish Post --

DR. MARTIRANO: You sure did.

COMPTROLLER FRANCHOT: -- and the Maryland Masters Avery Kent, Taylor Bahen, and Jessica Burroughs.

DR. MARTIRANO: Yes.

COMPTROLLER FRANCHOT: Fabulous assets and wonderful faces for the county. So congratulations.

DR. MARTIRANO: Thank you very much, sir.

GOVERNOR O'MALLEY: Mike, thanks a lot.

DR. MARTIRANO: Great. Thank you, Governor.

GOVERNOR O'MALLEY: Thank you all.

DR. MARTIRANO: Thank you. Great seeing all of you. Thank you.

GOVERNOR O'MALLEY: Thank you. Yes? Oh, I'm sorry. This is, on your way out you have, you all are at 68 percent in terms of the number of students who qualify for lunch and also get breakfast.

DR. MARTIRANO: Right.

GOVERNOR O'MALLEY: So another way to look at that is there's 1,420 kids that could be getting breakfast and aren't. And knowing how effective you are at improving student achievement, we want to work with you because Somerset right before you, for example, is at 95 percent. So the programs are there,

the money is there. It's just a matter of changing to the grab and go lunch, or the breakfast after the bell, and just structuring it and putting it in. So I hope you might be able to help us cross that delta.

DR. MARTIRANO: We sure will. Governor, we are so committed to it. We offer those programs in all of our schools and in eight schools we offer all the children receiving those meals. So thank you.

GOVERNOR O'MALLEY: Thank you guys.

COMPTROLLER FRANCHOT: Is the board here?

Are they --

DR. MARTIRANO: They are. I want to introduce to you Mrs. Cathy Allen --

COMPTROLLER FRANCHOT: Yeah.

DR. MARTIRANO: -- Mr. Brooke Matthews, two of my illustrious board members with great commitment in terms of MABE and the work they do there. And my Deputy Superintendent Mr. Brad Clements. Kim Howell and Mary Hadden as well from supporting services area in terms of planning. Great operation in St. Mary's County --

GOVERNOR O'MALLEY: Which one does the breakfast stuff, Mike?

DR. MARTIRANO: This gentleman right here.
So he will be adding more to that.

GOVERNOR O'MALLEY: Good.

MR. CLEMENTS: We have some pilot programs
that will --

GOVERNOR O'MALLEY: Good. And we can help.
We put a few more dollars to it, just like the little
connecty things, and the nitty gritty stuff that is
never quite in the budget that you need in order to,
whether it's the trash cans, or the carts to bring it
to the classroom, or what have you. We can do little
stuff like that and the money is there to do it. So
Anne, wave to our friends in St. Mary's. This is Anne
Sheridan. She is our Secretary of Children, Youth,
and Families. She is waiting to jump upon you as you
exit.

MS. ALLEN: It's a significant priority for
the Board. It is a question we ask the Superintendent
often.

GOVERNOR O'MALLEY: Awesome. Good. Thanks
a lot.

DR. MARTIRANO: Great seeing all of you.

GOVERNOR O'MALLEY: Thank you. Good seeing you. Thanks for your leadership, continued leadership, Mike. All right. Queen Anne's County?

DR. WILLIAMSON: Good afternoon, Governor O'Malley, Comptroller Franchot, Treasurer Kopp, and members of the Interagency Council. I'm Carol Williamson, Superintendent of Schools in Queen Anne's County. And I'm here today with three of my board members, and I believe they are behind me, Mrs. Cynthia Todd, who is our president; Captain Kelley, who is our vice president; and Mr. Vito Tinelli, who is a member of our board of education. Also with me are three of my staff who are sitting down right now but they are here to help answer any questions we might have at the end.

Great things are happening in Queen Anne's County, too. And I know that several of you have visited us over the past couple of months and I know that you have been firsthand the kinds of things that go on in our classrooms. The Board of Ed and I want to thank you for your past and continued support in making education a top priority in the State's budget initiatives. In Queen Anne's County we are especially

grateful for the financial support you have provided to us for our school system facility needs. Like you, we believe that quality facilities are essential to maintain excellence in education.

I want to assure you that our community has been very appreciative of any dollars that you have put towards our school facilities. In 2010 we came before you and we asked for planning and construction approval for Sudlersville Middle School. You generously granted us that project and it's hard to believe that now a year later that that school has opened and we brought it in, we had said we were going to bring it in as a Silver LEED certification. We not only did that, we brought it in as Gold LEED certification and still for the same dollars we had in the project to begin with. And we're very proud of that. That school is running very well and students and staff and community are extremely pleased with the facility and how it functions.

Today we are here because we want to ask for full final installment funding for the renovation of Stevensville Middle School. Stevensville Middle School is one of our oldest facilities in Queen Anne's

County. The last renovation to the original part of Stevensville was in 1980, almost 35 years ago. Last year you granted us funding to begin our project. The planning for the renovation has been very difficult since this will be an occupied phased renovation. Complicating our renovation even further is the fact that the building does not sit on a very large site and that we have had to deal with the addition of a geothermal field and then placing a portable classroom on the property that would house more than half of the students, keeping in mind that we wanted to still keep some play area available for students for physical education activities.

We are very fortunate to have the expertise of our Technical Facilities Manager who worked very closely with the Interagency Committee and their technical staff. Together they came up with an excellent construction solution that resulted in the award of the construction contract in two phases. Phase one was the award of the construction of the geothermal well system, which is on a limited site portion of this project. Phase two is a contract

award that encompasses the building renovation and final site work portion of the project.

Phase one's contract was awarded in August with the fiscal year partial funding that you gave us last year. That contract work was completed in October. In December we conducted the sealed bid process for the award of the second phase of our construction contract. Our Board of Education and our Interagency Committee authorized the award of construction to the lowest bid and we proceeded to make this award with an effective start date of February 3rd. In fact, we had a pre-construction meeting just yesterday.

In preparation for the start of the renovation project, we have been focusing our efforts for the last three months on constructing a temporary construction access driveway as well as a modular complex that would house the portions of the student population for each phase of the construction. The construction access driveway and modular complex have just been completed and were occupied a few weeks ago, as shown in the photograph that you have before. That's figure one. In figure two you can see the

complex entrance that we developed for our modular. We were very fortunate to get that modular so that we were able to house so many students inside of one facility. Then you see on figure three the complex decking. Then figure four, the exterior view of the modular complex. And I have to say that as parents went in to look at that complex, they were so impressed because when you get inside of it it looks like a regular school building. It has nice wide hallways, lockers. It has a full size lab that you will see here. You see the STEM classroom there. And then you will see the hallway, figure six, the hallway with the lockers. And then you will see a science lab.

So when we had tried originally to find relocatable classrooms to use and put them in that property, it was impossible. So finding this one large modular complex really was an answer to our prayers as far as getting this project rolling.

I assure you that our community of students, parents, and staff have been very excited throughout the planning phase and they are eagerly awaiting the arrival of the bulldozers in two weeks. We are here

before you today because at this point the interagency committee is recommending approval of approximately half of the approved \$4,010,000 of the State share needed to complete the project. We are appealing to you please to fully fund that final share of the approved funding. We know that you have a lot of other projects that you are considering. But we don't want to jeopardize the projected opening of this building, which is for August of 2015.

Our county government bonded enough dollars to cover their portion of the funding and they have already invested much of that funding in the planning and construction, the renovation modular complex, and the beginning of the construction. We have already gone back to our county government to ask for their support and several alternates that we are hoping they are going to be able to fund for us. County government is working very closely with us to ensure that we have equity with this building as compared to the last two middle schools that we built, which were new facilities so you know how difficult that is to achieve.

On the last figure that you see there you will see the proposed new entrance of the school. It really does change the image of the school. And it is apparent that the project for us now is moving forward and our contractors are going to want to be paid when they complete the work, which will be in August I said of 2015. It is critical to our school system and the community for us to complete this renovation within the time frame planned. As I said, there is very little equity in what our students in that school have compared to the other students in our county.

We look forward to a continued partnership in finding ways to provide students with facilities worthy of the top ranked state in the nation, and we thank you very much for your time and are available to answer any questions you might have about this project.

GOVERNOR O'MALLEY: Thank you. Any questions of Dr. Williamson?

COMPTROLLER FRANCHOT: No, but thank you, Dr. Williamson. And, you know, I stopped by and gave these art awards to Emma Draper from Centreville Elementary, Sean Hobbs from Matapeake Middle School,

Olyvia Utterback from Kent Island High School. And it was an honor to be out there and the exception volunteerism award, the Golden Apple Award went to Linda Smith Austin.

DR. WILLIAMSON: Correct.

COMPTROLLER FRANCHOT: So you and your Board members do a fabulous job, and keep it up.

DR. WILLIAMSON: We do. And we appreciate any of the support. Just your presence in our community really encourages students to want to achieve. And our students achieve right at the top of the State. We've been doing an excellent job in providing that program for them.

COMPTROLLER FRANCHOT: Tell them not to run for Comptroller too soon.

DR. WILLIAMSON: I will do that. I will do that.

COMPTROLLER FRANCHOT: But other than that, I'm all for it. Yeah.

GOVERNOR O'MALLEY: And I think we were down there on your broadband, too, weren't we?

DR. WILLIAMSON: You were.

GOVERNOR O'MALLEY: Senator Mikulski? And -

-

DR. WILLIAMSON: Absolutely.

GOVERNOR O'MALLEY: -- you kind of took us through. How are you doing with technology in class?

DR. WILLIAMSON: We are doing very well. We have had many fewer glitches. We used to have so much downtime with our internet.

GOVERNOR O'MALLEY: Glitches? I thought we were the only ones that had glitches.

(Laughter.)

DR. WILLIAMSON: No, no. We have glitches. But it has really been much better. That broadband has been very much a help. And it is going to help with our security initiatives as well.

GOVERNOR O'MALLEY: Great. Hey, here is, I'm going to leave you this pack.

DR. WILLIAMSON: Mm-hmm.

GOVERNOR O'MALLEY: And Anne Sheridan is our Secretary of Children, Youth, and Families. There are 675 kids who get the, who get lunch --

DR. WILLIAMSON: Correct.

GOVERNOR O'MALLEY: -- but don't participate in breakfast. Which if our numbers are right have you down at like 47 percent.

DR. WILLIAMSON: It's a very small percent. We work really hard at trying to get our students to participate in breakfast programs. We do a grab and go.

GOVERNOR O'MALLEY: Grab and go? Mm-hmm.

DR. WILLIAMSON: Grab and go. We do a breakfast in the classroom if the school qualifies. But you have to keep in mind in Queen Anne's County, we have such a diverse population.

GOVERNOR O'MALLEY: Right.

DR. WILLIAMSON: We have very few schools that qualify for that full school program.

GOVERNOR O'MALLEY: Right.

DR. WILLIAMSON: The Title I. So maybe in the northern county, there are 40 percent of the students would be eligible, and maybe 60 percent in some of our schools up there. But on the Shore, on Kent Island, maybe ten percent of our students in those schools.

GOVERNOR O'MALLEY: Right.

DR. WILLIAMSON: So we encourage students to participate in breakfast. Many of them eat at home. They don't want to stop and grab and go at school.

GOVERNOR O'MALLEY: Right.

DR. WILLIAMSON: They would much prefer eating at home.

GOVERNOR O'MALLEY: Well everybody else seems to be doing better than you at this.

DR. WILLIAMSON: They do? Okay.

GOVERNOR O'MALLEY: So we would like to help you.

DR. WILLIAMSON: We would like that.

GOVERNOR O'MALLEY: Because all of those same things are true in many other counties as well. And we have found ways to overcome those. And sometimes it involves, maybe put more money in the budget to go to do it to the whole school in order to remove the stigma. Because if the kid is stigmatized by being, oh those are the kids that get the free breakfast, then they don't do it.

DR. WILLIAMSON: Right. Right.

GOVERNOR O'MALLEY: If you make it available to everyone, then they will. So we would like to help

you. I know given how many good things you are doing on so many other scores that we can do better than that 47 percent breakfast participation. And I think you will see a benefit from it. So.

DR. WILLIAMSON: Right. Thank you very much.

GOVERNOR O'MALLEY: Thank you.

DR. WILLIAMSON: Thank you.

GOVERNOR O'MALLEY: Okay. Prince George's County? In his first appearance before the Board of Public Works Hope-a-Thon as the Superintendent of Prince George's Schools. Dr. Maxwell?

DR. MAXWELL: So good afternoon, Governor O'Malley, Comptroller Franchot, and Treasurer Kopp. As you noted, Governor, I am indeed Kevin Maxwell, the new CEO in Prince George's County. I might add before I go into my remarks I see my friend Michael Martirano has left and I appreciate that he is also one of the finer superintendents in the State. He did neglect however to make sure that everyone is aware, although I'm sure you all, that Buck Lodge where the President was yesterday resides in Prince George's County. So just for clarity.

GOVERNOR O'MALLEY: And I also note that you are one of, what, one of four or five people that have been named, four people nationwide that have been named superintendents, nominated to be nationally the Local School Superintendent of the Year, right?

DR. MAXWELL: Yes, sir. I'm one of four finalists.

GOVERNOR O'MALLEY: That's awesome.

(Applause.)

COMPTROLLER FRANCHOT: And didn't you receive your training in Montgomery County?

DR. MAXWELL: I've been training for this my entire life. I actually began my career and spent 22 1/2 years in Prince George's County. I grew up in Prince George's County. I attended third through sixth grade in those days in Prince George's County, finished junior high school there, graduated from high school there. Started at community college, jointed the Navy, finished at the University of Maryland with a bachelors and masters, and my Ph.D. at UMBC. I'm sort of all local, all the time, except for a little time elsewhere in the Navy.

At any rate, joining me today is our Vice Chair of the Board of Education Carolyn Boston as well as some other support staff of our organization that represent the team of professionals that developed our fiscal year 2015 to 2020 capital improvement program submission. We also have representatives of the county government here, Christian Rhodes and Lisa Jackson. Following my presentation you will hear from Carolyn Boston and then Lisa Jackson. And then following that we will be happy to take whatever questions you may have, or I may defer them to others.

Today we will provide testimony in support of our capital improvement program request to the State as outlined in our revised submission date of November 12, 2013 and subsequent updates. The proposed fiscal year 2015 capital improvement program request from Prince George's County Public Schools is for a total of \$109.5 million, which represents our final responses and adjustments as of December, 2013. This includes \$13.9 million for major renovations and additions at two schools, \$14.7 million for special education initiative projects at six schools, \$12 million for 14 high school/secondary school reform

projects, \$36.6 million for our top 32 systemic renovation projects, \$11.4 million for open space pod renovations at ten schools, and \$11 million for two limited renovation projects.

Also included in this capital improvement program request is approximately \$9.3 million of State funding for four school construction projects that were approved by the State that were fully funded by Prince George's County. These forward funded projects remain a high priority for reimbursement. These funds once reimbursed will enable other high priority school projects to be funded.

The above request was approved by the Board of Education on September 26, 2013 and supported by the Prince George's County government via their joint signature letter signed on November 22, 2013 to the State. You will note that our request this year is \$23.4 million more than we requested last year in recognition of the need to remedy significant concerns at our aging facilities, renovate facilities to extend their useful life, and to also support new education program initiatives. This initiative also represents our move towards a capital renewal paradigm to more

aggressively reduce our \$2.13 billion system wide deferred maintenance backlog.

It is important to note that our school system is in transition with new leadership and a new spirit of partnership across the county. Our vision for our schools is ambitious. This year is a critical one for planning and management reform. We have already begun to make major changes in how we do business, including capital planning and program management. You will see a marked improvement in the effectiveness of our program going forward. We have also revamped our planning process to take into account more effective utilization of our inventory.

Please note this year's planning requests do not take into consideration the potential for future changes. We have requested funding only for projects that will have an expected continuing useful life over the coming decades. The Board of Public Works can rest assured that the current request if approved will result in permanent useful improvements to our facilities even as we embark on our more comprehensive modernization program in the years to come.

The public school construction program letter dated October 29, 2013 suggested that there were some unresolved questions as a reason for some projects not yet receiving a favorable recognition. Therefore on November 12th, December 9th, 12th, and 13th we provided additional information and documentation to resolve the IAC questions. These projects were reviewed and revisited by staff and the required technical information has been provided to ensure that these projects are eligible for State participation.

Prince George's County appreciates the recommendations made by the IAC for projects to be approved by the Board of Public Works for a total of \$19.8 million. However, we believe that consideration should be given to the greater number of significant projects. Among our most critical projects are Tulip Grove Elementary School project, priority six and seven, requesting planning and funding of \$4 million as one of our major renovation and addition projects; ten open space pod projects, priorities 35 to 40 and number 71, for a total of \$11.4 million in State funding which the IAC has not recommended for

approval. If approved these projects will demonstrably enhance the educational experience for children at ten of our schools.

With our new leadership and management we are prepared to implement these projects with all due speed. Special education initiative projects, which represent our top nine priorities, numbers one through five and eight through 11 for a total request of \$24.6 million in State funding.

The many systemic projects not yet approved which include 25 projects, priorities 20 and 46 through 70. These projects will allow us to continue to operate our aging schools and include but are not limited to major HVAC, window, and electrical upgrades for a total request of \$31.2 million in State funding.

In Prince George's County we share your concern for providing a safe, healthy and high performing facilities that provide a rich environment that is conducive to learning and instruction. Maintaining our school buildings in a state of good repair and operating them in a safe manner is one of our highest facility management priorities.

Finally in closing, while not a part of this current request we are completing an analysis of our facilities to support the expansion of breakfast and the elimination of hunger. I am disappointed that only about 70 percent of eligible students in Prince George's County are eating lunch and about 42 percent of our students are eating breakfast. And so, you know, I want you to understand that we are aware of that and we are looking at what we need to do to overcome the obstacles to making that happen.

GOVERNOR O'MALLEY: Awesome.

DR. MAXWELL: I think you know that I join you in wanting to eliminate child hunger in Maryland. And we will continue to do what I can toward that end. With that, I'm going to turn it over to Carolyn Boston and Lisa Jackson, and then we will be happy to take questions.

GOVERNOR O'MALLEY: And doctor, if I could say, you all were great on that in Anne Arundel County and made a lot of progress. And 23,777 kids. I mean, that's on just the ones that are eligible for lunch now. So you are, you are the epicenter of opportunity on these low hanging Froot Loops.

DR. MAXWELL: And we will do absolutely, I will do, I mean I won't even say we, I will do everything within my power to make sure that we solve these problems.

GOVERNOR O'MALLEY: Yes, sir.

DR. MAXWELL: Some of them are facility issues, some of them are process issues, but we are focused on it. We have had two or three meetings already about it.

GOVERNOR O'MALLEY: Good.

DR. MAXWELL: And we have been in some contact with some folks here at the State. So, you know, I mention it because you may see some other things coming forward.

GOVERNOR O'MALLEY: Good. Well we want to help. And that's, I mean, you could, for all of the smaller counties, I mean, each kid is important but --

DR. MAXWELL: But this is, there is a lot in Prince George's County. Absolutely. Thousands and thousands.

GOVERNOR O'MALLEY: Terrific. That's exciting. How are you?

DR. MAXWELL: Ms. Boston, the wonderful Carolyn Boston, Vice Chair of the Board of Education.

MS. BOSTON: Thank you. I am here today to appeal the recommendation made by the Interagency Committee on School Construction. While we acknowledge and thank the IAC for their approval for a number of projects, we are requesting the balance of funds for fiscal year 2015 CIP to support the projects not yet recommended for approval. We are appreciative of the \$19.8 million in construction funding that has been recommended by the IAC for projects to start or to continue with construction and other capital improvement projects. However, this sum represents only 18 percent of the State funds requested for school construction that Prince George's County Public Schools will require in 2015 to support its capital improvement needs.

In December, 2012 we received an updated facility assessment report which shows that over \$2.13 billion is still needed to bring our schools into a state of good repair, excluding educational adequacy improvements. The real need is much higher than this. Our average school was built 50 years ago. It has

never been comprehensively modernized. Our average building is in fair condition, meaning that critical building systems such as HVAC systems have outlived their life expectancy.

These buildings do not serve our communities well. Many key educational initiatives cannot be fully implemented without needed improvements, including secondary school reform, open space pod conversions, and special education initiatives to move students from isolated special education centers to schools in their communities with their nondisabled peers. Therefore, full funding of our CIP beyond the \$19.8 million recommended for Prince George's County at this juncture is critical to ensure an adequate education facility are provided to meet the needs of our students and teachers.

We respectfully request your consideration of our appeal for the full funding of Prince George's County Public Schools' fiscal year 2015 CIP request. The changes in governance at Prince George's County Public Schools are already making a difference. We have an unprecedented level of support and collaboration from county government. Our new

leadership has expanded the staffing in the Department of Capital Programs while implementing improved communications and accountability in program delivery. We have initiated public engagement on the upcoming master plan revision. We are focused on monitoring and supporting the capital program at the Board level as well.

In closing I hope this testimony has provided the Board of Public Works of a clear picture of the need for Prince George's County Public Schools and a justification for the level of funding requested in the fiscal year 2015 CIP submission.

I also think it is important that you know that the School Board fully supports this year's request and the new directives that are being taken by the Chief Executive Officer and his staff. I want to thank you for this opportunity to speak today and appreciate your continued support to enabling us to provide Prince George's County children a quality education. Thank you.

GOVERNOR O'MALLEY: Thank you. And congratulations on the new leadership.

MS. BOSTON: Yes, thank you. He's a great guy. I love him.

GOVERNOR O'MALLEY: Yeah.

(Laughter.)

GOVERNOR O'MALLEY: Prince George's has it going on these days, doesn't it?

TREASURER KOPP: Mm-hmm.

GOVERNOR O'MALLEY: They have 40 percent reduction in homicides and auto thefts, and schools doing better, and great new leadership in place to take you to the next level. It's really phenomenal.

DR. MAXWELL: Christian Rhodes and Lisa Jackson from the county government, Governor.

GOVERNOR O'MALLEY: I know where you got Lisa Jackson from.

(Laughter.)

DR. MAXWELL: Yes, sir. We are good at that.

MS. JACKSON: Nice to be back. Just real briefly, Governor, members of the Board, distinguished State officials, I just wanted to say that I'm here on behalf of the County Executive. He was unable to be here today when the meeting got rescheduled. He had a

conflict today. But he just wanted to communicate his full support for the school system's request. And we look forward to continuing to work in partnership with you in the weeks and months and years to come.

And Christian Rhodes is the County Executive's Education Policy Advisor, and he might want to say a few words.

MR. RHODES: Sorry, only a few words I will add around the new collaboration in the county government. So as Dr. Maxwell and Carolyn Boston mentioned, it's more than just a new governance system but it's the way we do business in Prince George's County. For example, at the County Executive's request our Chief Administrative Officer Bradford Seamon had led a joint agency group to really streamline the process for communication around our CIP department. Now they have a direct line to the County Exec's office, and which we can move as quickly as possible. They have a brand new department of permits and inspections and enforcement, which will allow us to streamline projects much quicker than we have in the past. So with that, we fully support Dr. Maxwell and the Board of Education's request. And

we're here to show our full support moving forward.
Thank you.

GOVERNOR O'MALLEY: Thank you.

TREASURER KOPP: Could I ask a, since I, this great team right here, all of you, another hat, we all wear many hats. One of them that I wear is the Chairman of the College Savings Plans of Maryland.

MR. RHODES: Yes, ma'am.

TREASURER KOPP: And one of the frustrations we have is getting to the parents and families and schools in Prince George's County. Is, could we work together and try to address that?

DR. MAXWELL: Let me say that it was one of my first experiences returning to Prince George's County, when I asked to sign up for my continued payroll deduction into the College Savings Plans for my three grandchildren now that I've finished saving for my youngest daughter's plans and was unable to do so. So yes, I assure you that I hope someday very soon to be able to have my own deductions, our other employees' deductions, and that we can communicate more broadly to our community the opportunities that

those savings plans bring. So yes, ma'am, I will make that commitment to you.

TREASURER KOPP: I fully intend to reach out to you, Dr. Maxwell, and I hope we can bring, and I think it's something that everybody wants to do which is how --

DR. MAXWELL: I'm happy at any time, if you want to --

MR. RHODES: I just want to let you know I'm, there is actually a meeting scheduled next week with Darlene Reishan, I believe is a consultant working with the College Savings Plan to actually work with our Community Relations Department in county government to make sure that the information is put out. We actually also working with Lewis Robinson --

TREASURER KOPP: I was going to say, you've got a great Board member.

MR. RHODES: -- Lewis Robinson is Executive Director of PGCA but also a member of the Board, and has agreed to work with us jointly in moving the process forward.

TREASURER KOPP: That's terrific. I look forward to making great progress.

DR. MAXWELL: We will.

GOVERNOR O'MALLEY: We have a couple of people that want to be heard on the MBE, this is unusual. I can't recall this ever happening here. We have never allowed this to happen here before but we are going to allow this to happen here. And good luck to you all next year in keeping a lid on it. But we had a couple people who want to hear, who want to speak on the MBE program. So Kevin, if you wouldn't mind --

COMPTROLLER FRANCHOT: Could I just ask --

GOVERNOR O'MALLEY: Sure. Mr. Comptroller?

COMPTROLLER FRANCHOT: Just before we get to that, and I don't mean to shortcut that, but the County Executive nicely called me last night that I needed some help on and he couldn't have been more gracious. And please give him my greetings and tell him that the best thing he has done in a long time is bringing Dr. Maxwell on board. This is someone who is known for management efficiency, for innovation, for responsiveness. It's just, as the Governor said, more proof that Prince George's is moving in a great direction.

I did have one question because I noticed on the list that you had several open space conversion projects that were rated pretty low and they are not getting any funding. There are a lot of awful ideas out there but, from the seventies that I don't like very much disco being one of them, but that's just me.

(Laughter.)

COMPTROLLER FRANCHOT: This has got to be one of the most awful ideas. And how soon can you move to get closed classrooms into replacing these open pods, I guess they are called, or something like that?

DR. MAXWELL: Well they are requested, in this current request there is money being requested to help us do that. I mean, I absolutely agree. You know that I have done that in my past life as well. I mean, they are, I agree with you, it absolutely was a disastrous architectural design program. But we certainly can't do it by ourselves.

COMPTROLLER FRANCHOT: Sure.

DR. MAXWELL: We need the State to support that conversion. So yes, I know they got a lower score. But we would certainly continue to work with

the IAC to do whatever it is that we can do to increase, you know, the likelihood that we can get some additional funding.

COMPTROLLER FRANCHOT: Oh, back in the seventies, that's when baseball brought in the designated hitter rule, another bad idea.

(Laughter.)

COMPTROLLER FRANCHOT: So anyway --

DR. MAXWELL: The seventies gave us a lot.

COMPTROLLER FRANCHOT: -- keep us informed if you would on how that --

DR. MAXWELL: Yes, sir. Will do.

COMPTROLLER FRANCHOT: -- what your needs are, I guess, to make that happen.

DR. MAXWELL: You bet.

COMPTROLLER FRANCHOT: And congrats again.

DR. MAXWELL: Thank you.

COMPTROLLER FRANCHOT: You know, when you were here in Anne Arundel ten years ago you put air conditioning box units in the classrooms that didn't have air conditioning. And I have constantly asked Baltimore County and Baltimore City to do the exact same thing and they just dig their heels in and

refuse. And don't you, I think you also went over and did some for Prince George's?

DR. MAXWELL: Alex Szachnowicz, the Chief Operating Officer, has certainly consulted with other districts around the State. I can't speak for them and their priorities and things, but certainly Anne Arundel accomplished that, you know, prior to my arrival actually. But Alex certainly, you know, was a big piece of that working. And I think it was of very great benefit to the children in Anne Arundel County and in Prince George's County.

COMPTROLLER FRANCHOT: Prince George's. And are those box units in Prince George's, I take it, still up and running?

DR. MAXWELL: Yes. I mean, we have to replace some every now and again like you do everything else. But yes.

COMPTROLLER FRANCHOT: Well just keep up the great work.

DR. MAXWELL: Thank you.

COMPTROLLER FRANCHOT: And to the Board members and to the County Exec's staff, boy is it impressive.

DR. MAXWELL: Thank you.

COMPTROLLER FRANCHOT: Don't screw it up.
Go for it. Thank you.

GOVERNOR O'MALLEY: So we have two people
that want to be heard on the -- anyone else for Dr.
Maxwell?

SECRETARY MCDONALD: Ms. Rideout from DeQuan
and Mr. Washington from AWA are here. Both were
contractors on separate projects that they have asked
the Governor's Office of Minority Affairs if they
could address the Board.

GOVERNOR O'MALLEY: Come on down.

MS. RIDEOUT: Thank you. Good afternoon,
Madam Treasurer, Governor, Comptroller, and the
remainder members of the Board. I'm Claretta Rideout,
Managing Director and Owner of DeQuan's Number One
Enterprise, trading as DeQuan's Construction. I am
one of your recent graduates from the MBE program as a
subcontractor. I am the recipient of Maryland MDOT
top 100 MBE of 2006 to 2009, and also 2012, and also
recipient of out of 600,000 MBEs and minority
businesses in the United States, I came in the top
500.

I am saddened to be here today to address the Board in this matter. Upon graduating of 2012 I was awarded a purchase order contract through the P.G. County Public School, Prince George's County. Excuse me for the abbreviation, I've just been speaking on it, so much about it. And I'm saddened to say that once that I was awarded this purchase order, we abide by all rules and regulations and we proceeded to Laurel Elementary and started working as an MBE owner, not a subcontractor for a 100 percent owner in a construction management project in the Prince George's Public School System. I was very excited as a woman owned general contractor, located here as Baltimore City and a local municipality member of Prince George's County. Sadly, we started out the project, performing the duties of what the purchase order, you know, constructed us to do. But continuous of slow pays and no pays has forced my doors almost closed. And we have documentation that they owe us \$1.6 million. We have only been paid \$600,000 of that money. And due to the lack of, for whatever reason, they failed to follow their own prompt pay laws which is governed by COMAR. We have given them 43

documentation where they approved change orders, we responded in good faith. However, we received their purchase order. And if I could give you a document, a package that represents all of the things that we provided them and the change orders, which we did out of good faith because we got emails from their contract manager and project manager approving verbally by email but never issuing additional purchase orders to reflect all of our changes.

But in good faith on behalf of the children that we were doing new addition, and honestly I started out as a painter, a flooring contractor, and also as a ceiling contractor, and ended up putting on additions on this building, did concrete work. Anything that they needed to get this job done in good faith with the approval from their Construction Manager Mr. Chi Chi Sanchez and their Project Manager Chuck Floyd that they would be forthcoming with the purchase order change order.

And once we received one that represented \$500,000 and two years ago we continued to do the work and ask for the money, which almost shut our doors, we were told that it was a mathematical error. And the

kids are in school but however I am here today to tell you, sadly to tell you that we have not been paid.

And --

GOVERNOR O'MALLEY: Okay. Just --

MS. RIDEOUT: -- basically why we are here to say to you that --

GOVERNOR O'MALLEY: Okay. Mr. Maxwell, are you aware of this one by any chance? Has this risen to you yet?

DR. MAXWELL: I understand that's been some bid processes underway and there are some discussions that are ongoing.

GOVERNOR O'MALLEY: Okay.

DR. MAXWELL: I can't speak to the merits which happened some time ago. But, you know, I think you know my commitment. I think the Board of Public Works knows my commitment to minority participation. I think you commended me not long ago for one of the highest percentages in Anne Arundel County.

GOVERNOR O'MALLEY: Right.

DR. MAXWELL: And making sure that the work gets done and gets done correctly and payment are

things that, again, are part of the mode of processes

--

GOVERNOR O'MALLEY: Okay.

MS. RIDEOUT: And that's the reason why we were told that good luck on getting paid because Prince George's County is one of the highest rated MBE participants. They bring them in. They use them. But the problem is you may give us and award a contract, but the problem you don't pay us at the end. And we have been in numerous, we have been working with the Governor's Office of Minority Advocacy trying to get this closed.

GOVERNOR O'MALLEY: Right. Because we actually have somebody --

MS. RIDEOUT: And just recently --

GOVERNOR O'MALLEY: Excuse me.

MS. RIDEOUT: Yes, I'm sorry.

GOVERNOR O'MALLEY: That's all right.

MS. RIDEOUT: That's okay.

GOVERNOR O'MALLEY: That's okay.

MS. RIDEOUT: It's just that I'm so personally --

GOVERNOR O'MALLEY: Just take a deep breath, that's okay, take a deep breath. I know you've been waiting very patiently.

MS. RIDEOUT: Mm-hmm.

GOVERNOR O'MALLEY: And I appreciate that. And there are people who have been waiting all day here.

MS. RIDEOUT: Yes --

GOVERNOR O'MALLEY: And there's people in the hallway that want to talk, too. And we have never, ever, ever before that I can ever remember ever used this as a forum --

MS. RIDEOUT: Thank you.

GOVERNOR O'MALLEY: -- for petitioning for -

-

MS. RIDEOUT: Payment --

GOVERNOR O'MALLEY: -- a resolution for payment to a school board. Do you know why this is being, happening here?

MS. PEREZ-FOWLER: We have been working since last summer --

GOVERNOR O'MALLEY: And can you identify yourself --

MS. PEREZ-FOWLER: I'm sorry. I'm Carmina Perez-Fowler. I'm an Assistant Secretary for the Governor's Office of Minority Affairs. We have been working with the MBE firm and Prince George's County officials to settle this matter. And we have not been able to come up with a reasonable resolution. So --

GOVERNOR O'MALLEY: So you just decided to bring them in here?

MS. PEREZ-FOWLER: No. I had my Director of MBE Compliance who can go into specific facts.

GOVERNOR O'MALLEY: Uh-huh.

MS. PEREZ-FOWLER: But I think they were trying to raise this to a higher level. And they requested to the Secretary of the Board of Public Works to be able to attend this meeting. So I, can I call Janice Montague? She is my Director for MBE Compliance to teach us about how this appearance came up.

GOVERNOR O'MALLEY: Hi.

MS. MONTAGUE: Hi. Good afternoon. Yes, I, as the Director of MBE Compliance with the Governor's Office of Minority Affairs I did the initial intake for the complaint from Ms. Rideout's company. As a

matter of process when we receive these complaints what we do is refer that complaint back to the owner for resolution. We prefer, much prefer that the agency dealing with the contract situation directly, that they resolve that situation at the agency level. Ms. Rideout contacted our office at least twice, maybe three times. The third time we felt the need to assist with trying to come to resolution. That third intake happened in June of last year. I personally have worked since June to try --

GOVERNOR O'MALLEY: Are you finding Prince -
- I'm sorry, I need to cut to the chase for this because it's my job to keep this going.

MS. MONTAGUE: Uh-huh. Sure. Yes, sir.

GOVERNOR O'MALLEY: And moving it along and trying to resolve it. And if you all --

MS. MONTAGUE: Bottom line --

GOVERNOR O'MALLEY: -- are unable to resolve it and bring things to me independently, that you would have to come and bring it here on this Agenda is I consider kind of a pretty big failing of my office and yours. So I don't appreciate it. And I feel badly that Ms. Rideout had to spend all her time here.

And there's better ways to do this, and let Ms. Hurley know I don't appreciate it. So I want this, you all need to find better ways to resolve this than rolling in on what is already the longest Board of Public Works meetings we have in the course of any year.

MS. MONTAGUE: All right.

GOVERNOR O'MALLEY: Okay?

MS. MONTAGUE: Yes, sir.

GOVERNOR O'MALLEY: This is not the forum to do this. If you all need to --

MS. RIDEOUT: But sir --

GOVERNOR O'MALLEY: -- yeah, we're going to come back to you, Ms. Rideout, and we're going to give you the courtesy of wrapping up. Because we also have to hear from Mr. Washington who is here today, too. But when we come back to you, I will ask you to wrap up. But if you could hold one second.

So please let Ms. Hurley know --

MS. PEREZ-FOWLER: I will definitely --

GOVERNOR O'MALLEY: Totally inappropriate to do this here. There are better ways to go about this. You have a new school superintendent. And I don't

know if you said hi to him on the way in. But this is not the forum to do this. Okay?

MS. MONTAGUE: Okay --

MS. PEREZ-FOWLER: -- this will not happen again.

GOVERNOR O'MALLEY: Thank you. Ms. Rideout, do you want to wrap up?

MS. RIDEOUT: Yes, I will. You know, I understand that you are saying that this is not the best forum. But we did speak with, I myself spoke with Dr. Lever in trying to remedy this. And I received a notice from him that no one was listening. He had, he was raising his hand. And that's why I came. He actually intervened and tried to communicate with Prince George's County Public School System in reference on behalf of my case to get this resolved. And when I found that Dr. Lever could not help me to get resolution, because I did feel that this was a poor opportunity to do this, place to do this in. But I felt no other regards but for one reason. I represent hundreds of MBEs that are going through this just in the Prince George's County Public School System. I understand they are going through change,

but not on the backs of breaking DeQuan's and other small MBE backs to get their building built, and then don't pay us. And then we have to stand here to find out that all result, you know, this is our final step of trying to get somebody to hear us.

COMPTROLLER FRANCHOT: Could I --

MS. RIDEOUT: And so I'm going to pass it --

COMPTROLLER FRANCHOT: Just wait for one minute?

MS. RIDEOUT: Yes?

GOVERNOR O'MALLEY: Sure, Mr. Comptroller?

COMPTROLLER FRANCHOT: Yeah, no, you know, obviously the Governor is correct as far as his own staff. But it sure frosts me to think that you represent other folks that I take it get not satisfactory customer service.

MS. RIDEOUT: Yes.

COMPTROLLER FRANCHOT: And boy I hope the Superintendent will address this. If this is a problem as far as these folks getting paid, and the merits are on their side, I don't know whether they are but you seem to be perfectly rationale. And the fact that the Governor's Office has intervened three

times, most recently back in June, my God that seems like a hundred years ago.

MS. RIDEOUT: Actually last week we had a meeting, we had a meeting last week and they are going back to square one. It's like we haven't done anything.

COMPTROLLER FRANCHOT: Yeah. Well the biggest, among other things, things that bug me is the lack of customer service.

MS. RIDEOUT: Yes.

COMPTROLLER FRANCHOT: And I started off this session hours ago talking about my tax, my folks in my agency and you can take that visitors tag off, if you want. Go ahead and take it off. Because you are my employer, you are a taxpayer. And to the extent there is some mind set somewhere, and I see it all the time around the State. It's not the State necessarily, it's also county and others. There are pockets of people that just basically say, you know what? I don't care. I'm not going to give you customer service. You can just take a hike. And that is obviously unacceptable for the State's business

reputation, etcetera. So I'm not saying you deserve every dollar --

MS. RIDEOUT: That's right.

COMPTROLLER FRANCHOT: -- that you are asking for. But I would hope that someone would sit down later on today and sort this out, and get an answer to you by tomorrow.

MS. RIDEOUT: Okay.

COMPTROLLER FRANCHOT: You may not like the answer. But keep me in the loop.

MS. RIDEOUT: I will. And I thank you for you all's time and patience with this matter. And I always got support from each and every one of you.

GOVERNOR O'MALLEY: Thank you, Ms. Rideout.
Mr. Washington?

MR. WASHINGTON: Yes?

GOVERNOR O'MALLEY: Come on down.

MR. WASHINGTON: Good afternoon, Treasurer Kopp, Governor, Comptroller Franchot. First of all, I want to change what I was going to say slightly because none of the people in Prince George's County Public Schools behind me except one was here during any of the time that the events I'm about to read to,

if you give me that courtesy, happened. And there is a problem. I will be more than happy to sit down with Mr. Maxwell and then anybody over there to help me resolve my problem. Because I've been to GOMA. GOMA is aware of what is going on. There are people in Prince George's County Public Schools that knows what's going on. Dr. Maxwell I believe is not one of them. But if you give me the courtesy, I want to read you something.

First off, I formally represented 53 union employees. That's the first thing you need to know first, and then we can go from there. Some of us here appreciate union work.

My name is Alphonso Washington. I was born in a military hospital and raised in Maryland, a product of the Cherry Hill community under the watchful eye of now Governor Martin O'Malley. As a Marine I served my country proudly for six years. Continuing my American dream some 19 years ago I started AWA Mechanical. AWA Mechanical is a family owned, veteran owned employer. All of my employees are tax paying residents of the State of Maryland.

I am here for two reasons. I am seeking payment and I want to identify and provide a probable solution for a major gap in the MBE program. Since we are paying for it, the taxpayers.

I stand before you today seeking solution of an unpaid bill for a State funded, public school construction project where the payment process and accountability was not adhered to by the administering parties. This has left AWA, Inc. one step from closing its doors. We had 53 employees, we now have six. Fifty-three taxpayers, now we have six.

The general contractor for the project was Tuckman-Barbee Construction Company and the owner Prince George's County Public Schools. The project, the new Greenbelt Middle School, scheduled for construction by the owner, the Board of Education of Prince George's County, Prince George's County Public Schools. Greenbelt Middle School originally scheduled for August opening of 2012, which is key. It was delivered on time despite major delays at the start of the project. AWA was the winning bidder for the mechanical and plumbing portion of the project, which this school is a geothermal school. This is an energy

saving school. So we did the complete layout of this job on the mechanical plumbing fit out.

We bid in the bid process, we won it from Tuckman-Barbee Construction Company. The issues leading to my speaking here today revolve around the undisputed facts. The start date of the project drastically changed after AWA was asked to sign the contract, which they did. The contract start date for AWA being on site at the Greenbelt Middle School originally was July 1, 2010. AWA was not allowed to start its work until February 26, 2011, some seven and a half months behind schedule. The original completion date and delivery of the mechanical and plumbing work for the school to the owner moved forward from August 1, 2012 to July 1, 2012 even after the seven and a half month delay caused by the City of Greenbelt, Tuckman-Barbee, and Prince George's County Schools.

AWA was verbally directed to supply additional manpower with signed change order approval to follow pending acceptance to complete the project within the constraints of the new schedule developed by Tuckman-Barbee and Prince George's County Public

Schools. AWA requested meetings via emails and phone calls to discuss the Tuckman-Barbee the need to notify Prince George's County of the significant cost increases that would be incurred by a seven and a half month delay of the project start date.

At Tuckman-Barbee's request AWA submitted its estimated cost and change order proposals with the schedule at Tuckman-Barbee. We also showed the labor difference on the original flow of the project from July 10th to July 12th from startup occurring from June 1, 2012 to June 30, 2012.

To date AWA has not received all monies owed it, including the full remaining retainage amount for that project. AWA is owed \$1.4 million. However, we adjusted the payment due in an attempt to reach a mutual settlement to \$1.2 million.

As a result of the funds owed, we have been severely crippled in our operations while trying to get paid for not only contracts but also our changer order work that was performed and led to the timely opening of the new Greenbelt Middle School project. AWA has submitted documentation during and since the completion of the project and has finally got its

documentation to the desk of the Governor's Office of Minority Affairs and the appearance before the Board of Public Works State school construction projects. AWA is respectfully requesting that this government body intercede and have a straightforward investigation that would show how this nonpayment came to be in the first place.

The general contractor, Tuckman-Barbee, continues to move forward without having to repair the damage to subcontractors caused under the Board of Education of Prince George's County contract for the new Greenbelt Middle School to the tune of over \$10 million to \$20 million. In fact, they were recently awarded millions of additional public dollars in new school construction. These projects should not continue to be constructed on the backs of MBE contractors and subcontractors, female owned contractors and other minorities who are out here trying to become part of a system that they helped to build.

As I stated before, I am not here today just for AWA Mechanical. I am here to shine a light on the misuse and distortion of what was once one of the best

MBE programs in the country. To make sure that this does not happen to any other MBE I suggest that the following changes be at least considered.

Change the operating protocols which exclude the MBE subcontractors from knowing what is being discussed during their funds, with their funds, and exactly where the subcontractors are relative to the project status of construction. For small MBE contractors, it is not just about us. It is about our families and our survival.

Creation of an independent compliance officer assigned to the jurisdiction where State funds are included in the project and the use of an ECCFS. That's an electronic coded cloud filing system. Some people in here might not be familiar with it, but I am quite sure some of the people who are technology minded are very familiar with it. This will allow data to be instantaneously stored at the time it happens, that quick. And that way everybody is on board and the transparency is floating right through.

Establish a formal process that allows the MBE to assure their documents, especially their billing and change orders, actually reach the owner's

hands. Changes would include alert the owner on any issues; two, allow the owner to directly see the MBE payment and billing process; and three, to create an independent file that is copied to the State of Maryland MBE officer involved with the project so that the companies can be tracked and followed. And problems resolved well before they ever get out of hand.

A creation and implementation of an MBE enforcement unit not employed or paid for by the jurisdiction where the State funded construction project is being built. The unit would have the authority to recommend fines against offenders of the program. The funding could come from the allowance carried by each winning general contractor using MBEs on their project. For those GCs who are granted a waiver, a substantial flat fee would be assessed.

And lastly, make the MBE compliance officer a State employee not paid by the school system he or she is working in. As it stands now the MBE compliance officer can go but so far before moving on a situation gets literally stopped. This officer

would report directly to GOMA and the school construction where future budgeting could be examined.

In closing I am respectfully asking that the members of this Board and the Legislature for one review the facts of AWA in Prince George's County Public Schools in the Greenbelt Middle School project; and two, pay the \$1,401,725.93 owed to AWA Mechanical. Make changes to the MBE protocols that will strengthen and give hope to the men and women who are trying to create good tax paying construction jobs in the State of Maryland. Implement the protocols that would assure when MBE contractors are directed to perform additional work above contract work, they will get paid and be able to keep their businesses stable and grow.

I also want to apologize. I am very sorry, I'm not sorry that I came here. I'm sorry that I came here believing that somebody wanted to hear what I had to say. That hurt me what you said a few minutes ago. I just didn't, I didn't understand that. I thought this is where you could come. I mean, I knew, I voted for you when you were in --

GOVERNOR O'MALLEY: Yes, sir.

MR. WASHINGTON: -- Baltimore City. You ran one of the best MBE programs in Baltimore City.

GOVERNOR O'MALLEY: And did you know that under the, that here we exceeded our goal for the first time in the history of the State?

MR. WASHINGTON: I heard that. But --

GOVERNOR O'MALLEY: What I, I didn't mean to insult you in any way, Mr. Washington. What I'm --

MR. WASHINGTON: It's not an insult. It just hurt.

GOVERNOR O'MALLEY: I didn't mean to hurt you in any way, sir. I feel badly that we wasted your time coming here, because we are not a forum that can litigate a contract dispute here. And I feel badly about misleading you. It's not out of a lack of respect for your hurt, for your pain, for the economic hardship you have endured. We are just simply not set up here to give you a proper hearing. It would be like walking into another court of law and not having your file before us. And I feel badly that people in my employ told you to come here and wasted your time sitting here when we were not set up in this forum to be able to adjudicate or resolve your problem. It

should not have gotten to this point. And I guess maybe some good that can come of this is Mr. Maxwell has seen you now, you have seen him. And perhaps all of you can exchange cards in the hall, along with our people from GOMA, and we can resolve this.

Mr. Lever, do you have anything to add to this?

DR. LEVER: I advised that this is not the right forum for this kind of dispute to be presented in.

GOVERNOR O'MALLEY: Yeah, it's not that we don't care. I just don't have the facts or the file.

MR. WASHINGTON: I understand.

GOVERNOR O'MALLEY: I would be like walking into Wabash when your case is on the East Side. You know? I just can't, I don't have the facts in front of me. And I'm not capable, nor is Mr. Franchot for all of his compassion, or the Treasurer in this matter, of being able to resolve this in this forum.

MS. RIDEOUT: I didn't really come here for the result. What I come here for is that we know that you are approving, we know that you are approving contracts, State, you are approving our tax dollars

for public school systems like Prince George's County Public Schools to come and beg for construction dollars to continue to build. And you are expecting them to do the right thing for not only the children, but the children are our children that are going to those schools that we are taxpayers and our businesses are building those schools out of those same dollars. We wanted you to know that the money you awarded them is being misappropriated when it comes down to the contractor. We know that this is not the forum to get it resolved. But we wanted every member of this body to be aware of where, of how the bottom dollar comes down to us is not getting done fairly. And so when you make your approvals, maybe you guys could help us by helping the MBE, or talking to these people who are coming up begging for these construction dollars to make sure that they treat the MBE who are taxpayers better and better customer service. Because if you are not made aware of this you sit here, you approve, and you think they are doing such a great job. But here I am, a taxpayer, who pays school taxes. And my children are grown, and I gladly pay it. And I support everybody in here. But when it comes time to

get the money that I put out to build those same schools that my neighbors and my constituents, my friends, family kids go to, I don't get the respect back for the dollars that I spend. And I think it's an appropriate forum for me to stand here and tell you that. Because of for no other reason, you know the whole story. And you get this tax dollar paying person's opinion about it and know why sometimes minority business says why graduate from the MBE program as a subcontractor to get stepped on and disrespected as a general contractor? Because isn't that the goal? More MBE shows entrepreneur improvement for State and federal dollars to continue to grow entrepreneurship. That's what we want you to hear.

GOVERNOR O'MALLEY: Yes, ma'am. Is there anything else, Ms. Rideout, you would like to say? Or Mr. Washington?

MS. RIDEOUT: Thank you. Thank you so much.

COMPTROLLER FRANCHOT: No I just want to say

--

GOVERNOR O'MALLEY: Mr. Franchot wants to talk about this some more.

COMPTROLLER FRANCHOT: No, I completely agree with you, Governor. I think it's the wrong forum. But I certainly think that based on the folks that testified, and my God, have I wasted, have I spent a lot of hours before this Board over the last seven years listening to people sometimes that had no business being here legally, I guess? Or technically? But to the extent as I understand what's going on. It's not the Prince George's government, it's these contractors utilizing their subcontractors in a way which is unacceptable. Now that may not be the case. But I would appreciate it if Dr. Maxwell would get back to us on whether there is any reason to think that the MBE subcontractors get the short end of the stick. And I can see that happening. If I were a general contractor, and I had a change order and I didn't want to pass it along to the owner, I can see that. Everyone is looking out for themselves these days. They are tough times. But to the extent these folks represent others out there that are getting, you know, pushed around. And you know, the Governor's own agency intervenes, one, two, three times, and nothing happens. Would you please check it out? And if you

need to, make some changes so that something like this is not, A, it's corrected if these folks are right for themselves. But more importantly, what about everybody else? And you know --

GOVERNOR O'MALLEY: Will you tell Ms. Hurley I want to see her about this one? Both of these?

MS. PEREZ-FOWLER: Yes, I will --

GOVERNOR O'MALLEY: I want to see her like right away. Is she off this week?

MS. PEREZ-FOWLER: No, she's not. She is right now in, testifying on a bill, H.B. 14.

GOVERNOR O'MALLEY: Okay. That's understandable. Tell her I want to see her right away.

MS. PEREZ-FOWLER: Okay.

GOVERNOR O'MALLEY: Like within the next 24 hours.

MS. PEREZ-FOWLER: Okay. I will definitely do that.

GOVERNOR O'MALLEY: And Mr. Maxwell, you will help us follow up with this, won't you?

DR. MAXWELL: Yes, sir.

GOVERNOR O'MALLEY: And you will exchange cards with these kind people who waited all day in the wrong forum in order to just try to get their matter heard?

DR. MAXWELL: I believe we know how to reach them and we will reach out to them.

GOVERNOR O'MALLEY: Awesome. Thank you both very much.

MS. RIDEOUT: Thank you all.

GOVERNOR O'MALLEY: Thank you.

TREASURER KOPP: I'd like to say I for one would like to hear from Mr. Maxwell after all this what, and not now, I'd like to hear after all this what the situation is both regarding subs but also payment to contractors.

MS. RIDEOUT: I left a, I gave it to, I don't know who has it. I left a package that addresses what DeQuan's signed.

GOVERNOR O'MALLEY: Awesome. Thank you very, very much. Thank you both for your patience.

DR. MAXWELL: We'll get back to you.

GOVERNOR O'MALLEY: Thank you. Montgomery County? And we still have on deck Howard, Harford,

Dorchester, Charles, Allegany, Anne Arundel, Baltimore County, Maryland School for the Blind, Baltimore City.

I apologize for the wait. Montgomery County?

MR. KAUFMANN: Good afternoon, Governor O'Malley, Comptroller Franchot, Treasurer Kopp. I'm Phil Kaufmann, President of the Montgomery County Board of Education. I'm here today with Superintendent Joshua Starr. We thank you for your past support and to ask that you fully fund our current request. Our County Executive Ike Leggett planned to attend, but with the date change was unable to rearrange his schedule.

So as you are probably aware, our burgeoning enrollment growth continues, increasing this year to 151,000 students, a one year increase of more than 2,700 students. By 2020 we anticipate continuing growth to 162,000, a staggering increase of 25,000 since 2008. In six years we have gained 14,000 students, mostly elementary school students. This is more than the combined growth in Anne Arundel, Howard, Frederick, and Baltimore Counties. This is the equivalent of 18 elementary schools with the capacity of 740 students each.

This growth will push to the secondary schools, creating the need for nearly 10,000 middle and high school seats, the equivalent of four middle schools and two high schools. No other jurisdiction is seeing this unprecedented growth. In fact, ten districts have lost students while we have gained.

Who are our students? Between 1970 and 2013 our system has changed from one that is predominantly white and non-Hispanic, to one that is a very diverse population and where white, non-Hispanic enrollment now is only 32 percent of the total. One-third of our students qualify for free and reduced priced meal system services, increasing over the past 20 years from 20,000 to more than 49,000.

We continue to enroll half of Maryland's English for speakers of other languages students, providing services to more than 20,000 students, representing 158 countries and 127 languages. Almost three-fourths of these students are born in the United States.

Nearly \$600 million is needed to address our capacity needs alone. This is separate and apart from the very real and equally serious need for other

capital expenditures. While the county has provided substantial financial support, for which we are grateful, it has not been enough, nor will it ever be enough. State aid, for which we are appreciative, has not kept pace with our clear and documented needs. If we are to have any hope of closing our capacity gap and addressing our aging facilities, it is crucial that our State aid request be approved and imperative that we receive continued and well as additional State support to maintain our commitment to provide excellent facilities for our students and staff.

So thank you for your time and attention to our concerns and for your consideration of our State aid request. Now I will turn it over to Dr. Joshua Staff, our Superintendent, to provide more details on our request.

GOVERNOR O'MALLEY: Thank you.

DR. STARR: Good afternoon. I will try to be very brief. Thank you as always for the opportunity to talk about our capacity issues. Thank you for having us today.

The IAC has recommended funding \$22 million of our nearly \$163 million request and we are here

today to appeal for the balance of those funds. Before you are the details of our request, which barely begin to illustrate the depth and breadth of our needs. Our appeal includes the balance of construction funding for one project, construction funding for 14 projects, planning approval and construction funding for five projects, funding for five systemic roof projects, funding for nine systemic heating, ventilation, and air conditioning projects, and planning approval for ten projects.

Completed projects are indicated as priority numbers one through 11, and 27. Construction contracts have been awarded and construction has begun for projects listed as priority numbers 26 through 41-42.

As Mr. Kaufmann has said, State aid in recent years has not kept pace with our school construction program. And while the county has provided substantial support it is not enough to address our needs and burgeoning enrollment.

As you know, the Montgomery County, Prince George's, and Baltimore County Executives last week announced their intent, or two weeks ago, to work with

their State delegations to develop legislation that would provide additional funding for capital projects. These funds would be used to build new schools, add classrooms, and modernize older facilities. The three executives, as well as all of us here, understand that improving the teaching and learning environment in our schools is an important and critical step to ensure that Maryland remains the number one state in the country when it comes to education.

We urge you to consider our appeal for funding. Thank you for your past support and the opportunity to appear before you today.

GOVERNOR O'MALLEY: Thank you, doctor.

Questions?

COMPTROLLER FRANCHOT: Thank you, Mr. Kaufmann, for your leadership. It's a great board. Dr. Starr is frankly a hero of mine. I used to get into arguments with him all the time. But ever since Arne Duncan called up to New York and got him unhired by the Mayor, boy I have paid a lot of attention to you, Dr. Starr. And anything that we can do to be helpful to you, because you are absolutely right on this issue of standardized testing. A year ago you

wrote in the Post that we must be accountable for the achievement of all children, especially those who historically have not been well served by public education. But increased use of standardized tests has been the wrong mechanism. That's why No Child Left Behind has been ineffective at closing the achievement gap. And I'm sorry, you don't have to comment on New York City. But their loss is our gain. And boy, I'll tell you, you are on to something when you say that evaluating teachers is a very complex effort. That you have to focus not only testing alone but on pedagogy, content knowledge, classroom management. I was in Newport Mill Middle School in Kensington with some of my artist awards recently. And believe me, everywhere I go the public is saying, hey, what gives with this? This is becoming an obsession. And all we read about is testing and we don't read about education.

And so stick to your guns. I'll vote for you, anytime.

DR. STARR: I appreciate that.

COMPTROLLER FRANCHOT: And, you know, let me just ask on these, once again on the Common Core,

since I have asked it before to other systems. Apparently you are going to need about 18,000 compliant new devices at \$600 per device. That's going to be a cost of over \$10 million. You need to build out the infrastructure, the wireless infrastructure for this Common Core exercise of Mr. Duncan's by another \$3 million, that's going to cost. Apparently it's going to cost \$4 million to connect to the wide area network. And so there we are, we're already up to \$16 million. Are you expecting the federal government to pay all this? Or is there some rock candy mountain that I'm not aware of where this is all going to get paid for?

DR. STARR: No we, you know, we understand that there is a degree of an unfunded mandate of requiring the testing requirements for Common Core. But we support Common Core state standards. We support PARCC. We embrace the opportunity to double the number of devices that we have to get into the hands of our kids in our schools. We want to make sure that they are devices that can be used for other things as well. We do think there are obviously some complicated issues with implementing the Common Core

and the technology issues are certainly one of them. And it is, as we say, an unfunded mandate. We have put in our budget doubling the number of the devices we usually purchase and we are doing everything we can to get our kids ready.

COMPTROLLER FRANCHOT: Great. Well, Nicholas Tucker from Piney Branch Elementary, he came up to about my hip, I gave him an award. Pauline Turra and Adam Anderson, their works are all over in my office. Fabulous credit to the county. Obviously Joann Burl is someone who is an exceptional volunteer and I stopped by Hoover Middle School in Pinecrest recently. And just keep up the great work. I am officially a huge fan of yours, so.

DR. STARR: I very much appreciate that. And thank you for your support of our kids, particularly arts programs as well. They do some great work. So thank you.

GOVERNOR O'MALLEY: Now we've had, we've been able actually statewide to close our achievement gap, correct Jared?

MR. BILLINGS: Yes, sir.

GOVERNOR O'MALLEY: But what amount? Come up to the mike, would you? And introduce yourself? I wish Lillian were here.

MR. BILLINGS: How are you? Jared Billings of the Governor's Office.

GOVERNOR O'MALLEY: And Jared, tell us about the achievement gap in Maryland over the last few years.

MR. BILLINGS: So we have actually been able to close the achievement gap both in terms of AP scores for, you know, our ninth through 12th grade students. We have also had a great closing of the achievement gap on MSA and HSAs. And so there has been improvement there over the last few years. Obviously No Child Left Behind is a policy that we have actually gotten a waiver from. And so that is not officially what we are working under right now as we speak.

GOVERNOR O'MALLEY: I just wanted to talk about the achievement gap. Thanks for that.

MR. BILLINGS: Sure.

COMPTROLLER FRANCHOT: Yeah, that's --

GOVERNOR O'MALLEY: How are you guys doing with the achievement gap, doc?

DR. STARR: It continues to narrow. Our most recent graduation results show that they are up across the board and we are narrowing it a little bit. We --

GOVERNOR O'MALLEY: You say they are up across the board, you mean the achievement gap has grown across the board?

DR. STARR: No, no, the graduation rates are up.

GOVERNOR O'MALLEY: The graduation rate?

DR. STARR: And particularly we are narrowing the gap in graduation rates. And we are seeing a little bit of narrowing in SAT and AP as well. But we do reflect on the state of the State and the nation, and we still continue to have gaps. This year --

GOVERNOR O'MALLEY: Is it growing at the elementary level in Montgomery County?

DR. STARR: No. Not that I'm aware of. It has been pretty stable, quite frankly, over the last few years, which means that we have not done all we

could. We have recently set achievement gap reduction targets for the first time --

GOVERNOR O'MALLEY: Great.

DR. STARR: Both at the high school and the elementary level. Not using the MSA for that, but using nationally norm reference tests as well as advanced placement, SAT, graduation, because we believe that by setting targets for reduction in gaps we will double down on our efforts to close them.

GOVERNOR O'MALLEY: Terrific. Hey, one of the things that I've been bringing up with all of the superintendents is, especially in a county as populous as Montgomery, there are 16,353 kids who while they receive a school lunch do not receive school breakfast though they are eligible. So if you could help us. Anne Sheridan is here. Raise your hand, Anne? She is our Secretary for Children, Youth and Families. If you, I know we've talked about this before, but so the participation in Montgomery is around 56 percent. Which is, how did that compare to Prince George's?

MS. SHERIDAN: They are about the same.

GOVERNOR O'MALLEY: About, so Prince George and Montgomery, two of our largest counties, are also

two of our lower in terms of participation in school breakfast. So I think it is some low hanging opportunities and we would like to help us reach those. And the funding is already there in many cases, and we put some more funding in for the connective sort of things, like the carts or the other stuff. So anyway, I just wanted to mention that.

DR. STARR: And we very much appreciate your efforts in that regard. And we know we have been working closely with your office to see what we can do to provide more breakfasts to more kids at low cost as well. So particularly a nutritious breakfast. So we very much appreciate your efforts because our kids need it.

GOVERNOR O'MALLEY: Thank you.

COMPTROLLER FRANCHOT: Could you also introduce your other colleague?

DR. STARR: Oh, I'm sorry. We didn't introduce James Song, the incredible guru who is behind all of our construction. He is the head of our division.

GOVERNOR O'MALLEY: Are you all doing something with that farm that was much in controversy a couple of, what was the name of the farm?

DR. STARR: I'm sorry, I think our time is up.

(Laughter.)

DR. STARR: No --

GOVERNOR O'MALLEY: We'll take it up in the extra time.

DR. STARR: Yeah. The farm is currently sitting there. It is, we actually have been working quite well with some of the folks who have been very interested in environmental sustainability. They have been actually meeting with my curriculum folks because we do know that there are some people involved in the discussion that were not necessarily about the 20 acres but were about the concept of environmental sustainability and farming. We have been working with them to embed some of their intelligence into our curriculum. But as it currently stands the farm is sitting there.

GOVERNOR O'MALLEY: Yeah. It might be something, it might be something that could help with

the nutrition on the lunch stuff, too. I bet you could raise a lot of stuff. Anyway, we'll look forward to, if you find a way forward on that we'd be glad to partner with you on that, too.

DR. STARR: I appreciate that.

GOVERNOR O'MALLEY: Thanks for your presentation today.

TREASURER KOPP: Can I just clarify something?

DR. STARR: Sure.

GOVERNOR O'MALLEY: Treasurer Kopp?

TREASURER KOPP: Susanne just mentioned to me, I just want to make sure it's right. That the projects one through 11, four of which are being funded, were actually forward funded? So this is just money the State owes?

DR. LEVER: These projects are under construction or complete, is that right, doctor?

DR. STARR: They are completed.

DR. LEVER: They are completed. They did forward fund, and so we are reimbursing now.

TREASURER KOPP: Or not reimbursing.

DR. LEVER: Correct. We have to, they are -

-

TREASURER KOPP: Yes.

DR. LEVER: -- none of these are liable to become PAYGO only projects --

TREASURER KOPP: That is my question.

DR. LEVER: -- until I believe two years from now, is that correct, James?

MR. SONG: A year and a half.

DR. LEVER: A year and a half.

TREASURER KOPP: So these have to be funded this, in this budget or the next?

MR. SONG: Correct.

DR. LEVER: Yes.

TREASURER KOPP: Or it will cost a lot more?

MR. SONG: Correct.

DR. STARR: And that, as you are of course aware we have a longstanding tradition of forward funding --

TREASURER KOPP: Yes.

DR. STARR: -- projects because we are growing so much --

TREASURER KOPP: Because you need them, yes.

DR. STARR: -- and have great needs.

TREASURER KOPP: I must say I, it just strikes me, and I do understand, I do understand our situation, absolutely. But I have never seen so many Bs. I mean, usually you find some reason to put a C on it instead.

DR. LEVER: We work hard.

TREASURER KOPP: A B acknowledges that these are perfectly appropriate projects and ought to be done, and there simply aren't the funds at the moment. I mean, it's really a lot of them.

GOVERNOR O'MALLEY: I just wanted to direct your attention to the chart --

TREASURER KOPP: Yeah.

GOVERNOR O'MALLEY: -- as I leave at the end of my --

TREASURER KOPP: There have been more funds dedicated to school construction in the last eight years, seven years than anyone dreamed of before. But the need --

DR. STARR: Yeah, and if I may, I mean, you know, coming into the State only three years ago, seen both at the local level in Montgomery level and at the

State level, the commitment to school construction funding is --

TREASURER KOPP: Extraordinary.

DR. STARR: -- there. It is, you know, the charts show it with the State and local. And yet we still, we are growing so much that it is not enough. So we are coming forward it is not to suggest that much has not been done at the State level, also by the County Executive, but there is just such a great need that we have --

TREASURER KOPP: When the State goes to the bond market with a general obligation bond, as we will in March, usually over 60 percent of the funding is for elementary, secondary, or community colleges and higher ed. I mean, that is what things cost.

DR. STARR: We very much appreciate the commitment.

GOVERNOR O'MALLEY: Okay.

TREASURER KOPP: Thank you.

GOVERNOR O'MALLEY: Thank you, Dr. Starr.

Thank you all.

DR. STARR: Thank you. Thank you.

GOVERNOR O'MALLEY: All right. Howard County? Yes, thank you. All right, Howard County?

DR. FOOSE: Good afternoon, Governor.

GOVERNOR O'MALLEY: Good afternoon.

DR. FOOSE: Comptroller Franchot, Treasurer Kopp, I'm Renee Foose, Superintendent of School for the Howard County Public School System. I want to first off say thank you for the approval of the \$14 million in State funding that you initially funded out of our initial allocation, or request, of \$29 million.

Howard County is continuing to experience an expanding student population in terms of both numbers and diversity. Growth along the Route 1 corridor and in Downtown Columbia continues to increase the existing pressures on our school facilities with many of these schools being served by multiple relocatable classrooms. Approximately 9,000 additional residential units have been permitted in the Route 1 corridor alone, with many of those units already in various stages of construction. Ducketts Lane Elementary School opened this past August and it is already at capacity. We are opening a new middle school this fall and it is already at 50 percent

capacity, and we are definitely going to need to open a new middle school to service the Route 1 corridor population no later than 2019. The revitalization of Downtown Columbia has begun and we know that there are over 5,500 new residential units being added to that area.

While it is not included in this year's request we have requested the IAC consider approving the replacement of Wilde Lake Middle School to help accommodate the anticipated growth in Columbia. Should it be approved we have already received a letter of commitment for grant funding from the Maryland Energy Administration to design it as one of the first net zero schools in Maryland. And we would be very proud to be the first net zero school in Maryland.

GOVERNOR O'MALLEY: That's great. Cool.

DR. FOOSE: The graphic that we included in your packet illustrates how much progress we have made demonstrating environmental responsibility and reducing operating costs over the last several years. Our annual fiscal 2013 utility costs were \$6 million than they were in 2010.

We continue to balance the need for new classroom seats with maintaining the condition of our existing physical plant and continue to make capital improvements that will reduce life cycle operating costs as some of the systemic projects in this year's request reflect.

There are three areas that we are here really to talk to you about today. The first one is Deep Run Elementary School, which is LEA priority number five, renovation and addition. We are requesting the remainder of the funding for this project to be provided to enable the project to proceed for bidding in Spring of 2014. The second one is Patuxent Valley Middle School, priority number six. It is a renovation and addition. And the schematic design documents have been submitted for review to the State Department of Education. And we are requesting the project status be upgraded to enable funding, which will allow the project to proceed to bidding in Fall of 2014. And the third area is Centennial High School and Wilde Lake High School, priorities number eight and nine. Both are roof replacements.

The taxpayers of Howard County have supported school construction over many years. While not all locally funded projects have met the criteria for State funding, Howard County has consistently funded more than 70 percent of the total capital requirements for the school system requiring other needs within the county to be deferred. And while we understand the constraints that factor into the calculation of funding eligibility, we ask that you consider the magnitude of local investment prior to making your final decisions.

And I want to thank you for giving us the opportunity to present our views and for your patience today. This is almost as fun as a school board meeting.

(Laughter.)

DR. FOOSE: I want to introduce our Board Chairman Ellen Flynn Giles.

GOVERNOR O'MALLEY: And I want to congratulate you all on the tremendous effort. I mean Howard County, your county government really steps up. I mean, some of the other counties do not step up. They will come here and they will say, "We really want

you to do more for us," but they are not doing more for themselves. But Howard County, the reason you are able to, the reason you have succeeded as you have is because your county government maximizes the progress possible by stepping up on their end of the equation, I think, safe to say. Yes, David?

DR. LEVER: They do.

GOVERNOR O'MALLEY: Go ahead.

MS. GILES: Thank you. I'm Ellen Flynn Giles, Chairman of the Howard County Board of Education, and I'm happy to be here to advocate on behalf of our 51,000 students. And I echo your support for our county's support. In Howard County education is the number one priority, and that is embraced by everyone across the Board.

In prepared for our capital budget our mandate is to provide an educational environment that allows every Howard County student to achieve. Today's challenging economic climate does not lessen that charge. At the same time we are keenly mindful of our fiduciary responsibilities to our community and we are committed to ensuring that every dollar

invested brings a maximum return in value to the instructional process.

We maintain one of the lowest levels of overhead among Maryland school systems. We take an aggressive approach to cost containment through a combination of process improvement, high performance construction, and energy conservation throughout our organization. We are very proud of process improvement efforts in our maintenance department. We have created an internal retro conditioning team to bring older buildings back to baseline design conventions. This has earned us \$15,000 in rebates per building from BG&E and the total to date is \$1.1 million.

Moving forward our ongoing cost containment programs will bring nearly \$6 million in utility savings in fiscal year 2015 and we anticipate another \$500,000 on our condition based maintenance. Energy conservation and sustainability measures have been embraced by students and staff throughout the system. Nearly two-thirds of our schools have been recognized as green schools for their innovative programs. And I know the Governor remembers learning how to assess pH

levels by goggled up at Dunloggin, our only green ribbon school. One of two national schools in the country.

GOVERNOR O'MALLEY: Great school.

MS. GILES: LEED standards guide all construction planning and every new construction or renovation project is designed to achieve LEED eligibility.

Recent tragedies affecting schools and communities bring student safety into sharp focus. This year more than \$1 million in State funded capital improvements have been approved to significantly enhance security in many of our elementary and middle schools. These include buzzer system and front office layout modifications that prevent unauthorized access, and the enclosure of open space areas to create more secure and efficient classrooms.

We are grateful to you for all of your support and we thank you for your careful consideration of our appeal.

GOVERNOR O'MALLEY: Thank you.

COMPTROLLER FRANCHOT: I just want to thank Dr. Foose. I love your background. You were in the

State Police before you were Superintendent. And you have done a fabulous job in Howard. And Mrs. Giles, thank you for your, the Board leadership. Just a quick question. Do you have any geothermal heating and cooling?

MS. GILES: Absolutely.

DR. FOOSE: Yes.

MS. GILES: And if you would like particular detail, Ken Royce is our Chief Facilities Officer and can answer what those are.

DR. FOOSE: Glad you asked that question.

MR. ROEY: We have multiple systems. All of our renovations going forward are designed as geothermal systems.

COMPTROLLER FRANCHOT: Excellent.

MR. ROEY: And we have a number already in operation.

COMPTROLLER FRANCHOT: Excellent. Thank you.

GOVERNOR O'MALLEY: Can I mention something to you? On the school breakfast front, you guys only have 36 percent of your lunch eligible people,

students that participate in breakfast. That's a huge delta of opportunity. It's 4,994 kids.

DR. FOOSE: Governor, I think the numbers, thank you for the help that you have given us. But we have taken a very aggressive approach to the whole child. We provide breakfast to all of our children in all of our schools every day.

GOVERNOR O'MALLEY: Huh.

DR. FOOSE: This is a matter of students selecting not to eat breakfast. And we went so far as to think maybe they are bypassing the cafeteria. So now we have it in the classrooms when they get there. And the custodians don't like that, because then they have to take all that food back.

GOVERNOR O'MALLEY: Right.

DR. FOOSE: But we have made a very concerted effort to make sure that all of our children have the opportunity to eat breakfast. And we now have a huge campaign underway where we are looking at choices that students can make to eat healthy, healthier options within our schools. And a lot of that money isn't coming necessarily federally. We are

absorbing that cost in our operating budget. We share your commitment.

GOVERNOR O'MALLEY: Anne, what is the matter here.

MS. SHERIDAN: Well great job with the schools participating in Maryland Meals for Achievement.

GOVERNOR O'MALLEY: Yeah, I think you need to come up and --

MS. SHERIDAN: -- I'm sorry --

SECRETARY MCDONALD: -- microphone.

GOVERNOR O'MALLEY: I've never seen --

TREASURER KOPP: Some of us are not as well acquainted with these programs as we should be. Maybe it's an opportunity to --

MS. SHERIDAN: Sure. So I would say great job on the behalf of this jurisdiction --

GOVERNOR O'MALLEY: And identify yourself for the record?

MS. SHERIDAN: I'm sorry. I'm Anne Sheridan. I'm the Executive Director of the Governor's Office for Children, and along with a commitment from the Governor and a host of other

advocacy groups around the State, and people interested in supporting academic achievement, we have had the Partnership to End Child Hunger in Maryland for a number of years. And a key part of this has been a State funded program called Maryland Meals for Achievement, which this jurisdiction has participated in successfully and energetically, which is great. But I think we have to think on a school by school basis of how we can still --

GOVERNOR O'MALLEY: So what is the reason for them having the lowest participation percentage of any school system we have seen so far today? I mean, why is it that Kent County can do 94 percent and Howard County is at 36 percent with so many more kids?

MS. SHERIDAN: I think we should still be looking at a school by school basis, and what are the barriers for kids to get breakfast and be crafting solutions to those on a school by school basis. And there is still lots of help available to the district to do that. And we're, yeah, here to help you do that.

GOVERNOR O'MALLEY: All right. So we don't know on a school by school basis? What is your --

MS. SHERIDAN: It can be school schedules. It can be the fact that when you get to school and are not getting to your classroom without having to, without the opportunity to get a meal in between when you get to the school and when you get to the classroom.

GOVERNOR O'MALLEY: Mm-hmm.

MS. SHERIDAN: Yeah, it can be a lot of sort of logistical things. And it can be also just not truly trying to make breakfast part of the school day. So --

GOVERNOR O'MALLEY: Are you guys satisfied with where you are in your achievement gap?

DR. FOOSE: There is always room to grow.

GOVERNOR O'MALLEY: Mm-hmm.

DR. FOOSE: Okay? There is always room to grow. Am I personally satisfied? No. And have we developed a strategic plan around making sure that we are eliminating the achievement gap? Yes. Do we have some of the same problems other counties have? No. We are much farther along with narrowing our achievement gaps among all student groups and across all grade levels, and across all different data

points. And we use a multitude of assessment to make sure that we are in fact using assessments to measure and monitor how we are eliminating our achievement gaps.

GOVERNOR O'MALLEY: Okay. This, Mr.

Franchot?

COMPTROLLER FRANCHOT: I could be completely off base here but, Governor, I think the fact that this is one of the richest counties in the United States of America, it doesn't surprise me that I guess some of these kids are not taking advantage of whatever is, whatever it is that's there. I mean it's no --

GOVERNOR O'MALLEY: Yeah, but what I was talking about was not the overall population. I was talking about the school lunch eligible. In other words, the delta of kids that are school lunch eligible --

COMPTROLLER FRANCHOT: Right.

GOVERNOR O'MALLEY: -- and yet not getting breakfast. So only 36 percent of the kids who are poor and get, you know, and get the school lunch

eligibility aren't getting breakfast. And it's the largest gap, the largest delta --

COMPTROLLER FRANCHOT: I would be stunned if that was the case up in Howard County, that there is, that you lead the State in hungry kids. I just find that to be --

GOVERNOR O'MALLEY: No, that's not what I'm saying. I'm saying it's in the percentage of kids that they do have, they are feeding the fewest, the fewest number are getting breakfast. As a percentage, not as a gross number.

DR. FOOSE: Governor, I am going to assure you the numbers that you are looking at are last year's numbers.

GOVERNOR O'MALLEY: Okay. That could --

DR. FOOSE: Okay? We do have breakfast available to every one of our children. It is optional for them to eat breakfast. And we have reduced the barriers that this woman was talking about insofar as kids coming to school and bypassing the cafeteria, or late buses and that, we have breakfast in our classrooms for those schools where those barriers exist.

GOVERNOR O'MALLEY: Good. Cool.

DR. FOOSE: We do not want hungry children.

GOVERNOR O'MALLEY: So maybe these are a year behind? Okay, you've made changes in the last year?

DR. FOOSE: Yes, we have.

GOVERNOR O'MALLEY: Awesome. Great.

DR. FOOSE: Aggressive changes.

GOVERNOR O'MALLEY: I'd love to see them.

DR. FOOSE: Can I introduce the rest of the folks here?

GOVERNOR O'MALLEY: Sure.

DR. FOOSE: Our Board Vice Chair Ann De Lacy. You met Ken Roey. And we also have Board member Sandra French.

GOVERNOR O'MALLEY: Hello, thanks for your patience.

DR. FOOSE: Thank you.

TREASURER KOPP: Can I ask Dr. Lever a question before you, these, the roofs, roofs or roofs, or whatever. Those things up on top, roofs. Thank you. Defer, they are all deferred due to inadequate roof inspection reports. What is that about?

DR. LEVER: Well we have a policy that roofs have to be inspected twice a year and there has to be evidence of that. When they submit a roof project we ask for the last three roof inspections.

TREASURER KOPP: So they didn't submit the evidence?

DR. LEVER: They didn't show that they were inspecting them on a biannual basis. And so we understand that they inspecting their roofs. But that going forward, you know, that is something --

TREASURER KOPP: So is this something that the Superintendent can pull together with the reports and send them and then --

DR. LEVER: Well if the reports exist, yes, they could be submitted and hopefully they do exist. We would certainly consider them if they are submitted to us.

MR. ROEY: We did submit some supplementary information. It wasn't in the State prescribed form. But there was some supplementary information that we provided to Dr. Lever's office. And so, yeah, we are, again, improving the process going forward to make sure we have the right form and that we are --

TREASURER KOPP: So I mean, if that's the issue regarding Centennial and Wilde Lake, for instance --

DR. LEVER: We have had, this policy has been in place for some time. We have given quite a few passes in recent years and we have decided that it has been out there long enough that it was time to truly enforce it. The roofs have to be inspected twice a year. And so we are being rigorous about that.

TREASURER KOPP: Well if they are not being inspected properly, that's one thing. If it is simply getting the evidence together, that is serious too but it is another thing.

DR. LEVER: Correct.

TREASURER KOPP: I mean, you don't want roofs caving in on people. Or roofs.

MR. ROEY: Again, we understand the concern. And again, we have had people up on the roofs. We have provided the evidence that we have. You know, we know how important the roofs are and spend a significant amount of our maintenance dollars on maintaining and replacing those roofs.

TREASURER KOPP: Well maybe, if I may, there will be some roof reports.

COMPTROLLER FRANCHOT: Governor?

GOVERNOR O'MALLEY: Yes, sir?

COMPTROLLER FRANCHOT: Could I also just thank the Superintendent. I've obviously visited a few times. And the exceptional volunteer award I gave to Lisa Schlassnagle. And then I was lucky enough to meet Jayden Kelly from Rockburn Elementary, Sarah Cooper from Glenwood Middle, and Kaitlynn Motley from Howard High School. Fabulous ambassadors for the county as far as their artwork. So thanks.

DR. FOOSE: They were delighted to receive your awards. Lisa Schlassnagle still talks about it. She is one of our parents in the community, very, very honored.

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR O'MALLEY: Thank you all very much.

DR. FOOSE: Thank you.

GOVERNOR O'MALLEY: Thank you.

DR. FOOSE: Thanks.

GOVERNOR O'MALLEY: Harford County? Harford County? Harford County?

DR. LEVER: Excuse me?

GOVERNOR O'MALLEY: Yes, sir.

DR. LEVER: We had heard that the personnel from the school district would not be here but I wasn't sure if the County Executive might be here.

GOVERNOR O'MALLEY: Okay.

DR. LEVER: Perhaps we could go on to the next, to Dorchester? And then --

GOVERNOR O'MALLEY: Sure, we can go on to Dorchester and we'll hold Harford for now. Hi, thanks for your patience.

DR. WAGNER: Absolutely. Good afternoon, Governor O'Malley, Comptroller Franchot, Treasurer Kopp, Dr. Lever, and staff. I am Dr. Henry Wagner, Superintendent of Dorchester County Schools. And I appreciate this opportunity to speak on behalf of the Board of Education, the County Council, and the students of Dorchester County who are also accomplishing many great things, including a graduation rate that is now within a percentage point of the State average.

GOVERNOR O'MALLEY: That's great.

DR. WAGNER: And we are in the middle tier of the State in AP participation and pass rate. We're very proud of that.

In attendance with me today are Mr. Philip Bramble, President of our Board of Education; Lorraine Henry; Glenn Bramble and Glen Payne, Board of Education members; Council Councilman Rick Price; and Mr. Dwayne Abt, Assistant Superintendent for Administration.

We are seeking your support for critically important projects impacting both our current infrastructure and the long term future of our school district. Dorchester County is a very small school system but we have been fortunate to have been able to replace or renovate several facilities in recent years thanks to the funding partnership between the State of Maryland and the Dorchester County Council. Specifically in reference to your chart we have replaced our two comprehensive middle schools and constructed and expanded Dorchester Career and Technology Center in the last 12 years, all using geothermal HVAC technology.

GOVERNOR O'MALLEY: Wow.

DR. WAGNER: This expansion has afforded our students nine new high tech career and technology completer opportunities to go along with the 11 that existed previously.

We appreciate the efforts made by the State and our local County Council to provide these state of the art facilities for our students. However, we continue to have a great many needs at other schools in our county. And unfortunately local resources are not available for major projects at this time.

Nevertheless there are avenues for advancing our long range capital improvement plan. And those are in the areas of roof replacements and planning approval for a replacement high school. With respect to roof replacements we are seeking the remaining \$200,000 needed to replace a 23-year old roof at South Dorchester School which has recently required emergency repairs. Any other option but replacement would not be cost effective.

With respect to planning approve for replacing North Dorchester High School, we are struggling to maintain a 60-year-old campus that has long ceased to be sufficient from an educational

adequacy, deferred maintenance, energy efficiency, and safety and security perspective. In short, the facility is no longer meeting the multifaceted needs of our school community in that region of our county. Planning approval costs the State no funding at this time but at least gets the ball rolling on what could easily be a five- or six-year process.

Also with respect to safety and security issues, we initiated a countywide Safe Schools Committee seven years ago to review the needs of each school and to take steps to promote a safer environment for our students. This group includes school representatives, central office staff, law enforcement and public safety partners, as well as parents and other community members. In addition to complying with the required State Safe Schools Plan each year, every school in Dorchester County conducts a variety of drills involving students, staff, and public safety officials. These include monthly fire drills, safe in place drills, lock down drills, off site evacuation, earthquake drills, and tornado drills. All such exercises are monitored by our law enforcement and public safety partners.

Additionally utilizing the recent special funding for safety and security, we have been able to move forward with several identified best practices. These include retrofitting classrooms and other safe havens within the school buildings with door locking hardware, video monitoring equipment, communications equipment, and district wide visitor identification and management systems. Slight modification to the written testimony here. Also, the majority of our schools will have controlled and secure front entry to the building by the end of this school year. The exception is North Dorchester High School, the school for which we are seeking planning approval, which is a five building campus configuration.

GOVERNOR O'MALLEY: Hm.

DR. WAGNER: Finally, our two high schools do have full time school resource officers but the rest of our schools depend on local and county law enforcement when assistance is needed.

Our Board of Education is working with the Safe Schools Committee to utilize the limited available resources to make improvements. I am also the PSSAM representative on the new School Safety

Governing Board and we appreciate the fact that that has been created and the work that that Board is going to do to coordinate safe schools initiatives across the State.

Dorchester County is also hopeful that the Partnership for School Construction and Energy Initiatives will continue.

Finally please bear in mind that with the continued decline in our local tax base and high unemployment local resources are just not available for many improvements in our school system at this time.

In conclusion, Dorchester County looks forward to a favorable review of these nominal funding and planning requests by the State.

And to be proactive to what you are going to talk about, Governor, we calculate our breakfast participation as 75 percent of FARM eligible this year. We deliver the food to the classrooms in Title I schools and we have a grab and go arrangement in all the other schools.

GOVERNOR O'MALLEY: You guys are doing great. I have you at 80 percent.

DR. WAGNER: Okay. Then you're right, I'm wrong.

(Laughter.)

DR. WAGNER: And we adjust the teaching schedule as needed so that students do have an opportunity to finish breakfast. So we thank you again for this opportunity and for your longstanding support of our children. Should you have any questions for me or my staff who are here, we are at the ready.

GOVERNOR O'MALLEY: Thank you. Questions?

COMPTROLLER FRANCHOT: Yes.

GOVERNOR O'MALLEY: Mr. Franchot?

COMPTROLLER FRANCHOT: Yes, thank you, Dr. Wagner. I don't have any concerns with the substance of Dorchester County school construction funding request. Dr. Lever in fact has spent some time drawing my attention to the urgent situation in North Dorchester High School, an aging school that for all intents and purposes is functionally obsolete.

But I would like to go back and revisit and issue, frankly Mr. Superintendent, that you and the school board have been dealing with and that's a

proposal by a nonprofit entity called the Eastern Shore Charter School Alliance to construct and operate a public charter school in Cambridge. This project was spearheaded by Mr. William Akridge, the son of Chip Akridge, an Eastern Shore resident who is one of this country's most prominent business leaders and one of our nation's most important philanthropists. A man who has devoted countless dollars and years of his life to restoring our National Mall to its former grandeur. The school would be a nonselective, tuition free, public school that is open to any middle school age child in Dorchester County. It comes with the promise of small classes, highly qualified teachers, state of the art technology. Every child would get their own laptop computer, for instance. And personalized tutoring and instruction all with the purpose of providing student centered learning in precisely those disciplines that children will need in order to compete in the information driven economy.

I had the privilege of reviewing the very extensive application that Mr. Akridge submitted to the Board of Education. And I must say it was one of the most thorough, detailed, innovative planning

documents I've ever read. And as I mentioned earlier, any sensible person would recognize that the resources would be there in abundance to carry out this remarkable vision.

As it stands now, however, the plans for this remarkable public school to open in one of Maryland's most economically depressed, financially exhausted communities for all intents and purposes are dead. Because the Dorchester County Board of Education voted four to nothing last December to reject the application. Because we are being asked here today to approve another round of taxpayer money for the Dorchester County Public Schools, I have serious unresolved questions about the judgment of those who would be in charge of receiving and spending that money.

So Dr. Wagner, I'll be brief. There are a couple of questions I have on this subject. First, were you aware that the Public Charter School Alliance received in October a federal grant from the U.S. Department of Education in the amount of \$685,767 towards the completion of this project, which frankly I think represents a considerable vote of confidence

from federal policymakers, not to mention a rare instance when the U.S. Department of Education is actually doing the right thing? Why in your estimation would the federal government make an investment of this magnitude in a project that apparently you and the Board described as half-baked and inadequate?

DR. WAGNER: On behalf of the Board of Education, I am compelled to share first of all that we would never be that flippant as to call it half-baked. That is not in any public document that we have produced.

The December 19th meeting of the Board of Education of Dorchester County began with an opportunity for public comment with regard to the application for a charter school submitted by the Maryland Eastern Shore Charter School Alliance. During this part of the meeting members of the African American community expressed their overwhelming opposition to the proposed charter school. Seventeen of the eighteen speakers urged the Board to reject the application, with Mr. William Akridge being the only speaker in favor of the charter school.

Specifically leaders of the NAACP, ministerial association, Harriet Tubman Center, a member of Mr. Akridge's own executive board, and the community at large voiced their strong objections to many elements of the application indicating to the Board of Education that there is a fundamental lack of community support for this proposal.

Following the public comments portion of the meeting the Board accepted my recommendation not approve the application. This recommendation was based on a finding on the part of the Divisions of Instructional and Administrative Services of substantial deficiencies in the application. Among these were the statement of need and a corresponding inability to delineate the affected population; organizational viability including transportation, finances, human resources, educational leadership, and school governing structure; academic viability including accommodations of special needs students and student services mechanisms; school characteristics including instructional deliver and innovations. Furthermore, in addition to these deficiencies a reallocation of resources totaling more a \$1.5 million

over the next three fiscal years to the charter school in a county the size of Dorchester would render it impossible for us to reduce class sizes, acquire the technology necessary to administer the PARCC assessments, and/or provide nominal raises for our employees. Finally, it is our position that the status of the charter school application is mutually exclusive of our capital proposals to this Board of Public Works.

COMPTROLLER FRANCHOT: Okay. Apparently the statement in the preamble that got the most attention was a statement that said, "The students that Dorchester Prep intends to serve are fighting against in many cases generations of failure and loss of hope." Apparently because that was such an objectionable statement I went and looked at some of the statistics in Dorchester County.

Dorchester County Public Schools serve 358,425 free lunches, only 124,143 paid lunches, a ratio of nearly three to one. One of the widest gaps between free and paid lunches, anywhere in the State, higher than Caroline, higher than Allegany, higher than Garrett. According to the State Department of

Education High School Graduate Questionnaire, only 123 of your 279 graduates who responded to the questionnaire said they planned to go on to college full time, which made Dorchester County the only one among 24 school systems in which fewer than half of its graduates plan to attend college. 9.1 percent, Dorchester County's unemployment rate is the third highest in the State. The median income is 36.7 percent below the statewide average. The percentage of people living in poverty is 69.1 percent above the statewide average.

So I guess I find it a little bit hard to understand why you and the Board could not sit down with members of the community and explain to them that there are tremendous economic challenges in Dorchester County and that this could have been, since I consider it to be in the past, an opportunity based on the federal governments Good Housekeeping Seal of Approval for Dorchester to do something that was helpful to the community. Apparently you all have made your minds up.

I don't know what happened down there. But I'll tell you that my sense is that you had a young man from Talbot come down who had a very good

idea, and it wasn't somebody else's idea in that area. And I hope that he moves on and goes to a county which will open its arms and understand that this is a school that has great potential. Did anybody on the Board put your hand up and just say could we please focus and understand exactly what this proposal is about? This is to help people? This is not something that is subject to this kind of, you know, treatment. And I guess, you know, the U.S. Department of Education has just got, you know, no credibility here as far as its money. And I guess everybody else's intentions are questioned. But boy, does that stick in my throat as far as the treatment of that proposal. And I, it really, it's going to stay with me a long time.

DR. WAGNER: I regret that you feel that way

--

COMPTROLLER FRANCHOT: Does anyone have the courage to stand up and speak the facts?

DR. WAGNER: I regret, we regret that you feel that way, Comptroller Franchot. The fact is that this Board and staff did due diligence and its duty in thoroughly reviewing the application. I just read the

areas of deficiency to you. And precisely because we are not blessed with an abundance of resources we have to be very careful about our decisions on how we allocate them. And it was our professional and considered and thoroughly researched opinion that this application had too many deficiencies. And the opportunity costs for other things that we are all saying are critical: reducing class size, and like I said, a million and a half dollars in a county our size is a critical amount of money. And the matter isn't settled yet. The matter is under appeal to the State Board of Education. So you know, we will follow process as we have followed it all the way up to now.

So I regret that you are disappointed --

COMPTROLLER FRANCHOT: Well first of all --

DR. WAGNER: -- but if I may just address --

COMPTROLLER FRANCHOT: Sure.

DR. WAGNER: -- the issue of the federal infusion. There is an issue of supplanting. The federal money can't supplant the fundamental cost of the charter school per capita in our district. The federal money would have been an enhancement and probably used in the realm of technology. I again

state as I did last year, we welcome an opportunity to partner with Mr. Akridge and have sat down with him on numerous occasions, have vetted this proposal. And have treated him fairly. We gave him the opportunity after you challenged us last year to sit with our executive staff and work out a way to work with us in a partnership arrangement, and he walked away from that, sir.

COMPTROLLER FRANCHOT: Well first of all the federal government picking that application out of all the thousands of applications and obviously making it, giving it a special supplemental amount of money in a grant, my understanding is it was viewed as one of the finest applications in the country. I guess the other thing they ran into trouble with was they said something about the fact that there was going to be a, when students choose, this is what really got me. Apparently in the preamble he said when students choose to break the rules teachers will use firm and consistent negative consequences, but only as a last resort Dorchester County's effective discipline plan will be applied fairly to all students. So can anybody up there tell me where they find that comment

objectionable? That students who break the rules will be held accountable, that it will be only a last resort, not a first resort if there are any negative consequences, and the plan will be applied fairly to all students and not in an arbitrary and discriminatory manner. Is that --

DR. WAGNER: All I can tell you is --

COMPTROLLER FRANCHOT: Why is that so inflammatory?

DR. WAGNER: I am not going to speak for our African American community. They spoke very eloquently on December 19th. I will tell you they vetted this application independent of any coaching or any attempt on our part to interfere. We followed process precisely because we are driven by process so that we are not arbitrary and capricious.

The African American community was offended by the way that Mr. Akridge proffered this project in the community. He gave our soup on street corners, got people to sign documents, and they came to the Board meeting and said, "We didn't know what we were signing." Now we have no role in that. But that,

that's the target population he wants to reach and he has poisoned the well with them.

COMPTROLLER FRANCHOT: Well my well is not doing so good either.

DR. WAGNER: We regret that, sir.

COMPTROLLER FRANCHOT: And trust me.

DR. WAGNER: But we act on principle. And you know, we're making the best possible decisions we can as a Board of Education and a school system.

COMPTROLLER FRANCHOT: So in conclusion what I hear I guess is that this is all one political exercise.

DR. WAGNER: I don't think we have said that at all, sir. I think what we have said is we have followed process. It is anything but a political exercise. You know, we are trying to keep politics out of it. That is why we said that this particular issue is not the purview of the Board of Public Works. Do you want to say something, President Bramble?

MR. BRAMBLE: Yes. May I make a comment, if I may address Governor O'Malley? And Governor O'Malley, just on a completely different note I want to say that we miss you and O'Malley's March at the

Avalon Theater in Easton and we look forward to your coming down again soon.

GOVERNOR O'MALLEY: Well thank you. And God bless your great taste in music.

(Laughter.)

MR. BRAMBLE: Thank you, sir.

GOVERNOR O'MALLEY: Yes, sir.

MR. BRAMBLE: Yes, sir. On this funding that we have asked for today --

GOVERNOR O'MALLEY: Yes, sir?

MR. BRAMBLE: -- my sister was the first one to graduate from that school in 1955. It opened in 1954. I was on the County Council from 1998 to 2002. And like our Superintendent said, it's a campus style school. And one building was the science building, I pushed to have that renovated. And it got through with the help of the State of Maryland. And I appreciate that. And I always, when I get a project through I go to the site where the contractor is working. I did that as a County Councilman for Dorchester County. I went to the site and the guy says to me, back then, he said you finally got into the new century with this one building.

So with that, my daughter graduated from there, and I graduated from there. So I think we need to, you know, start, and I have a grandson coming from there. And my wife was a schoolteacher, a special ed schoolteacher, an excellent, very good at what she did. You know, she was recommended highly by the superintendents that she worked for. And I would certainly appreciate this money for, you know, for the money that we have asked for. I don't think we are asking for the sky, we are just asking for money and to get these schools approved. And like I said, even my son-in-law graduated from that school, who went to Frostburg State College and was a pitcher, an all-star pitcher there.

COMPTROLLER FRANCHOT: That's good.

MR. BRAMBLE: You know? So I appreciate everything that you do. And Governor O'Malley, I appreciate the money that we got for the new tracks and lights at North Dorchester a couple of years ago. It had been there since 1955 and they never had a track or never had lights for the students to be out there and play at night. And when the first lights in the game they had started, they thought it was

excellent, and I certainly want to thank you for that help.

GOVERNOR O'MALLEY: Oh, thank you.

DR. WAGNER: And Comptroller Franchot, we continue to appreciate your programs that acknowledge fine volunteerism, fine student performance in the arts, and exemplary employees, the Golden Apple Awards and so forth. We thank you for those efforts to acknowledge positive procedures. And I hope we can disagree in an agreeable fashion.

COMPTROLLER FRANCHOT: Well, I'm done on that. Thank you.

TREASURER KOPP: Could I ask a question about, I don't know whether it's Dr. Lever or State Planning, about the North Dorchester replacement? The deferral of planning recommended pending approval of feasibility study and priority funding area waiver. What is the timing on that and what --

DR. LEVER: The feasibility study is required for a replacement project and particularly important in this case. Because, as the gentleman said, they have made considerable investment in the science classrooms. They have certain components of

the facility that could be retained and reused. But it isn't possible to do it all under one project as we see it now. That has to be investigated and studied. And a feasibility study even if it weren't required on our part would be highly advisable for this particular project. But it is a requirement on our part.

TREASURER KOPP: I think my question was the timing.

DR. LEVER: The timing, I understand the feasibility study is underway. Do we know when we will receive that? Okay. This is critical because we can't recommend the planning approval until we receive that. But also the waiver on the priority area of funding --

TREASURER KOPP: Yes.

MS. CONN: Will come when they do that as well.

DR. LEVER: Yes. The idea is to replace the school with an increase of capacity. It's outside of a priority funding area. But our regulation that means that they must request a waiver under the regulation that was approved --

TREASURER KOPP: So when do they request the waiver? Not until they are finished with the --

DR. LEVER: No, it's part of the planning process.

TREASURER KOPP: So my only question was the timing on all this.

DR. LEVER: Well I have not seen that request.

TREASURER KOPP: Did I get an answer? Okay. If you don't care, I don't care.

MS. CONN: They have not submitted the PFA waiver request yet.

DR. LEVER: Yes.

TREASURER KOPP: It's up to you guys.

GOVERNOR O'MALLEY: Anything else?

MR. BRAMBLE: Governor, Mr. Comptroller, Treasurer, my name is Glenn Bramble. I sit on the Board of Education. I would just like to make a few comments about the charter school. I'm sure the rest of them can attest to the same fact, but there were several hundred pages, small print I might add in a lot of them, with background. And I for one, and I can feel sure that everyone else did, but Comptroller

you asked did anyone want to speak up so I will. I did my homework on that, and off and on for about two weeks. And also verified the information that was furnished or supplied into that document.

To give you a little bit of history, I agree with our Superintendent's decision or his recommendation. But I found other discrepancies in there as well taking out of the equation the people that spoke up against it. I must say I for one and I know several people in the very beginning of the hearing said if that school could be designated for the truly kids that need it, I would be the first one to raise my hand up. But under the way the charter schools are set up, it's not that way. That's a lot of it. So you can't necessarily say that.

And I wanted to touch issue on something else. I'm a general contractor and I did 90 percent of the major remodeling for the building in question that they were looking to relocate. And I can tell you, I'm not a CPA, but I speak numbers, and particularly on construction. And the numbers that were in there for the renovation of that place, let alone the sprinkler system, stairway and so forth,

because I'd already put one stairway in there and I designed that building from originally. It was originally Maryland, actually People's Bank, and then Maryland National Bank, and so forth. So the numbers were nowhere near what they proposed in their budget. Now you can say or anyone can that someone can step up to the plate and donate money. But I looked at the numbers that's allocated for the renovation of that, and it's not there. So that was one issue.

The other issue is working up there off and on for over a year, they were talking about phys ed and outside activities. There is no area. There's a parking lot around the back that might house six or seven vehicles. And you are right on three corners. So the facilities itself in question was not the best location.

But I'm just saying I for one looked at all the issues there, among everything that was mentioned into it. And I just, I just could not see it at this juncture that it was the best, you know, for the kids being so the public spoke out against it. And I want to reiterate again, at the meeting it was kind of opened up that he would join partners with Dorchester

County Public Schools, Mr. Akridge, and work with us. But that didn't materialize. So again, I wanted to voice that. And I'm sorry that that's the way it is, and maybe some people are dissatisfied or unhappy. But I have to vote what I feel like is the best for the children and the taxpayers of Dorchester County. Thank you.

GOVERNOR O'MALLEY: Thank you. Hi.

MS. HENRY: Hi. Good afternoon. It is afternoon?

GOVERNOR O'MALLEY: Oh, it's almost evening.

MS. HENRY: It's almost evening, yeah.

Governor O'Malley, I really believe that you understand the situation in Dorchester County. As many times as you have visited and we have shared. It's at a point where the Board sat for many hours trying to decipher which way to go. But when the community came forth in numbers that really, really had us startled. And so looking at what the Superintendent has told you, he has told you thoroughly what the problems were. And we're going to follow due process, as he has said. Because we are concerned about all children in

Dorchester County, believe me. And we know that there are children there that need lots of help. And as it stands today, we are still looking forward to what we can do to make every child a success. That's not out of the picture.

COMPTROLLER FRANCHOT: Right there with you.

GOVERNOR O'MALLEY: Thank you. Councilman?

MR. PRICE: One more, Governor, please?

GOVERNOR O'MALLEY: Sure.

MR. PRICE: Governor, Comptroller, Madam Treasurer, other members of the Board, Rick Price of the Dorchester County Council. And I promise to be brief and as quick as I possibly can. But I do want to support this Board in the request of consideration for a new North Dorchester High School. Now 61 years old the building has become antiquated and poses numerous challenges to those who depend on it day to day. A growing student population along with staff and now with college classes being added have to deal with conditions connected to leaks, mold, well and septic, groundwater, heating, cooling, parking lot maintenance, and the day to day of instructional and athletic programs that incur usage day to day, nine

months out of the year. The area that this high school currently serves is seeing a growing population. And part of the future student population is going to be coming from a growing Hurlock Elementary School, Warwick School, and Vienna School. Populations in all of those districts have grown in the last Census. And this growing population will see a need for a new high school. And I just stand before you today asking you for every consideration to assist our county in accomplishing and completing this new high school. Thank you for your time.

TREASURER KOPP: Mr. Price?

MR. PRICE: Yes, ma'am?

TREASURER KOPP: My understanding from reading this, and maybe I'm wrong, Superintendent, is that it's at the moment being deferred, pending approval of a feasibility study which has to be completed by the school system and submitted, and approval of a priority funding area waiver at the local level, which is dependent upon the feasibility study as I understand it. So the way I read this, it is in your all's court. And that's why I was asking

what the timing was. It's not that anybody here that I've heard said that you don't need the school.

MR. PRICE: The design part of it, which my understanding is comes first, is being considered by our entire County Council in the current budget plans for fiscal year 2015.

TREASURER KOPP: But that's all I'm saying, is it's not like it's a timing issue. And a phasing issue. And it ought to be done before this whole funding cycle is over if you want consideration of approval for the planning, which then goes into the next stages. That's all. I'm, no one is arguing --

MR. PRICE: Yes, ma'am. I understand your question. But it is under consideration by our Council for the design piece.

TREASURER KOPP: Okay. Yeah.

MR. BROOKE: It is in process. We are in contact with Dr. Lever.

TREASURER KOPP: Yeah, I don't want you to think that people sitting here are opposed to a high school in Dorchester.

MR. PRICE: Oh, not at all, ma'am. Not at all.

TREASURER KOPP: Thank you.

MR. PRICE: Thank you.

GOVERNOR O'MALLEY: Thank you all. Thanks very much for your patience. Harford County?

DELEGATE IMPALLARIA: Thank you, Treasurer Kopp, Comptroller Franchot, and Governor, it's good to be here before you. First let me --

GOVERNOR O'MALLEY: Identify yourself for our record.

DELEGATE IMPALLARIA: I am Delegate Rick Impallaria. I'm the Chair of the Harford County delegation. And with me is Councilwoman Lisanti. Joining me also is Ben Lloyd, who represents County Executive David Craig who could not be here because of personal issues. And also we have Manley Calhoun, who is legislative aide for Ms. Lisanti.

It has been interesting and enjoyable sitting here watching you do your work today. So let me start with that.

Harford County is a very small county and today we had some large problems with ice and downed power lines. So unfortunately that is the reason why we are here representing the county today rather than

the County Executive and other people from the Board of Education and from the school system. So I apologize for that. We were called at the last minute. But because it is a small county the issues that we're going to speak to you about are very near and dear to our heart. I can tell you that Youth's Benefit Elementary School is the school that my son attended up in Fallston. Now, you know, Youth's Benefit had a problem at one time that they needed a traffic light at the school and my son was called to the office, and to go to the office he had to walk from one building to another building because it's two separate buildings. And he got to the office and they said, "Look Ricky, you need to go home and talk to your father. We need this traffic light. We seriously need this traffic light. You've got to get this done for us." And fortunately we did get that done. So he's a powerful young man. He even got the Japanese delegation to go over and visit the Governor and get him to sign a proclamation to allow reindeer into the State of Maryland. So we know the school needs what it needs and we're going to ask for that for Youth's Benefit Elementary School.

I, a small county once again, I graduated in Joppatowne High School. It needs to be able to move forward with its planning. It's an old school. It is in need of repairs and those plans need to be set forth so that in the future we can begin on the needs at Joppatowne High School. And Joppatowne High School was seen as one of the most diverse schools in the State of Maryland. It was recognized for that. And it's a school that works very well, it has a magnet program for cyber security. And Harford County, as you know, does a very good job forward funding schools, using the money very wisely. There has really never been problems in Harford County on how we spend the money or how we upkeep the schools. And with that, I would like to turn it over to Councilwoman Lisanti so she can speak to a school that is very important to her.

MS. LISANTI: Thank you, Rick. Thank you, Governor, Comptroller, Treasurer, members of the Board. It is indeed my honor to be here today to ask for your support for local planning for Havre de Grace High School. I am not only the County Council representative for that district, but I am also the

former 1985 class president of Havre de Grace High School.

GOVERNOR O'MALLEY: All right.

MS. LISANTI: So I can speak very dearly as a former student. And I also need to make regrets for the County Executive, who is also an alumni of Havre de Grace High School, and Mayor Wayne Dougherty, who wanted to be here but we had some ice issues up in our community.

But I wanted to bring to your attention the uniqueness of this particular school project. A couple of years ago the Harford County Council funded a scope study to look at Havre de Grace High School. Because with your assistance over the last seven years during my tenures on the County Council we together have completed 37 improvement projects at our high schools, our middle schools, and our elementary schools. Havre de Grace High School is one of the last ones to be done, which is kind of interesting because Havre de Grace High School and Belair are the two original schools in Harford County.

This project is unique because it allows us the opportunity to provide our local government with

the opportunity to solve a public safety problem and a flood control problem that has plagued our community for really six decades. The campus that we currently have is bisected by a State highway and a county road. So our students right now have to, we have to close a road, allow the students to go from classroom to gym, and then they have to cross a State highway for their athletics field. The scope study that we did took a look at our entire parcel, which includes the middle school. And it is a redevelopment of that so that we can combine our middle school and our high school on the same parcel so our students don't have to walk and cross roads and be in an unsafe position.

But this project has another element and I think we have provided to you some diagrams of this project. You see, in the City of Havre de Grace we have an infrastructure problem. Like most old cities we are close, obviously we are a waterfront community and as we have grown we have grown up on a hill. And unfortunately we have not taken care of our stormwater and we have not taken care of our sediment. So all the stormwater runoff from the new development has come into our town. And into a tributary of the

Chesapeake Bay, Lily Run. Lilly Run is a very unique creek that runs through the town. And unfortunately every time it rains it overflows. It cuts off access to our high school, to our middle school, to our elementary school, but most importantly to our hospital. It's a very, very critical issue for us.

We've been trying to solve this issue for a long time but the problem is it's very expensive. So what we have been doing for the last three years is what I believe is the most cooperative effort that a jurisdiction could do. In order to solve this flood problem the City of Havre de Grace commissioned a study. They spent \$250,000 to figure out how they could control this flood and get some water quality results. What we found out is the largest parcel and the only parcel that we could do this was on the Board of Education property. So they entered into a cooperative agreement with the Board of Ed to try to solve this problem. They actually, they have gone so far now as to apply for a joint permit with the Corps of Engineers.

This project because of the uniqueness of it, where we are adding, we are building a school, we

are using that construction for green construction so that we have a recreational component, we have a public safety component, and we have a water quality and sediment control component, we have actually been able to get funding from outside sources. The Environmental Protection Agency through their Water Quality Plan gave us a grant with the Center for Watershed Protection. And they actually developed at no cost to the city or the county a plan for us to meet our TMDL through this project. In addition the National Fish and Wildlife Federation has contributed \$100,000 to this project because they see the value, and of course Harford County and the City of Havre de Grace have as well.

So this is more than a construction project. It is a way for us to solve a public safety problem, a flood problem, and get some benefits to our water quality and our sediment and erosion control.

However, if you do not approve this local planning we stop dead in the water, literally. And we really want to move this project forward. So I do --

GOVERNOR O'MALLEY: And how much is it?

DR. LEVER: This is a request for planning approval at this stage. So we don't have an estimate at this point of the State participation.

GOVERNOR O'MALLEY: Okay.

TREASURER KOPP: So and it's being held up because of enrollment issues and approval of the feasibility study. What does that mean?

MS. LISANTI: The feasibility study has been approved by the Board of Education for a combined high school and middle school.

DR. LEVER: We have reviewed the feasibility study and it is the enrollment issue. And I think that what we have identified is that our policies on school construction, which are meant to provide the most efficient use of taxpayer dollars, are actually in conflict with other policies. I'd like Deputy Secretary Conn to speak about this?

MS. CONN: Yes. Thank you, Mr. Lever. This is again the conflict between the enrollment projections, which are low, up against the State's policy of community based schools that are already existing. This is in a sustainable community which is the targeted State revitalization zone. So what we

are looking at is developing a pilot policy so schools like this can still move forward despite what might be lower enrollment projections.

MS. LISANTI: And I can speak a little bit to the enrollment. Havre de Grace High School is the only school in Harford County that does not have a magnet program. And that, with the combined middle school/high school, that is what we, that is what we intend to do. Because we are losing a lot of our best and brightest to other magnet programs. And we have the perfect opportunity with this project to develop a magnet school for environmental protection to look at, we are at the head of the Chesapeake Bay. Where better to look at the sediment and erosion control that is coming from the Conowingo Dam, right where it lands at our waterfront.

TREASURER KOPP: All right. So how long is all this going to take?

MS. CONN: Well I have a draft policy in hand. And we are working with Dr. Lever to move this forward very quickly.

TREASURER KOPP: Okay. And so you are saying the feasibility study issue is not an issue?

DR. LEVER: We think we have resolved that.

TREASURER KOPP: Great.

DR. LEVER: I think the critical issue is this policy and it is on the fast track.

MS. CONN: It absolutely is.

TREASURER KOPP: Fast track meaning by the end of the session? By the end --

MS. CONN: Yes.

TREASURER KOPP: -- by the next time we see you?

DR. LEVER: Yes, we recognize the urgency of this project.

TREASURER KOPP: Now you are at the head of the Chesapeake --

MS. LISANTI: Yes.

TREASURER KOPP: -- and you are flooding already?

MS. LISANTI: We are at the confluence of the Susquehanna River --

TREASURER KOPP: Right. So what are you going to do? Are you going to build it in a way that the sea level rises of, what, two feet, you are prepared for all that?

MS. LISANTI: Absolutely. We take that into consideration. And we probably know best about that because --

TREASURER KOPP: I would think so.

MS. LISANTI: -- of all of our waterfront construction, all of our planning and zoning in the city has been revised to prepared for that. This particular --

TREASURER KOPP: For the sea level rise and the storm surge?

MS. LISANTI: -- is at a higher elevation.

GOVERNOR O'MALLEY: And the Councilwoman sits on the Chesapeake Bay --

TREASURER KOPP: Yes, that's why I was asking. Exactly. So this is, this is actually a model of --

GOVERNOR O'MALLEY: I shouldn't say sits on, I should say leads --

TREASURER KOPP: -- what other jurisdictions in other areas, including Washington, D.C. --

MS. LISANTI: Well we believe it is. And quite frankly we believe it's a model not only for planning and for sustainable communities, it's also a

model for how you fund stormwater. I hear, that's the big thing that I hear among legislators, how are we going to fund this? You are going to fund it by thinking differently. But taking an opportunity like this and pulling funds from the Board of Education, the City of Havre de Grace, from the federal government, from public safety, from all of these areas to fund a project that is going to have the outcome that we are looking for.

GOVERNOR O'MALLEY: Which is why we want this to go forward with planning approval. Dr. Lever, we really want this one to go forward with planning approval.

TREASURER KOPP: Well and the studies, the requisite study, feasibility study has been done and approved. So then it's a question of --

MS. CONN: Getting the --

TREASURER KOPP: -- planning.

MS. CONN: Yes.

TREASURER KOPP: Thank you. Good.

GOVERNOR O'MALLEY: All righty?

COMPTROLLER FRANCHOT: If I could? If I could just thank Chairman Impallaria for coming up.

You and I served for some time in the Legislature. And I was there for 20 years and I always wanted to be Chair of the Montgomery County delegation. And they always said, you know, you are way too blunt to be the Chairman. And here I'm looking at someone who is ten times blunter than I ever was and you, how did you get to be Chairman?

MS. LISANTI: And we love him.

COMPTROLLER FRANCHOT: Yeah.

DELEGATE IMPALLARIA: You know, it was just a matter of time going by and smoothing out a little bit and --

TREASURER KOPP: I see. That was it.

COMPTROLLER FRANCHOT: Yeah. Well it's a pleasure to have you here, and Councilwoman thank you. I just have a quick question. Because you all have a problem that most counties would love to have. You all have excess capacity --

MS. LISANTI: Yes.

COMPTROLLER FRANCHOT: -- because of the BRAC initiative and the kids did not materialize as fast. I believe ultimately they will be there. But Dr. Lever, this may be a question for you. What is

the significance of having a surplus rather than a shortage for your review? Are we going to be able to take advantage of this surplus space?

DR. LEVER: The surplus space in --

COMPTROLLER FRANCHOT: Or abundance of space, I guess, to put it mildly, as far as compared to other schools, other systems.

MS. LISANTI: The seats available.

DR. LEVER: That's right. You see, that is the issue for us. Because we look at adjacent schools under our standard policy. And if we take into account adjacent schools there is an abundance of space.

COMPTROLLER FRANCHOT: Right.

DR. LEVER: They have presented some very good arguments about the actual ripple effect of redistricting. It would not just simply mean moving the kids from Havre de Grace into adjacent schools. It would actually have several ripple effects. But the policy that we are addressing here would try to consider the school in itself as a community school. We can't ignore that excess capacity in the long run

but we also understand the importance of a community school.

COMPTROLLER FRANCHOT: Well if you could keep me in the loop as to the best possible use of that abundant space I --

DELEGATE IMPALLARIA: If I could follow up on that, Comptroller Franchot?

COMPTROLLER FRANCHOT: Yeah, sure.

DELEGATE IMPALLARIA: Our delegation this year, you know for years we have been looking for another Vo Tech school to put into the Route 40 corridor, the old traditional Vo Tech. And we realize as a delegation that the State does not have that money. But there is something that we do have in Harford County. We have a Vo Tech that is waiting in line to get into.

COMPTROLLER FRANCHOT: Mm-hmm.

DELEGATE IMPALLARIA: And we have very successful magnet programs in Harford County. And it has come to the realization if you can have high tech magnet programs in individual schools, why can't we have magnet programs for electricians and plumbers and carpenters and air conditioning? People that need to

go back in the trade. So believe me, we know what we want to do with the excess space in our schools. We want to be able to move students around Harford Count to give them the options and the opportunities to take on jobs that people say people don't want to fill. But people do want to fill them. They don't have the training. We're even looking at Northern Harford of having diesel repair up there because someone has to fix that farm equipment. Without that farm equipment, none of us eat. So we want to keep kids living and working in Harford County because Harford County is a beautiful place to be. I'm very proud to represent it.

GOVERNOR O'MALLEY: CTE.

MS. LISANTI: Mr. Comptroller, also I wanted to mention that as far as the excess capacity --

COMPTROLLER FRANCHOT: Right.

MS. LISANTI: -- the other thing that we are looking at, Harford Memorial Hospital is building a new hospital in Havre de Grace. And we as the county government with the State government has built a large nursing school at our community college. We are working with the community college and the leadership

of the hospital and the leadership of the school system to see if we can do some type of nurse training program at the school as well. So that's another opportunity that we have.

COMPTROLLER FRANCHOT: Great. I just want to thank Harford. It's a great part of the State. I gave the Golden Apple for volunteerism to Tina Mike, who is probably the lead person in the State of Maryland as far as teaching financial literacy to young people. And I appreciate the hospitality. I also gave Maryland Masters awards to Jasanveer Aulakh from Emmorton Elementary, Alexis Walz from Aberdeen Middle School, and Kenie Targarona from is it Milton Wright High School?

MS. LISANTI: C. Milton Wright.

COMPTROLLER FRANCHOT: Yeah. So fabulous kids and great --

MS. LISANTI: Sorry we missed you on Monday.

COMPTROLLER FRANCHOT: -- great ambassadors. That's okay. And I visited Red Pump Elementary, Youth's Benefit Elementary School, and Pine Crest Elementary School in the past year. I appreciate the hospitality. Thank you.

MS. LISANTI: Thank you.

DELEGATE IMPALLARIA: We're glad to have you.

GOVERNOR O'MALLEY: Can I mention to you, and I have a little packet here, there are currently in Harford County 3,518 kids who while they qualify for free or reduced lunch, do not get the free or reduced breakfast. So it's a fairly sizable little delta there. You all are at 62 percent of those eligible. In other words --

MS. LISANTI: That's probably not --

GOVERNOR O'MALLEY: And that woman right there is Anne Sheridan, she is our Secretary of Children, Youth and Families.

MS. LISANTI: So we're going to talk to you after the meeting.

GOVERNOR O'MALLEY: And we've got some things from the government. We're here to help. We can --

MS. LISANTI: Yes. Thank you for pointing that out.

GOVERNOR O'MALLEY: Thank you. Thanks a lot.

DELEGATE IMPALLARIA: Thank you. You have a good day.

GOVERNOR O'MALLEY: You too, Mr. Chairman. Thank you for being here. Manley, good seeing you, pal. Okay. We are on Charles County. We're on Charles County.

MS. WISE: My legs are asleep. I'm not sure I can walk up there.

(Laughter.)

MS. WISE: I'm going to say good evening. I have good afternoon written down here, but good evening, Governor O'Malley, Comptroller Franchot, and Treasurer Kopp. I am Roberta Wise and I am Chairman of the Board of Education of Charles County. Before I begin I would like to introduce our new Superintendent of Schools Dr. Kimberly Hill; Assistant Superintendent of Supporting Services Keith Hettel; and Jerry Barrett the Coordinating Supervisor of Planning and Construction.

Our request today is short. We are asking for final State construction funding for St. Charles High School. We appreciate the IAC recommendation for State approval this year of \$6 million for St. Charles

High School. However, we are here today to ask you to fund the additional balance of \$12.02 million. By limiting our capital improvement program request to one project we hope to reduce the financial burden our county government faces to forward fund the State's project share while awaiting State reimbursement over the next two to three years. We hope to improve the county's ability to fund renovations and to bring the same level of educational and building performance to our older facilities as is found in our latest schools.

Construction of St. Charles High School is nearly complete, which is welcome news for a Board of Education that has worked since 2007 to secure funding and build a school that was first scheduled to open in 2011. We are pleased despite the weather this winter that construction is on target and the school will open in August, 2014.

St. Charles High School is a 21st Century high school that combines the best in science and technology, has a focus on space, and provides a model for green education. The school itself in a partnership with the local developer of a green

community will provide the tools to educate students in sustainability and green curriculum and programs. Attached to the copies we provided for the Board are recent photos of the school and a rendition of the science center, which has been named for our former Superintendent Mr. Richmond.

As we open our new high school we are also looking at our aging schools. Charles County for many years was one of the fastest growing school systems in the State, causing us to focus solely on building to accommodate new students rather than renovations. Since 2005 Charles County Public Schools has built five schools. The last complete renovation of any of our schools was more than a decade ago in 2001 when we finished additions and renovations at Henry E. Lackey High School and J.P. Ryon Elementary School.

During the past several years our student population growth and slowed and we are using this opportunity to plan for renovations as well as programming for new capacity. With the support of the Charles County Commissioners we hired an independent consultant to survey and assess the renovation and addition needs of our 35 schools and two educational

centers. That school survey work was completed in January and we expect a draft report in late March or early April. The findings of the study will drive our capital improvements program as it relates to renovations and additions, capacity, and other construction needs for years to come. It will also prioritize the needs of our aging facilities.

We continue to use local funding to replace equipment and maintain our aging school buildings. The IAC and the Board of Public Works has been supportive in our efforts in Charles County. We appreciate all you do to help us maintain quality facilities that provide our students a secure environment that optimizes opportunities for student success. We appreciate that the IAC has already recommended that the Board of Public Works approve \$344,000 in funding to provide a heating and air conditioning system for La Plata High School gym. This will provide a standalone system for the gym alleviating the problem of simultaneously cooling the gym and the auditorium.

On behalf of the Board of Education we pledge our commitment to working with you and our

local and State officials. Further, we applaud your wisdom in recognizing that education is more than a priority, it is the key to the civic and economic vitality of this State. Thank you.

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

COMPTROLLER FRANCHOT: I thank Superintendent Hill for being here. And thank you, Madam Chairman of the Board, President of the Board. I just wanted to applaud, you have a volunteer of all volunteers down there in Charles County, a person named Christy Prenger. And boy, if you see her, please give her a pat on the shoulder. Because she does just about everything. And --

DR. HILL: Thank you. We will.

COMPTROLLER FRANCHOT: -- fabulously effective volunteer extraordinaire. So thank you for letting me come down to the county.

DR. HILL: Certainly. We always welcome your visits. And we also would like to thank Dr. Lever. Dr. David Lever has really assisted us in helping to assist our county commissioners in understanding the importance of focusing on some

renovation projects. And I think without your presence at one of our adequate public facilities meetings, maybe this would not have gotten the attention that it has gotten. So thank you, Dr. Lever. We appreciate that. And we look forward to the results of that study.

GOVERNOR O'MALLEY: Did you enjoy my visit?

(Laughter.)

DR. HILL: I did. You know, you visited M.C. Parks and we were out in the wetlands, and we were traipsing through the woods.

GOVERNOR O'MALLEY: Good, I thought you forgot about me.

(Laughter.)

DR. HILL: I did not forget about you. You also visited us at North Point High School. You learned how to put a heart inside of a model. You did very well at that, too.

GOVERNOR O'MALLEY: Thank you.

DR. HILL: You are always welcome in Charles County.

GOVERNOR O'MALLEY: And the new science high school is exciting, with the space focus, huh? Space and aerospace?

DR. HILL: It is. It is. It will have a standalone science center, which will service not only our students but also our community. It will hold science on a sphere as well as a digital classroom. It's going to be an amazing, amazing facility. And we can't wait to get it open.

GOVERNOR O'MALLEY: Can I encourage you to go and speak about it at the Space Roundtable? They meet every month, one a month, in Greenbelt. And they would, they are all businesses, large, medium, and small --

DR. HILL: I would love that opportunity.

GOVERNOR O'MALLEY: -- that are involved around NASA, and NASA Goddard and everything that they do, the Hubble.

DR. HILL: Mm-hmm.

GOVERNOR O'MALLEY: And they would really be jazzed to hear the story of what you guys have going. And I don't think anyone has ever gone to tell them.

And they are, some of them might well turn out to be great business partners for the school.

DR. HILL: Sure. I would love that opportunity.

GOVERNOR O'MALLEY: People say to us often, as long as I've got you.

(Laughter.)

GOVERNOR O'MALLEY: There are, you all are at 72 percent in terms of the kids eligible for lunch that are also receiving breakfast, which is not bad. In fact, it exceeds our 70 percent statewide goal. But there are still 2,312 kids that are eligible for breakfast, don't get it. And Anne Sheridan who will say hi to you --

DR. HILL: Who visited, you visited us at North Point also.

MS. SHERIDAN: I did.

DR. HILL: Mm-hmm.

GOVERNOR O'MALLEY: Yeah. So if you could help us cross that delta, doc, we would be grateful.

DR. HILL: We would be happy to do that. Thank you all very much.

MS. WISE: Thank you.

GOVERNOR O'MALLEY: Okay. Next up is --

SECRETARY MCDONALD: Allegany.

GOVERNOR O'MALLEY: -- Allegany County.

Allegany. How did you all make it and Frederick didn't?

DR. COX: We are a hardy lot.

GOVERNOR O'MALLEY: Thank you.

DR. COX: Ready?

GOVERNOR O'MALLEY: Yes, sir.

DR. COX: Okay.

GOVERNOR O'MALLEY: Thank you.

DR. COX: Good afternoon. My name is Dr. David Cox. I'm Superintendent of Schools in Allegany County. And I'm joined here by Board President Mrs. Laurie Marchini and our Director of Facilities Mr. Vince Montana. So on behalf of the Board of Education and the children of Allegany County I would like to thank you, Governor O'Malley, Comptroller Franchot, Treasurer Kopp for this opportunity to come and speak with you today. And thank you also for the continuous support that you have given us over the years for the many projects that continue to benefit our students.

I would also note that we are very good stewards of those resources that you entrust us with, having received numerous awards for their care.

Today we are asking specifically for your continued support by funding the roof replacement at Washington Middle School. This project would replace the entire roof of that school. It was last replaced in 1991 and the useful life of that roof has been exceeded.

And the second project that we would like to speak to you about is one that we have talked about for the last couple of years, and that is the replacement of the 1925 Allegany High School and its five additions. And so we are very excited about this project. We shared with you in previous years that the Board of Education has worked collaboratively with the Western Maryland Health System and the City of Cumberland in a land swap. We are building this school on the site of the vacated Braddock campus of Western Maryland Health System. We are in design with that project, soon to demolish all the structures on the site to reclaim several acres of asphalt on top of

Haystack Mountain to return to grass and to playing fields as we work on that project.

Our architectural firm is Grim & Parker. We are working with the currently on design but most specifically on the documents to go out to bid for the demolition phase of the project.

So what we are asking for is for funding for the construction phase. We have been approved in previous years for the planning and for the relocation of the utilities. And so this year we ask you for the money to proceed with the project.

We have completed the specifications for demolition. In this project I mentioned the reclamation of lots of land but also we plan to recycle a lot of the materials that will be a result of the demolition, namely the concrete. We will reuse a lot of the steel and the schematic drawings are being submitted to the, or have been submitted to the IAC. And the schedule would allow for us to bid the project about a year from now, in the first quarter of 2015.

So we, the projects have received favorable recommendations from the IAC staff. And we have been

approved by funding for our local County Commission. So we would respectfully request from you today that the Board of Public Works approve the total funding for this project. And we thank you very much for your time and your consideration.

GOVERNOR O'MALLEY: Okay. And the total amount of funding is what, David?

DR. LEVER: The request is for \$6,176,000. And the total over time would be at this point be \$26.776 million. So what we would want to do is look at the draw schedule and see what the actual draw would be during fiscal year 2015 if the bid date is in, say, February, and notice to proceed is in two months later. You know, see what the draw schedule would be. So that will be a discussion we'll have with Mr. Montana.

GOVERNOR O'MALLEY: Okay.

TREASURER KOPP: What was the 700 based on?

DR. LEVER: It's, we recognize that it's going to be at least that much work. That is based on site mobilization, stormwater management, temporary utilities, temporary, the structures that are in place. So we know that that is going to be there.

TREASURER KOPP: How old is the building?

DR. COX: 1925 was the first year of use.

It has been in continuous use since that time.

GOVERNOR O'MALLEY: It sits on top of a big hill. Right?

DR. COX: Well the current high school sits, we're sandwiched between a cemetery and a cliff, essentially.

GOVERNOR O'MALLEY: Mm-hmm.

DR. COX: The high school --

GOVERNOR O'MALLEY: There's a song in that.

(Laughter.)

DR. COX: Perhaps. The new high school, the site is atop of Haystack Mountain. That's where the former hospital site is. And that is where we are building. A beautiful, beautiful site.

TREASURER KOPP: I have to tell you I think the old high school is a good looking building. I mean, I understand. But it looks, as opposed to the more modern middle school --

DR. COX: The original design has lots of character. But it is, just like the roof system from 1991 at Washington Middle, it is well beyond its

useful life. And we have three third floors in that building, none of which connect. So --

TREASURER KOPP: Yeah.

DR. COX: -- it's a circulation nightmare.

TREASURER KOPP: It would just be nice if they could make nice looking buildings as well as --

GOVERNOR O'MALLEY: There are some beautiful ones in Baltimore.

TREASURER KOPP: Yes, there are.

Absolutely.

GOVERNOR O'MALLEY: Okay. Great. Mr. Comptroller?

COMPTROLLER FRANCHOT: I just want to thank Dr. Cox for being here and President Marchini. You guys despite the fact you are not one of the very bid counties have done just a fabulous job of standalone financial literacy credit courses before you graduate high school. And I really appreciate your leadership. I am a great supporter of your system. I do have a question, though, because I noticed in the State Board of Education documents on the readiness for the Common Core exams that you guys are kind of unique in that you have a big zero percent ready for assessment and

online learning. I happen to be a critic of the implementation of these Common Core standards because I think it is too much, too early, and too expensive. And I would just like to get your view on Allegany County's price tag that you might be facing for the implementation of the Common Core tests. Apparently the computers alone to take the exams online are going to cost you up to \$644,000 and the cost of extending fiber to all the remaining schools that need it will approach \$1.4 million. Well, that's change under the cushions in a sofa for Montgomery County but I assume \$2 million is a lot of money to your system. How are you going to get that in order to be in compliance?

DR. COX: Well let me say first that we are supportive of the Common Core framework. We do believe it is the, absolutely the right direction in which to go to help our kids be college and career ready.

We have been working for a number of years, Comptroller, on our infrastructure not only for the purpose of testing but for delivering instruction. We use our network, we have Polycom systems that we deliver Mandarin Chinese among our high schools that

we broadcast from one school to another. So we are the recipient of grants to have fiber connections to most of our schools. We are working to complete that, I think with six remaining schools, and that's part of the work that we are doing. We are also submitting grants for that.

Part of the, I think the question that we are all trying to work on is what are some of the devices that we would be using for the PARCC assessments. And so I think we are like everybody else. We realize that it's not just about testing but it's about delivering instruction on a day to day basis and having the same kind of technology in the hands of kids as they do their daily work as they would be assessed on.

COMPTROLLER FRANCHOT: Well how much time and staff energy will have to be devoted to getting your county's schools up to speed? And are you confident you will get there by the deadlines?

DR. COX: Well I don't know how to put, how to quantify that exactly. I know that it is something that we are all working very hard to do. And some of the PARCC assessments I think will be paper and pencil

for some of the younger children. And so we want to have the most robust technology as we can, as I said, for instructional purposes as well as testing.

I couldn't stand here and tell you exactly what the price tag is because I don't know yet what devices that we will be talking about. And that is something that we keep, you know, trying to work on.

COMPTROLLER FRANCHOT: Okay. Well keep us informed. And I just want to, Madam President if you see Becky Miller around town please congratulate her on her Summer Lunchbox Program for kids and how appreciative we are for her volunteerism.

MS. MARCHINI: Absolutely, thank you.

DR. COX: Yes, sir.

MS. MARCHINI: Thank you for the Golden Apple.

COMPTROLLER FRANCHOT: She is great, isn't she?

MS. MARCHINI: Yes --

DR. COX: She is a wonderful lady.

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR O'MALLEY: Okay, thanks a lot.

DR. COX: Thank you all.

GOVERNOR O'MALLEY: We are now on to -- I'm sorry. They were, I thought they were pretty good. Can I give you this, doc, from Allegany County. The, this is on the school breakfast thing. You all right now are at 72 percent, which we appreciate, but that is 1,247 kids not yet getting breakfast. And that is Anne Sheridan right there who introduce herself. All right. We are now on to Anne Arundel County. Anne Arundel County? We are joined by a number, I don't know who wants to introduce the delegation. I know that we have the County Executive with us, we have the Speaker who is with us, we have --

MS. PERKINS: Governor O'Malley, you are taking the first paragraph of my opening.

(Laughter.)

GOVERNOR O'MALLEY: Okay. All right. All right, I'll be quiet. We're all getting a little punchy.

MS. PERKINS: Good afternoon, Governor O'Malley, Treasurer Kopp, and Comptroller Franchot. I am Mamie J. Perkins, Interim Superintendent of Anne Arundel County Public Schools and I am pleased to be joined today by our Chief Operating Officer Alex

Szachnowicz; members of our Board of Education; my County Executive; members of Anne Arundel County delegation; County Council members; and other supports of Anne Arundel County. Basically I have everyone in Anne Arundel County here with me.

(Laughter.)

MS. PERKINS: I would like to thank this Board, the IAC, Dr. Lever, and the staff of the Public School Construction Program for your ongoing support of our county and our fiscal year 2015 request. Our district believes in investing the funding we receive wisely while maintaining a balanced capital improvement program, which is not always an easy feat. We often get so engrossed in current budgets and future requests that we don't take the time to realize the true benefits of prior funding. Not long ago this Board and our County Council approved an open space wall enclosure project at Linthicum Elementary. I am proud to tell you that Linthicum Elementary just became our 16th Maryland Blue Ribbon School of Excellence.

TREASURER KOPP: Congratulations.

MS. PERKINS: Thank you. I believe this is a tremendous dividend on a wise investment and would like to sincerely thank everyone for believing in and supporting what we strive to achieve each and every day.

In developing our fiscal year 2015 capital improvement program I believe we have crafted a plan that is fiscally prudent and one that not only recognizes the economic constraints that Anne Arundel County and the State as a whole continue to face, but that addresses in a responsible way the needs of our school system so that we can move forward and diminish our overwhelming backlog.

We must also not overlook our school system as a vital contributor to the economic sustainability of Anne Arundel County and the State of Maryland. We continue to increase the economic benefits with every student that graduates, with every teacher we employ, and with every program that helps our students to go on to college or into the workforce. We want to continue to grow positive partnerships with government, businesses, and community organizations to develop great future leaders. By prioritizing our

resources to support our educational programs we can also better support the needs of our students and staff by providing safe, healthy, and sustainable facilities.

While finite resources command hard decisions, we sincerely believe that we are all on the same team and these decisions will be an ardent endorsement for the nearly 79,000 students in our district. We therefore ask for your continued support and funding approval for the following projects.

Our first request is local planning and construction funding for a four classroom addition at Seven Oaks Elementary. This project will provide three kindergarten classroom and one pre-kindergarten classroom in a rapidly growing area of West County that attracts young families and military personnel from across this nation.

Next we are asking for the balance of second year construction funding for a high efficiency prototype replacement school at Rolling Knolls Elementary. We are working with the county to extend the public sewer, which supports the Sustainability Growth and Agricultural Preservation Act of 2012. The

anticipated bid date for this project is Early Spring, 2014.

Our third request is for the balance of this year's construction funding for a renovation project at Benfield Elementary. The design will improve security and instructional support aspects of the facility, all of which are clearly focused on student success. With strong community backing we will phase construction to allow students to remain in that building, save the district on transportation costs, and forge partnerships between the instruction and construction communities.

Next we are seeking approval of local planning authority and first year construction funding for the modernization project at West Annapolis Elementary. West Annapolis is the quintessential community school. It is designed to blend in with the surrounding community and will provide an economic boost to local business and property owners. As with Benfield, we have met with MEMA to determine the emergency shelter requirements for this project and continue to work with our design team to integrate the requisite modifications.

Additionally we are requesting first year construction funding for Severna Park High School. This will be our first LEED high school. We are collaborating with the community and local environmentalists, including the Severn Riverkeeper Association, to provide a high performance facility to educate and build future community leaders. We anticipate adding well over 300 construction trade opportunities for the State and local workforce beginning this Spring.

Finally, we are requesting the balance of construction funding for gymnasium additions at North Glen and Oakwood Elementary Schools. The existing multipurpose rooms at these schools are currently tasked with serving as the gymnasium, the cafeteria, the auditorium, the music room, and community gathering space. These additions will alleviate the scheduling demands of these two schools, support our physical fitness initiatives, and provide much needed space for our model partnership with Anne Arundel County Recreation and Parks that benefit the entire community.

On behalf of our students, their parents, our employees, the Board of Education of Anne Arundel County, and the community in which we serve, I thank you for the opportunity today to discuss our fiscal year 2015 capital improvement program and how it supports the growth of Anne Arundel County and the State of Maryland. My staff and I would be pleased to answer any questions that you may have. And I am smart enough to have Alex here with me.

(Laughter.)

MS. PERKINS: And also my County Executive. May she say a few words next?

GOVERNOR O'MALLEY: Absolutely.

MS. NEUMAN: Is that okay?

MS. PERKINS: Thank you.

MS. NEUMAN: Thank you. Governor O'Malley, Comptroller Franchot, and Treasurer Kopp, thank you for your ongoing support for school construction and actually I was going to say good afternoon but I think we're on the evening now. Good evening.

GOVERNOR O'MALLEY: Yes --

MS. NEUMAN: Thank you for your, it's been a long day for you, I know. We appreciate that you have

continued to fund school construction in Maryland and certainly in Anne Arundel County. I'm also pleased to be here today with our Superintendent Perkins and the Anne Arundel County Public School System to demonstrate the county's wholehearted support for the \$35 million request in school improvements.

Since taking office, sorry my voice is just coming back, since taking office less than one year ago I have committed to working collaboratively with the Superintendent and Anne Arundel County Public Schools. We are of the same mind in recognizing the importance of quality schools and optimizing our students' learning experience and we view this as a team effort. Anne Arundel County has the third highest average growth in student enrollment in the State. The expansion of our commercial tax base throughout the county, including the growth at Fort Meade, NSA, and U.S. Cyber Command, is driving the county's student population. We need to provide quality schools if we want those workers to stay in Anne Arundel County and we certainly do.

You have very difficult decisions to make in making the school facility needs of 24 jurisdictions.

For our part, Anne Arundel County has funded more than 77 percent of school construction costs over the past ten years, which is an improvement. And 59 percent of our capital spending is dedicated to school construction. In the current year 64 percent of our capital spending is dedicated to school construction. We have doubled our actual annual commitment financially over the last ten years.

County funding has either already been made available or is already included in the county's approved fiscal year capital improvement program in amounts sufficient to support 96 percent of the entire fiscal year 2015 request. We are a reliable funding partner. We respectfully ask that you help strengthen the partnership by providing these school improvements to Anne Arundel students.

And I'm quite sure you have heard about Severna Park in particular. We have received hundreds of letters in our office, more than I could bring today. And there has clearly been an outpouring of support from the residents of Severna Park requesting needed funding for a new high school. Now it's a little tough to follow Allegany on that one, they are

dating back to 1925, but Severna Park is a 55-year-old, I'm just selling the truth. 1925, ours is a 55-year-old school, though. And it has not had a major repair since 1982. It is one of the best performing schools in the State. We invite you in fact to come for a visit.

I am here on their behalf and on the behalf of all parents and students anxious for needed school improvements on the funding appeal list. I respectfully request that you support our fiscal year 2015 funding request. Thank you.

GOVERNOR O'MALLEY: Thank you. Did you want to do, do you have, do you want to put something on the, I mean, is that the biggest we have of that chart? That chart over there shows you what we have been doing on school construction dollars, folks, over in the corner. I don't think I've referenced it in a long time. But I just point that out. Okay. Any we are well aware of Severna Park. They have been --

MS. PERKINS: Calling you, too?

GOVERNOR O'MALLEY: No, well they've been on the, I mean, all eight years that we have increased school construction funding to record levels in the

State of Maryland, they have been consistently moving up your list.

MS. PERKINS: Right.

GOVERNOR O'MALLEY: I mean, we don't create the list.

MS. PERKINS: Right.

GOVERNOR O'MALLEY: You all bring us the list.

MS. PERKINS: Right.

GOVERNOR O'MALLEY: They have never been to my knowledge skipped on the list. Every time you give us the list, we fund the priorities in the order in which the county gives us the list. So they have been consistently moving up. And getting a lot closer now, which is great. I'm sorry, who else wants to be heard?

DELEGATE VITALE: Governor, if I might?

GOVERNOR O'MALLEY: Sure.

DELEGATE VITALE: I'm Cathy Vitale. I know most of you know me. I am the Delegate that actually represents Severna Park. And Governor, I thank you. Several years ago you came to Severna Park Middle School while we were doing construction and renovation. One of the enjoyable things about the

Severna Park community of course is that it overuses until it is difficult to use at schools.

GOVERNOR O'MALLEY: That's where they had that great International Baccalaureate program, right?

DELEGATE VITALE: We certainly had a --

GOVERNOR O'MALLEY: And all the kid greeted me in a different language?

DELEGATE VITALE: We certainly did have a lot of different, and I believe you quizzed the kids if I recall, in the joint converted, it used to be the tech center and was being used I think as two foreign language classes that day. So I think the kids had a good day. It was during the elections as I recall. And the kids walked, the Governor walked in and the kids were wearing masks or either Bush or Obama on the particular day that they were in.

We certainly are appreciative of funding in years past. It has been 14 years that I have been able to stand before the Board of Public Works and ask for school funding on different schools. And within that 14 years, first in my time as a County Councilperson and now as a Delegate representing an area. There's a couple of things that I do know. The

Superintendent is right, we certainly are looking forward to creating the community leaders. I'd like to think that as an '82 grad of Severna Park that I was one of those that benefitted when things were really working well in that school. But right now if you recall last week, and you recall the cold, I will tell you that the boiler at Severna Park High School is not always working. I will tell you that the second floor of the high school may be at 104 degrees while the bottom of that school is at 30 degrees. Teachers will tell you, as some have in their emails to you, about teaching with parkas in one classroom and shorts in the other.

But there are a couple of other issues that I would really like to bring to your attention. While I agree that it has been moving up, the way that our school funding is organized we do a lot of systemic work in Anne Arundel County, like a lot of the other jurisdictions of course. We are an old county. And as we have systemic needs they seem to be across the top of the board. Dr. Lever was very kind in meeting with me September as we went through both systemic needs and construction needs. At this particular time

because it has officially made the list in terms of the county funding there is no systemic work being done at that school. So its needs right now do not get met simply because it's we're not going to throw good money after bad. If the school is going to be constructed we need to move forward on the construction because those needs are not being met.

It meets all your criteria. It's over 40 years old. It is technically subpar. It will be difficult to meet and continue to meet new requirements with regard to technology. The students who go there come from renovated or newly constructed schools and a newly renovated middle school. So they go from having all of the technology to not having much of the technology in their last four years of education.

It's a community based school, Your Honor. We would encourage you to come visit our school that doesn't always have heat, the windows that have been boarded and the ones that don't open, and ask that you strongly support the construction program as it came from the State which was a strong support to deal with the funding at Severna Park High School. At this

point we are very concerned that if we don't move forward on this project it will continue to hover somewhere around 18 or 19 on the construction. There will always be a new kindergarten that needs built, a new preschool, a new program, a new roof. But we have made the list. We have supported the other construction. And we would ask for your support. At this time Severna Park residents really believe that they, it's their time. We would like us to take our sick school that is overperforming and make it a healthy one that continues to perform. So thank you.

GOVERNOR O'MALLEY: Thank you.

DELEGATE SCHUH: Governor, Mr. Comptroller, Madam Treasurer, I'm Delegate Steve Schuh, I chair the Anne Arundel delegation. And I wanted to put in a quick me too on the issue of Severna Park High School. One of the top performing schools in the State, we are very proud of it. But the physical plant is dilapidated. We do appreciate, Governor, that you have funded our priorities in the exact order we gave them to you. And we and the community are disappointed that Severna Park High School, you know, just missed by two notches down at 19th ranking. You

were able to fund one through 17. We're only at round two. We're hopeful that in rounds three and four funds would be forthcoming and we would certainly appreciate it on behalf of the Severna Park community. Thank you.

GOVERNOR O'MALLEY: Thank you.

SENATOR REILLY: I would like to indulge just a second. We have a large, the joy of having a close high school is we have a lot of supporters here, a lot of parents who have come and would like to express their support by standing, if I may?

GOVERNOR O'MALLEY: Sure.

SENATOR REILLY: Would those of Severna Park please stand? Thank you very much, Governor.

GOVERNOR O'MALLEY: Thank you, parents of Severna Park.

SENATOR REILLY: Severna Park is the number one issue for myself and all the reasons that are said. But I have to share with you, you know I'm a family man. My eight-month-old granddaughter Ruby may someday go to Rolling Knolls Elementary School. So Severna Park is number one, Rolling Knolls is number

two, it's on the list. We would appreciate all the support you can give for Anne Arundel County.

Just as a reminder, I have voted for the capital budget last year and intend to do this year.

(Laughter.)

GOVERNOR O'MALLEY: That's an important thing to point out, Senator.

SENATOR REILLY: Governor, I understand. Thank you.

GOVERNOR O'MALLEY: Not everybody does vote for the capital budget.

SENATOR REILLY: I understand. Thank you.

GOVERNOR O'MALLEY: Thank you, Senator. Here is a gentleman who always votes for the capital budget. SPEAKER BUSCH: Thank you. First of all, I'm here to thank you, Governor, and the other members of the Board of Public Works for eight years of funding of our school construction program throughout the State. A record amount of money, the limit my understanding was from the Kopp original report was \$250 million a year. You surpassed that every year, every year.

Anne Arundel County will be close to \$260 million in school construction during your administration, Governor, and I'm very proud to have voted for every one of those budgets, both the operating the capital budgets and revenue to support those. And I am here to support every school on the list. Severna Park, Rolling Knolls, Benfield Elementary, Crofton Elementary. They were put in order for a reason. Back in 2008 the Board of Education put those schools in order because that was the priority they were put in front of us. And we have stuck religiously with that order. And I am concerned with all of them. And I don't want to see any school pass another school. So I want to be here just like Senator Reilly for Rolling Knolls and Benfield Elementary School, which aren't in my district currently. But I'm just as concerned about West Annapolis Elementary School as I am about the rest of them. So I want to thank you and I pledge my support voting for the budget and the capital budget. And I would encourage everyone in the Anne Arundel County delegation to do the same. Thank you.

GOVERNOR O'MALLEY: Awesome. Thank you.

Okay. Anything else? Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes. Could I just thank the Interim Superintendent for being here.

MS. PERKINS: Sure, thank you.

COMPTROLLER FRANCHOT: You've got a really distinguished record of leadership and I am delighted that you are here before us.

MS. PERKINS: Thank you.

COMPTROLLER FRANCHOT: And I would be remiss if I didn't say Alex Szachnowicz is kind of a hero of mine. I say this every year, Alex, but the children of Anne Arundel County are in your debt. And I personally think you are the best Chief Operating Officer in any Maryland public school system, without anyone even being close. So thank you for that.

The County Executive, I went over on Monday and sat and talked to her. And she wanted obviously more support for Anne Arundel County. And then all of a sudden she looked at me and she said, "You know, it's my birthday today."

(Laughter.)

MS. NEUMAN: That was true. Well I thought that would be a very suitable birthday present.

COMPTROLLER FRANCHOT: Yes. And she said, and she, to quote her she said, "My only birthday present that I really need is Severna Park High School." So welcome and I'm glad you are here. And obviously Delegate Schuh who is such a fighter for Anne Arundel County. And Delegate Vitale, what an eloquent statement. Thank you for what you said. Senator Reilly is a great friend, thank you all for being here. I do have a couple of questions. You all don't have to stand up there if you want. I just need Alex a little bit.

(Laughter.)

COMPTROLLER FRANCHOT: But feel free to stay there.

MS. PERKINS: Smart man.

COMPTROLLER FRANCHOT: You know, I'm such a fan of what Anne Arundel did under your leadership ten years ago in putting box air conditioning units in every classroom in Anne Arundel County. I understand now some of those schools are having systemic renovations and they are getting central air

conditioning. But I'm sure you were told all the reasons that Baltimore County and Baltimore City give to me. We can't do that, Mr. Comptroller, for our schools. We have to have 40,000 kids sweat in 110 degree heat. We have to have our teachers faint. We have to have no circulation. We just can't do anything about it until we do systemic renovations of our schools.

Well I'm sure you heard that, that it was too expensive, that the box units wouldn't work in aging buildings, the noise would be distracting, this is my favorite, because apparently the air conditioner when you turn it on does make a little noise. And supposedly that is worse than melting in your own sweat in the classroom. And oh, here's my favorite, the air conditioning units will give out. They are very, you know, just a couple of years. Well you exercised common sense and compassion. You got those in there. And the idea that there are 40,000 students in the Baltimore region who are just year after year because of the stubbornness of their school leaderships, are not taking advantage of what you did,

Alex, ten years ago. And are some of these things still working?

MR. SZACHNOWICZ: Each and every one of them.

COMPTROLLER FRANCHOT: And have the teachers figured out how to turn the controls on before the class and then maybe turn it off during the class?

MR. SZACHNOWICZ: Yes, sir.

COMPTROLLER FRANCHOT: So anyway, thank you for that. I'm just sorry that it hasn't been exported to the even bigger counties than you.

Okay. Severna Park High School, according to the Baltimore Sun, is antiquated, inadequate, parts of the school are crumbling, heating and air conditions are unreliable. I guess my question is how did you let the school get into this kind of condition? Given my great confidence in your management abilities. You know, is this exactly what the conditions are? How did it happen? And what happens if it doesn't go forward in a timely manner?

MR. SZACHNOWICZ: Well I believe that some of the statements that were made regarding the school are exaggerated somewhat. We do have a very balanced

approach. I believe you heard Superintendent Perkins that our balance approach takes into account maintaining our old infrastructure, Severna Park being a 55-year-old school, we have schools that are even older than that. So we certainly invest as much money as possible into that. But we have to balance that with the growth, too. We are a growing county so we have to make sure that we address the capacity concerns across the county. All the buildings are maintained to the best of our abilities, again given funding constraints, etcetera. And we believe that we are evenly distributing all of those resources across the district. Severna Park being a 55-year-old building suffers the same ills as many buildings that are 55 years old. But Severna Park is working. You have heard that the students there are doing wonderfully. In fact they are some of the highest achieving students here with the State. What we hope and wish for them is to give them those opportunities that are afforded to the other youngsters in terms of technology, in terms of, you know, better environmental controls, etcetera. So it's not a matter of not providing opportunities to those

students today. It's providing ever yet growing opportunities on a going forward basis.

COMPTROLLER FRANCHOT: Okay. So I can see that. But for some reason some of the families at Severna Park have written me letters. Ms. Laura Stevenson wrote that the school is unsafe, unhealthy for our children, it is not ADA compliant, it has mold, asbestos, failing heat, no air conditioning in capital letters, boarded windows, falling roof, cockroaches, and it is literally falling apart. Deb Stevens that his math class is so cold that everyone keeps their coats on to stay warm. The cafeteria is not large enough to hold everyone schedule. As they spread out, my son may not use certain bathrooms because of the conditions. Meredith Gawitt, a parent whose husband went to Severna Park, writes the building has been untouched since my husband was a student. Inside is chipped paint, cracked floors, and even leaking buckets strategically placed on the floor to catch water. And then Angi Sasse, a teacher in Severna Park, that the hallways are so packed that people literally can't move for minutes on end, end quote, which is obviously a safety hazard if it is

true. She writes of boarded windows, classroom temperatures either unbearably hot or unbearably cold, and leaking classrooms.

So what can we do in the next couple of weeks to at least, you know, if this is right, if any of these things are right, is there something we can do as far as helpful maintenance ahead of the funding of the new school.

MR. SZACHNOWICZ: Mr. Comptroller, you have been a frequent visitor in many of our schools and we would welcome the opportunity to walk through Severna Park with you and let you make your own observations.

COMPTROLLER FRANCHOT: Okay. But just keep that in mind. Because you are good at this stuff. And I'm not, you know, I thought those letters were pretty riveting.

The reason why it's on the list of 19 is because it has moved up from 28, so it's about to get funding. And I assume that Delegate Schuh and the County Executive were right in thinking that this is going to get funded, hopefully, in the next couple of rounds. But why wasn't it ranked higher originally?

MR. SZACHNOWICZ: We undertook a countywide study that was done. It was jointly agreed to the study by the four entities at that time, the County Executive, the County Council, the Board of Education, and the Superintendent at that time that we were going to hire an external company to come in and do an impartial analysis. In fact the external company came from Washington State and Oregon to do the analysis of all of our facilities countywide and assist the Board of Education and the county government at that time to create a ranked order prioritization. Given that we have in excess of a \$1.5 billion backlog in Anne Arundel County Public Schools in capital funding needs there has to be essentially an algorithm, a rhyme or reason to prioritize those projects. That was undertaken. The priority order was agreed to at that time. And since the introduction of the capital improvement program that was informed by that study not a single school has moved up or down. The parties that entered into that agreement have essentially stuck to it. It has provided a tremendous amount of predictability. Everybody knows where they are on the list. They may not like the answer, Mr. Comptroller,

they certainly would wish things were sooner, possibly rather later. But there is predictability and we can demonstrate that Severna Park High School, as with all of our projects, has moved up sequentially year after year on the priority order as schools ahead of it have been funded through the generosity and support of both the State and our county government funding partners.

COMPTROLLER FRANCHOT: Good. Well I was encouraged by the Speaker's presence and his statements. Please tell him I said some nice things about him. But if you, if the Speaker is supportive and you have this hardworking team behind you, and Madam Superintendent, I assume that the county is going to receive money in this year. But what happens if you don't? Have you put your own money into this project already?

MR. SZACHNOWICZ: There is \$26.5 million currently of all county money into the project. We have reached the stage now that we are eligible for construction. As you know, Mr. Comptroller, the State doesn't participate in some of those preliminary rounds. So the county government has forward funded \$26.5 million to date. We are ready to break ground

on the project. And essentially from this point forward it's a 50/50. So we're, in round numbers the county government would contribute \$25 million, the State would contribute \$25 million, and we get the project underway.

COMPTROLLER FRANCHOT: Okay. And just one follow up question, are there other schools in the dire shape of Severna Park High School in the county that you can do something about as far as accelerating the process of returning the schools to acceptable condition?

MR. SZACHNOWICZ: Again, we --

COMPTROLLER FRANCHOT: I don't know, but I'm just --

MR. SZACHNOWICZ: It comes down to fiscal constraints. The Governor has shown tremendous leadership, as many of us have opined here today and the chart to my right demonstrates the State commitment to public school construction under the prior two terms. And the county government has certainly stepped up its funding level as recent history demonstrates. We hope that those two efforts, the State's leadership, and now with the county

government standing shoulder to shoulder with us, that we will be able to accelerate the rate of improvements and renovations within our county.

COMPTROLLER FRANCHOT: Thank you. Madam Executive and Superintendent, thank you for letting me visit Woodside Elementary School, Glen Burnie Park Elementary, giving a Maryland Masters award to Desmond Wright at Central Special. And Henry Green and Heritage Baptist Church have this Backpack Buddies Program for kids and they are exceptional volunteers. And you've just got a great county. I really appreciate you all being here.

MS. PERKINS: Thank you.

TREASURER KOPP: Could I ask whether you have looked at the question of forward funding? And you know, we mentioned with some other counties earlier.

MR. SZACHNOWICZ: Well yes, ma'am. As I said earlier Anne Arundel County has committed earlier --

TREASURER KOPP: I mean of State eligible --

MR. SZACHNOWICZ: Yes. And there's \$26.5 million that have already been committed towards the

project. Of that approximately \$4 million was towards the design and feasibility. The rest of it is for construction. So in excess of \$20 million has already been forward funded by the county government in the current fiscal year. It's banked so it is sitting there unutilized until the fiscal year 2015 funding comes in from the State and the county. We will then have the critical mass necessary to break ground and push the project forward. That is a model that we have used in Anne Arundel County.

TREASURER KOPP: So what does that mean in terms of the amount --

DR. LEVER: Well strictly speaking it is not forward funded because they have not yet broken ground and are not spending construction dollars. They are putting county money in first to take care of expenditures, and then the State money will come in to the extent that we can provide money this year. And then over the next I think roughly two years, next one or two fiscal years will take care of the balance.

TREASURER KOPP: Okay.

MS. NEUMAN: And if I might add to that from the county's perspective, if you are referring to the

forward funding of the potential State match, the county is prepared to do that. Commitment from the State would make it a lot easier to move forward with the schedule.

DR. LEVER: Mm-hmm.

COMPTROLLER FRANCHOT: And the amount? What defines the commitment?

MS. NEUMAN: Well the total amount that we are asking for is \$35 million. But it depends, or if you are speaking specifically about Severna Park?

COMPTROLLER FRANCHOT: Yes.

MS. NEUMAN: The county has made provisions assuming a State commitment that we will match the budget accordingly. But it really, it's an important consideration in understanding where the State is.

TREASURER KOPP: Because this is a way, as I mentioned, and when we spoke I mentioned, a number of counties, the most immediate that comes to mind is Montgomery but there are others, Frederick, which did forward fund and have been repaid. We don't welch on --

MS. NEUMAN: And that could work for Anne Arundel as well.

TREASURER KOPP: Yeah. So I would think that by the end of this process there would be something underway. Right? Without interfering with your priority --

MS. PERKINS: Priority list.

TREASURER KOPP: -- list.

GOVERNOR O'MALLEY: May I switch channels and ask one thing in closing? There are 7,100 kids in Anne Arundel who are school lunch eligible and receive school lunch but do not receive breakfast. So that puts you all at around 63 percent of those kids that are eligible receive breakfast. So if you could, we would like to work with you. There's ways that other, I don't know if you can put that map up that Anne just told me is back up, Kevin? But there are some other counties that are up to 91 percent. And there are simple things that we have learned to do that can really help with deportment, discipline, achievement, throughout the entire school district by crossing that delta again between the kids that are receiving school lunch and the kids of that percentage, the ones that are receiving breakfast. Right in between there are a lot of kids that are underperforming because they are

thinking about their stomach throughout the day instead of what's on the white board or the blackboard.

MR. SZACHNOWICZ: Yes, sir. We wholeheartedly agree with moving in that direction aggressively. You, we had the pleasure of hosting you at our Eastport Elementary School where you saw the model where our youngsters are now eating in the classroom as opposed to in the cafeteria. So it eliminates some of the timing constraints, eliminates some of the stigmas, and we are as rapidly as possible expanding that.

GOVERNOR O'MALLEY: And you are doing a lot better than you were. And you are doing a lot better than you were three years ago.

MS. PERKINS: Right, we are. Exactly.

MR. SZACHNOWICZ: We are very aggressively, we are believers in the program. The Share Our Strength organization, the Maryland Meals for Achievement initiative. So we are very aggressively moving in that directly. So we are aligned with you -

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GOVERNOR O'MALLEY: Awesome. There it is up there. I mean, that kind of shows you. If it's red that means the kids eligible for breakfast are getting it. If it's yellow that means the smallest percentage are. So you all are doing better than you were. Thank you. And thank you Severna Park parents for being here on this long day with us. Thank you all. Mr. Speaker, thank you, sir.

COMPTROLLER FRANCHOT: Oh, there's Mr. Speaker.

TREASURER KOPP: How did I miss him?

(Recess.)

GOVERNOR O'MALLEY: Dr. Dance, thank you for your patience, sir. Good to see you. I enjoyed being with you the other day. All right. Baltimore County. Mighty, mighty Baltimore County. Dr. Dance?

DR. DANCE: Thank you, Mr. Governor. Good to see you again, as we just celebrated this past Friday 86.3 percent rate for Team BCPS. A 90 percent graduation rate at Randallstown, where we just were.

GOVERNOR O'MALLEY: I love those kids at Randallstown.

DR. DANCE: They are phenomenal and they are still talking about you. And there are several pictures in their yearbook of you, too. So just fyi, we'll get you a copy.

GOVERNOR O'MALLEY: Oh, that's nice. They were so focused and zeroed in. It was really, it was a great experience. I stayed way too long, but it was fun.

DR. DANCE: We were happy to have you.

GOVERNOR O'MALLEY: Thank you.

DR. DANCE: Comptroller Franchot, good to see you. We'll be seeing each other in a couple of weeks as we recognize some of the artistic work of our students in roughly two weeks. And Treasurer Kopp, thank you for allowing this opportunity.

We want to discuss a couple of things with you this afternoon. One, we want to talk about the progress we're making in Baltimore County Public Schools as we get back to the stability of our buildings. We are really looking at long term planning in terms of where we want to go with our facilities and our programs. I personally want to thank you for the funds that have already been

committed by the IAC. We have roughly \$24 million that have already been committed. So we acknowledge that and are very, very proud and excited for that. And explain the need for why additional funds are needed in Baltimore County Public Schools.

Right now, when I came to speak with you about a year ago we started talking about the need to put together along term capital plan for Baltimore County Public Schools. We are currently right now working in conjunction with Baltimore County government. Our County Executive unfortunately could not be here today with us but he has submitted a correspondence to the Board of Public Works. We will be obtaining public feedback in the fall on that plan. But what that plan really looks at is producing a long term plan very similar to what our colleagues in Anne Arundel just talked about that looks not just at our growing student population but it also looks at the age and conditions of our buildings. It will look at air condition, which I know the Comptroller and I have talked several times about. But it also looks at how do we provide, as we look forward to going a one to one digital platform for Baltimore County Public

Schools. And Mr. Governor, we are very, very proud and excited for the digital innovation grant that we received last year, roughly of \$900 million, to start the one to one program that we are calling STAT, which is Students and Teachers Accessing Tomorrow.

But the long term strategic plan will literally coincide all of those pots together. Right now again we are excited about the \$24 million that the IAC has already granted us approval on, which will allow us to renovate and expand Hereford High School, replace roofs at roughly seven of our elementary schools, put air conditioning in Overlea High School which is where the Governor made his announcement last year about the record amount of public school construction. Again, thank you for that and your administration's commitment. Build an addition to Sparks Elementary School, partially fund an addition at Westchester Elementary School, and renovate Pikesville High School. That will include air conditioning as well, too.

Of course there are additional unfunded projects that we would love to have the Board of Public Works' support on as we address overcrowding

challenges that exist in Baltimore County Public Schools. Right now today we know we have an additional 6,000 seats that we will have over the next five years in Baltimore County Public Schools. So our school population continues to grow. But really it looks to modernize our facilities as well, too. What we have really done is really revamped the process of obtaining community input in terms of the capital projects that we put forward. Particularly in the southwest area of our school system you will see numerous projects that include new buildings for Westowne Elementary School, Catonsville Elementary School, and Relay Elementary School, in addition to the addition at Westchester Elementary School. With those replacements and new schools we will literally be putting air conditioning in those schools as well, too. So thinking about long term approach to what we do.

In the northwest area of our county where we literally just finished up a study that called for an additional literally thousand seats over the next ten years, we know that we have a new school that is being constructed right now that will look at relieving New

Town and Woodholme Elementary Schools that roughly will have about a thousand students next year. So we are looking to open that in August of 2015.

The proposed construction projects for central will allow us to open Mays Chapel Elementary School in August of 2014. That will accommodate 700 seats. But we also know there is a need for roughly about 500 additional seats in the central region. With the proposal that we have for you looks at renovating and replacement of existing Loch Raven Elementary School that was existing as an elementary school that currently does not exist as one now; repurpose one of our schools to serve as a countywide magnet, which we know we have had extreme support for countywide magnets and magnet schools in general in Baltimore County; renovate and expand Cromwell Valley Elementary School to include a comprehensive school component that will allow it to attain a catchment zone that will allow us to alleviate some overcrowding; and a significant renovation to Dunbarton Middle School that would include air conditioning.

Also needed of course are roof replacements at two more of our elementary schools, Woodmore Elementary School and Owings Mills Elementary School; and planning funds for renovation at two more of our elementary schools as well, too.

We want to sincerely thank the Board of Public Works for its commitment. I think we look at the chart to our right and see the investment that our Governor and the administration and the Board of Public Works has put into school construction project. And we really do appreciate that in Baltimore County Public Schools where we have one of the oldest infrastructures. So we really do appreciate that support. It stimulates our economy, it looks at job creation, and it benefits diverse companies. Over 31 percent of our business and our payments do go to minority owned vendors.

So we do support that we have been given. We have done a lot of work over the last couple of years. I know that the Governor, you have been talking about, and we even had a brief conversation last week when you were in Baltimore County about breakfast participation, in terms of increasing

breakfast in the classroom and grab and go opportunities. We have literally had a 17 percent increase just over the past one year. We are looking at right now bringing our high schools on board with that. Right now the elementary and middle schools are a lot easier because of the breakfast in the classroom and the grab and go. But we have had conversations with our high school principals right now about expanding that work into our high schools.

So right now we do appreciate the opportunity to stand before you with the additional request that we in fact have. Again, as we moved forward we have tried to look at how do we long term strategically think about our facilities, but also how do we match it with where we are going one to one in terms of our digital conversion.

So thank you again for the opportunity, Mr. Governor, Madam Treasurer, and Mr. Comptroller. And we look forward to answering any questions you may have.

GOVERNOR O'MALLEY: Thank you, Dr. Dance.
Mr. Comptroller?

TREASURER KOPP: That was fast.

COMPTROLLER FRANCHOT: Yeah. Thank you, first of all Dr. Dance, for mentioning Westowne. Denise Avara could not be here today but I think she is watching over the internet and she has been a great school activist and I am delighted that you mentioned it in your talk.

I'm not sure if you heard my heaping of praise on Anne Arundel COO Mr. Szachnowicz for his steadfast commitment to box air conditioning units, but on the off chance that you folks actually might see the light on what he has done in Anne Arundel County, I actually brought a Comptroller's medallion with me hoping that there might be a breakthrough. I'm not sure there will be. But this is an extraordinarily important issue to the safety and health of the kids and the faculty. I applaud the County Executive and you for doing some of the systemic renovation. But let's be honest. Those are very, very expensive and they take a long time. And in all seriousness, I hope that someday soon I will visit Baltimore County and hear the hum of box air conditioning units in these classrooms until your renovations can be completed. In Anne Arundel for

example is just doing a renovation of a school that ten years ago they put box units in. They are going to put the heating and cooling system in that you all are putting your schools. But that's ten years of kids not melting in the classroom.

So having applauded your statement about air conditioning could you please update me not on what is planned or approved funding or future installations, how many classrooms right now will actually get air conditioning in calendar year 2014? And at the end of the year how many will still be un-air conditioned?

DR. DANCE: Well --

COMPTROLLER FRANCHOT: I'm talking kids, really, because that's the only thing I focus on. And I think that's the audience that we need to deal with.

DR. DANCE: Very good point. And Mr. Comptroller, I can get the specific number of kids to you and the Board of Public Works. With the current funding request that we have before you and our commitment that we have already put into it, we would have less than 25 percent of our schools that would need additional air conditioning.

COMPTROLLER FRANCHOT: Okay. That sounds obviously like you are making progress and moving in the right direction. It is still a heck of a lot of kids that have to put up with conditions that you and I and everyone agree are unhealthy and unacceptable. And trust me, it would be very helpful if the County Executive could reconsider and help you put these units in.

Let me return to Westowne for a minute. How, assuming Westowne receives the funds that are being requested, what is the anticipated time table for a completion of the replacement?

DR. DANCE: With all of the projects that we have before you in southwest and in central, the anticipated opening would be August of 2016. The reason why we have such an aggressive time table is because we want to make sure we are impacting our families only once with redistricting. So literally we would start the process so that within, for the August, 2016 school year, 2016-2017, we would be bringing those schools online.

COMPTROLLER FRANCHOT: Okay. Thank you. Now if I could just briefly ask about the rather

elaborate plan to relieve elementary school overcrowding in the Towson area. As I understand it the system intends to reopen the former Loch Raven Elementary School renovate it so it can accommodate 600 students. In addition you plan to add 289 seats to Cromwell Valley Elementary School, which will now become a neighborhood magnet school, close the Halstead Academy, and redirect those 500 students to the new reopened Loch Raven Elementary School. Is that correct?

DR. DANCE: Yes, sir. But the plan since the time that you are reading that has been updated with the IAC to actually look at 189 seats at Cromwell Valley, making it a 600-seat school, and making the Loch Raven Elementary a 600-seat school as well.

One of the things that we did with our process which is quite different than previous years, we literally went to our community first and said what are something that we need to consider? We got that for about a three to four month period. We started involving more people in the process once we realized that more students and families would be impacted. Two of the main issues that came back from the

community that they wanted us to reconsider in the plan was to make sure that the Loch Raven site as it currently sits has several community programs, it has some county offices, some school system offices. And they wanted us to be able to capture the community center within the school. And then they wanted us to make sure that we were allowing for walkability as we were developing any kind of boundary process. So with the adjustment of the plan for 600 seats, it would allow us the walkability for a boundary process to consist, but we also would look at maintaining those community center programs within that building.

COMPTROLLER FRANCHOT: Okay. And the overcrowding situation is what in that area now? Is there, are there portable classrooms? Or are there --

DR. DANCE: There are portable classrooms now. But we also know that opening Mays Chapel with your support, which has been phenomenal, a 700-seat school, we have a need for about 500. With the current proposal that exists we will have 800 seats that we would be able to capture.

COMPTROLLER FRANCHOT: Okay. And if you could comment on Halstead Academy, what kind of shape

is it in, the building? I think you may be planning, as you said, or in your documents, that you may reopen that?

DR. DANCE: You are talking about Loch Raven Elementary School. Right now Loch Raven Elementary School is not used as a school. It went offline right in the eighties. The second floor is not habitable right now. There is a feasibility study that was just conducted which we have submitted for your review that will look at what do we need to do with that building. It is on the local historical list so we will be working directly with the community and with our county to make sure that as we bring that back online we are protecting all of the historical treasures and traditions that are in that as well, too.

The current Halstead building is, it does of course have kids in there. The bones are really, really good with the building. We would be adding air conditioning with this renovation.

COMPTROLLER FRANCHOT: I thought that you might be opening that as a countywide magnet?

DR. DANCE: It would be a countywide magnet. But we would be putting air conditioning as part of the renovation.

COMPTROLLER FRANCHOT: And how old is Loch Raven, I guess? You mentioned that? Is it suitable as an elementary school once again?

DR. DANCE: It is suitable with, and I will have Mike Sines, who is our Chief Operations Officer come forward, it is suitable as an elementary school however it is not being able to be used right now. We would have to do some significant renovations in fact to it. There is a feasibility study out right now that looked at whether you renovate, replace, or do whatever with it. We do understand again it's on the local historical list. We would have to work around that piece of it because our goal is to make sure that we preserve that piece as well too. But we would not be able to add kids to it in its current state.

COMPTROLLER FRANCHOT: Okay. And what about inconvenience to the families that have kids at Halstead? What is being done to mitigate that?

DR. DANCE: One of the things that we did was when we looked to put forward this proposal was to

conduct a survey with the families of Halstead to let them know what was happening and get their feedback on it. The survey was put out. It was a response rate of over 88 percent with it and over 90 percent supported the idea.

COMPTROLLER FRANCHOT: Okay. So I guess ultimately, I said it was kind of elaborate and hard to follow and you all are more expert than I. But it seems that we're reliving overcrowding by reopening one school, one which hasn't been used as a school for many decades, in order to create 600 additional seats. But in so doing we are also closing another elementary school that currently enrolls about 500 students. The issue is overcrowded facilities, why wouldn't we be reopening Loch Raven and keeping Halstead open as an all hands on deck solution?

DR. DANCE: Very good question, Mr. Comptroller. One thing that we do know is we have had a lot of success, as my colleague before me talked about, with our magnet programs. What we are intending to do of course is replicate another magnet option for our families which they said they in fact want. If you look at the proposal as it currently

stands we would be capturing roughly 800 seats as opposed to the initial 500 seats. You would be gaining 189 seats with Cromwell Valley and you would be gaining 100 seats roughly with Loch Raven, and then you would be gaining another 500 with the current Halstead building.

COMPTROLLER FRANCHOT: Okay. But there is not, what happens when you redistribute a student body like Halstead's? It's just --

DR. DANCE: Yeah, when you are saying redistribute. We would not be doing that. The entire student body would be staying together.

COMPTROLLER FRANCHOT: They are?

DR. DANCE: Yes, sir.

COMPTROLLER FRANCHOT: In a different building?

DR. DANCE: In a different building, yes sir.

TREASURER KOPP: So could you just go through this again for me? Just so I --

COMPTROLLER FRANCHOT: Yeah. That was a little hard to follow.

TREASURER KOPP: You've got Halstead.

DR. DANCE: Yes, ma'am.

TREASURER KOPP: You are planning on moving all the kids from Halstead to --

DR. DANCE: I thought you were giving me the coin.

(Laughter.)

COMPTROLLER FRANCHOT: It definitely wants to find you. You've got to hear the hum of those box units, though.

TREASURER KOPP: To renovate a different Loch Raven, something on the Loch Raven site?

DR. DANCE: Yes, what -- go ahead, Madam Treasurer?

TREASURER KOPP: And then Halstead remains as the magnet?

DR. DANCE: It would become a countywide magnet.

TREASURER KOPP: It would become a magnet?

DR. DANCE: Yes. And the way we define countywide magnets is they are located in the central area of our school system and we provide transportation to that facility.

TREASURER KOPP: Okay.

DR. DANCE: So it's a pretty comprehensive proposal which matches our strategic plan together with our long term plan as well, too.

TREASURER KOPP: And then you've got Cromwell Valley?

DR. DANCE: And then you have Cromwell Valley that right now serves as a countywide magnet but it would become a neighborhood school with a catchment area.

TREASURER KOPP: I see. Okay. All right. But, and some people want it and some people don't, basically?

DR. DANCE: We've been working with the community on it. As a matter of fact we just, I'd like to acknowledge a couple of our community members tonight from the Loch Raven Village Community but also from the southwest community who have been here literally for four or five hours now. But we have been working with our communities on our plans. One thing I think that we have done is that we have expanded our models to really capture those folks who don't have maybe school aged children within our school system. But also as we have designed our

programs, designed our models, we have also tweaked them to also gather community input as well too. Again, the initial proposal in front of the IAC was literally just to have a 500-seat school at Loch Raven. Once going back and dealing with some of the concerns they had, we adjusted our proposal. But also we did the same thing when working with the Cromwell Valley community as well, too. So as we go throughout the process of planning and design we will be working hand in hand with our communities to figure out what those buildings look like and the programs and community center initiatives we need to have within.

TREASURER KOPP: Okay. So some of the deferral, it may not be these schools, but some of the deferral of planning because of feasibility studies, is that because there are these changes in --

DR. LEVER: In the south central area there is site approval to acquire the site, which is now owned by the county --

DR. DANCE: Yes, sir.

DR. LEVER: -- where the former elementary school sits, that is county land. And so the IAC has to approve the acquisition. And we understand that

that is in process and we will be receiving that request.

DR. DANCE: It is.

DR. LEVER: There is also the issue, the majority of the enrollment justification for the new Loch Raven school comes from Halstead. And so we need to know more about what Halstead is going to be. And then Halstead as a separate request is actually priority number 32, and we need to know more about the magnet program in that as enrollment justification with that project.

DR. DANCE: Exactly. And Dr. Lever has been phenomenal in his support as we have worked through these projects. One thing that we have started the process now is working with our communities in terms of what programs go within that building. We have a couple of things in mind. However, we are going to start a lot of outreach now to figure out what parents really want. What they have been very clear, though, is they want more choice.

TREASURER KOPP: Okay. I think we get it.

COMPTROLLER FRANCHOT: Where is the gentleman from southwest Baltimore County?

DR. DANCE: Jim Kitchel.

COMPTROLLER FRANCHOT: I couldn't see you back there. So thank you for being here.

DR. DANCE: Thank you again for the opportunity.

GOVERNOR O'MALLEY: Dr. Dance, on the school breakfast stuff I appreciate your efforts. And Anne Sheridan is our Secretary of Children, Youth, and Family, and she can identify the schools where there is the best opportunity, easiest opportunity to cross the delta. There is, of the kids, in Baltimore County there is 16,103 kids who while they are school lunch eligible are not receiving a breakfast. And if you all could help us cross that delta and get your percentage up from 61 percent to 70 percent, that would be about 3,000 kids. And I know that you know how this can help. But we put some more money in the budget for the little connecting things, the carts, or the trash cans, or the stuff. So I'd appreciate your help.

And I also wanted to say to you that Izzy Patoka, who often travels with me when I visit schools, was with me last week and he remarked

afterwards something that had not occurred to me. But he said all of those bright-eyed, smart, high achieving students at Randallstown all knew who you are and what you do. And it's not every school system we go to -- let me say it another way. It's very rare that kids ever know who their school superintendent is. But as a tribute to your presence and your leadership, those kids all knew who you were and wanted their picture with you. And I think that's a testament to your leadership and I just wanted to thank you for that.

DR. DANCE: Thank you, Mr. Governor. I appreciate it.

GOVERNOR O'MALLEY: Thank you.

DR. DANCE: Thank you, Mr. Comptroller, Madam Treasurer.

SECRETARY MCDONALD: -- from Baltimore County who had been here since 10:00 this morning who had called up last week to speak, a parent, or is it -
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DR. DANCE: Beverly Coleman. Beverly Coleman is Chair of the Southwest Area Advisory

Council. We have advisory councils with our Board of Education. So Beverly?

MS. COLEMAN: Good evening, Governor O'Malley, Comptroller Franchot, and Treasurer Kopp, and Board members. I'm going to thank you for your time and the opportunity to speak today.

As Dr. Dance has already indicated I am Chair of the Baltimore County Public Schools Southwest Area Education Advisory Council. And I have served as Chair for five years and have been an advocate and an active member in Baltimore County Schools. I am a volunteer, as are the two parents behind me which are Erica Mah, the Vice President of the PTA at Hillcrest, and Jim Kitchel, who is the President of the PTA at Hillcrest.

I am speaking in support of all of Baltimore County's school construction requests. The development of the school system's request has included considerable community and stakeholder involvement and consideration. There are critical needs throughout the county and given the county's history of contributing more than the require share,

State support for school construction anywhere in the county is a prudent investment.

Specifically I would like to draw the Board's attention to the unified plan to construct or substantially renovate four schools in the southwest area of the county, the part of the county that I represent. The plan is wise and innovative in a number of ways.

First, it will solve some of the worst infrastructure problems in Baltimore County. Catonsville Elementary, for example, is more than 100 years old, overcrowded, lacks ADA compliance, sprinklers, and air conditioning. Second, while Hillcrest will not be renovated itself the effect of the overall plan will be to alleviate overcrowding at one of the largest, most overcrowded elementary schools in the county. Relay Elementary is just about to turn 40 and by percentage is the most overcrowded elementary school in the county, it's at, over 146 percent. Westchester Elementary, although a relatively new school, is also over State capacity guidelines and has already four relocatable classrooms. Finally Westowne Elementary, which is old

enough to draw social security, is also quite overcrowded and lacks air conditioning, which is a special challenge in overcrowded schools.

All of these schools are projected to be overcrowded for the next nine years so the problem is not going away. The plan represents a significant investment in our children's future and is fiscally prudent. All of the land that will be used is either an existing school site or is already in the county's inventory. The county and State will need to spend much of the proposed funding anyway to address specific issues such as safety or air conditioning without getting the additional benefit of a new school.

The unified nature of the plan means that families, who are generally also voters and taxpayers, affected by the plan will only need to be redistricted to new elementary schools one time. As I'm sure you know, multiple rounds of redistricting are a primary source of dissatisfaction in these situations.

Speaking of families I would to mention that question of State support is of intense interest to hundreds of families in the southwest area. And as

Comptroller Franchot has already mentioned we know that some are even watching it online today.

COMPTROLLER FRANCHOT: Excellent.

MS. COLEMAN: In consideration of your time and the efficient conduct of these proceedings, we didn't bring a busload of supporters just to make a point. As we can see, there would not have been enough space. But please rest assured that busloads of your constituents are paying attention.

My last and most important point is that the planned support, the continued health and wellbeing of the county and State, as well as our status as the nation's leading education state, by providing thousands of Baltimore County elementary school children with a 21st Century learning environment. That environment will provide the foundation for those children to compete for jobs in a global economy and be well rounded, successful members of their communities. I urge you to support Baltimore County's school construction request in its entirety as part of the Maryland Public Schools Construction Program capital budget for fiscal year 2015.

Thank you again for your time, your attention, and most of all your service to the people of Maryland. Thank you.

GOVERNOR O'MALLEY: Thank you.

COMPTROLLER FRANCHOT: That was one of the best statements I have heard all day long.

MS. COLEMAN: Thank you.

COMPTROLLER FRANCHOT: So thank you. Thank you for being here.

MS. COLEMAN: Thank you very much. I'm definitely going to have questions for you.

GOVERNOR O'MALLEY: Last but certainly not least --

SECRETARY MCDONALD: No, no, no, no. School for the Blind.

GOVERNOR O'MALLEY: Oh, I'm sorry. Penultimate, but certainly not penultimate in our hearts. School for the Blind.

DR. BINA: I am Mike Bina, President of the Maryland School for the Blind. Good afternoon, Governor O'Malley, Comptroller Franchot, and Treasurer Kopp, members of the IAC, and also Dr. Lever. The Maryland School for the Blind respectfully requests

the Board of Public Works increase the allotment by \$3.7 million to fully fund its \$14.7 request for construction of the classroom and residential building for autistic students.

In addition, MSB is also requesting local planning approval for the next phase of the campus master plan to begin renovation of the Newcomer, Case, and Campbell Classroom Buildings, which also house a gymnasium, the school's commercial kitchen, a dining room, and library. The projected cost of this renovation is \$22 million, or \$15 million cost to the public school construction fund. This will be over a two-year period.

I'm also pleased to report that with the \$100,000 you allotted for security improvements we are installing card swipe systems, cameras, and intercoms that will be fully operational this spring. With the \$400,000 you allotted for air conditioning, we are able to air condition our gym and our pool, which are the two remaining student buildings that are un-air conditioned.

I'm also happy to report that the LIFE building projects for multi-disabled students are

about 50 percent complete in spite of all the delays with the weather. We are hopeful to occupy the cottages in August and the classroom building in late October. So we are most grateful for the funding for these essential buildings and also for the security and the air conditioning projects.

GOVERNOR O'MALLEY: Can you make sure you let me know when that one gets opened?

DR. BINA: Yes, sir. Absolutely. We are very much appreciative of your opportunity to make this appeal and we thank you for your favorable consideration.

I, too, want to add my appreciation of Dr. Lever and his staff for their support in helping us navigate this new wonderful process. I will emphasize very strongly that it will significantly, profoundly impact blind and vision impaired students and those with multiple disabilities for many, many years to come in the future. I'm very proud to be part of the project to make this happen. So that concludes my remarks.

GOVERNOR O'MALLEY: Questions? It has been a long time since we have done much up there. It's good to see so much happening now.

DR. BINA: A lot has happened in a short period of time. I will say that the Legislature, the administration, everybody has really rallied to make it happen for students all across Maryland. Which really kind of gives credence to that One Maryland concept. I have experienced that, being from out of state. I have not seen such support for a school administrator from an administration. Thank you, Governor.

GOVERNOR O'MALLEY: Well, good. Thank you. Thanks for your leadership, there. Thanks a lot. Baltimore City? Hi, thank you.

TREASURER KOPP: Thank you.

GOVERNOR O'MALLEY: Baltimore School, I always mess it up. The Baltimore Design School.

MS. EDWARDS: Yes.

GOVERNOR O'MALLEY: I almost did for, I almost did of. But it's Baltimore --

MS. EDWARDS: Design.

GOVERNOR O'MALLEY: -- Design School.

MS. EDWARDS: Right, for everyone.

GOVERNOR O'MALLEY: It is one beautiful facility.

MS. EDWARDS: Yes, it's great.

GOVERNOR O'MALLEY: Really, really impressive.

MS. EDWARDS: Yes.

GOVERNOR O'MALLEY: And for that, hopefully that is the shape of what's to come --

MS. EDWARDS: Just the beginning.

GOVERNOR O'MALLEY: -- with the larger project. And what it does for that neighborhood, to be able to walk around that facility and look out the windows and --

MS. EDWARDS: Beautiful. And to see it off of I-83, it's beautiful.

GOVERNOR O'MALLEY: Yeah, it really is. Tremendous. If my fellow Board members have not yet visited the Baltimore Design School, I encourage you. You talk about buildings with old bones that are now being repurposed and reused --

MS. EDWARDS:

GOVERNOR O'MALLEY: -- I mean, that one is a very cool space. I can see where the, how are the kids doing there?

MS. EDWARDS: They are doing very good. They are doing really well. MICA is a wonderful partner there and lots of lots of community investment in that school. And not only is a wonderful facility but it is a wonderful school community, so they are doing really well.

GOVERNOR O'MALLEY: Yeah, that's great.

COMPTROLLER FRANCHOT: What do you like about it, Governor? Its light?

GOVERNOR O'MALLEY: There's tons of light. And the, some of those big, I mean there weren't as many windows in there as there is right now.

MS. EDWARDS: Oh, yeah.

GOVERNOR O'MALLEY: And so they had to carve into these giant, you know, very thick places. And there's light throughout the place. But it just has this cool --

MS. EDWARDS: It was a building that had been kind of thrown away and now it's the light of that community.

GOVERNOR O'MALLEY: Yeah, it was a decrepit, at the center of a lot of neighborhoods --

MS. EDWARDS: Ugly.

GOVERNOR O'MALLEY: -- it was just this hulking, vacant structure.

MS. EDWARDS: Yeah.

GOVERNOR O'MALLEY: And now it's filled with life and kids and also light. And also the way they teach, I mean, the whole crux of it is to teach the science and the math and everything else in a design context so that kids are thinking conceptually and working in teams --

MS. EDWARDS: And being creative, creative -

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GOVERNOR O'MALLEY: -- and being creative, problem solving, all the sort of things that we know kids --

MS. EDWARDS: Right.

GOVERNOR O'MALLEY: -- but that we haven't done in the old mode, hierarchical, lecture at the front, everybody be quite, face forward --

MS. EDWARDS: Yeah.

GOVERNOR O'MALLEY: -- don't talk to your neighbors. This is all, everything about the building is engaging. It's very cool.

MS. EDWARDS: Yeah. It's wonderful.

TREASURER KOPP: So what is, what is MICA, what is MICA's role?

MS. EDWARDS: The Maryland Institute College of Art.

TREASURER KOPP: Yeah, I know what MICA is.

MS. EDWARDS: Yes.

TREASURER KOPP: But what is it --

MS. EDWARDS: So they are one of the lead partners. The President of the University is actually the President of the Board for this school.

TREASURER KOPP: Oh, okay.

MS. EDWARDS: And so lots of young people are there, mentoring and cultivating the talent and creativity of our children. It's just a wonderful partnership.

GOVERNOR O'MALLEY: So there's a lot of kids from MICA that come over --

MS. EDWARDS: Yes.

GOVERNOR O'MALLEY: -- and do assistant teaching --

MS. EDWARDS: Yes.

GOVERNOR O'MALLEY: -- and that sort of stuff.

MS. EDWARDS: Yes.

GOVERNOR O'MALLEY: So there is a lot of cross-pollination --

TREASURER KOPP: That's great.

GOVERNOR O'MALLEY: -- with the older kids and the college kids coming back. And helping --

MS. EDWARDS: Yes, it's wonderful.

GOVERNOR O'MALLEY: -- these kids develop the skills necessary. And I imagine, it's a citywide?

MS. EDWARDS: Yes. And any kid can, that's why I said for everyone. So it's grades six through 12. And you don't have to have a certain GPA, you don't even have to have a portfolio, you just have to have a desire and an interest.

GOVERNOR O'MALLEY: Mm-hmm.

MS. EDWARDS: And you go through a lottery process. And it's a healthy mix. We thought it would be very heavy on the girls side at one point, because

of design and fashion. But they have the architecture program there. And so, and it's a school with no uniform so the kids love that. They can be creative, and so it's a really wonderful school.

GOVERNOR O'MALLEY: Yeah, it really is.

MS. EDWARDS: Yeah.

GOVERNOR O'MALLEY: And then the diversity in the school was --

MS. EDWARDS: Wonderful.

GOVERNOR O'MALLEY: -- pretty impressive as I recall.

MS. EDWARDS: Yes, it's wonderful. Thank you.

So my remarks say good morning --

(Laughter.)

MS. EDWARDS: -- so I don't know if they mean tomorrow morning. But good evening, Governor O'Malley, Comptroller Franchot, and Treasurer Kopp. On behalf of the Board of School Commissioners, I thank you for the opportunity to address the members of the Board of Public Works about the capital priorities for Baltimore City Public Schools. I would also like to give special thanks to the Board of

Public Works and Mayor Rawlings-Blake, Senate President Mike Miller, House Speaker Michael Busch, State leadership, and the City of Baltimore representatives and delegation for the substantial support and hard work you contributed to the passing of House Bill 860. I also want to acknowledge that I have my Director of Facilities Planning here with me, Dr. Lynette Washington, Tawanna Sterette, which everyone knows here well. She works hard for Baltimore City. Our government liaison person, and our Chief Operating Officer Keith Scroggins. We are here to appeal the IAC designees' second round funding recommendation to City Schools fiscal year 2015 CIP.

I would like to begin by thanking you for the \$17 million allocation that has been recommended thus far. This initial allotment is indicative of the State's interest in investment in public school construction in Baltimore City. The State's past investments have allowed us to improve the infrastructure of many of our schools as we have been good stewards of these funds with a growing need amongst our aging school facilities. It should come

as no surprise that we are petitioning for the full amount of our CIP request.

We continue to emphasize that Baltimore City in comparison to other local education agencies in the State of Maryland has the highest need in regards to the amount of State funding that would be required to bring our buildings up to minimal adequacy. Our facility inventory includes some of the oldest school buildings of any school district in the State, with 74 percent of our facilities built before 1985. Based on the age of our facilities, many will require deficiency correction as well as life cycle replacement of building systems as many of our building system components have exceeded their useful life span. In truth, our fiscal year 2015 request of \$52 million only begins to address our true facility needs.

As you know, we are riding the crest of a successful story for City Schools, one that we are striving hard to sustain. Our standardized test scores have steadily improved over time. The number of students dropping out of school has steadily declined. And our enrollment has steadily increased.

We have expanded programs that are successful for kids and closed programs that are failing.

Matched with our academic achievement, the district is continuing the momentous groundbreaking work to implement the 21st Century school construction program approved by the School Board in January, 2013. The introduction of House Bill 860 and Senate Bill 743 in July of 2013 guaranteed annual construction funding from the State to City Schools in the form of a State construction capital block grant and designated a quasi-government entity, the Maryland Stadium Authority, to oversee the financing and implementation of the buildings plan. This legislation provides approximately \$1 billion to help Baltimore City Schools renovate or replace 30 to 35 buildings which are in the worst condition.

Additionally the district participated in a four-way memorandum of understanding with the Baltimore City Public Schools Construction and Revitalization Act of 2013 with the Maryland Stadium Authority, the City of Baltimore, and the Interagency Committee on School Construction to specify parameters, roles, and responsibilities amongst

parties for this ambitious school construction program. Two key requirements of this MOU include a comprehensive maintenance plan to allow the district to articulate its ability to sufficiently maintain new, renovated, and existing facilities, and a utilization plan to demonstrate how the district is moving forward toward an efficient overall utilization of all its buildings.

As we enter the first phase of building renovations we are working to transform schools into 21st Century buildings with robust teaching and learning environments for thousands of students in the district. However, we realize these efforts in the next seven years will only address 25 percent of the current building portfolio. City Schools still need more resources to manage the other 75 percent of our school buildings.

There are a number of projects in our appeal, major projects and systemic renovations. The replacement of Holabird Pre-K-8, and Graceland Park-O'Donnell Heights Pre-K-8 are being requested to improve the learning environment for our students and teachers by offering new facilities that will

incorporate the latest energy efficient and sustainability building practices. We ask that you approve these projects.

We are also seeking funding to replace building systems in various school facilities, primarily to install improved heating and cooling systems which are critical for life safety and educational and building environments and to ensure that students, teachers, and staff can function in a comfortable environment regardless of extreme weathers. These projects include boilers, heating and cooling, and fire safety.

All future schools, both replacement and renovations, will achieve a minimum of LEED Silver rating. In addition to these accomplishments we have also received along with Howard County Public Schools a letter of commitment from the Maryland Energy Administration for funding of a grant to offset additional costs of designing and constructing a net zero energy school at one of our current two CIP-funded schools. Our grant request is up to \$2.7 million in additional cost.

City Schools has a number of ongoing capital projects and initiatives that would be enhanced and supported greatly with the additional stream of capital funding. We appreciate the support you have given to City Schools and we request your responsiveness to our appeal as we work to continue to address the facility needs of Baltimore City students. We ask that you reconsider our fiscal year 2015 CIP funding request in light of these needs. You have the recommendations and the appeal form and we hope that this information is useful to you. And again, we want to thank you for everything that you have done thus far and for your continued consideration of the future needs for Baltimore City. Thank you.

GOVERNOR O'MALLEY: Thank you. Thank you, Dr. Edwards. Questions?

TREASURER KOPP: How does, so this is the normal CIP. And then you've got a number of projects to be undertaken --

MS. EDWARDS: Mm-hmm.

TREASURER KOPP: -- with the new program.

MS. EDWARDS: Mm-hmm.

TREASURER KOPP: Do we see those projects?

I mean I, here is my question. Fifteen and 20, for instance, which are deferred due to fiscal constraints. The request is to replace the 1971 fire alarm system and add carbon monoxide detection, replace exit lights, install emergency lighting. I would think those sorts of things would be, why aren't those at the top of any list? And why isn't it illegal to not have this?

MS. EDWARDS: So that's a very good question. The reality is that that is not an, unfortunately many of our buildings have those types of situations.

TREASURER KOPP: So what are you doing about it?

MS. EDWARDS: That's why we're here. We are investing our own resources and we are also asking for continued CIP funding to address some of those emergency conditions in many of our schools. But that unfortunately is why, I shouldn't say unfortunately, that's why we asked for the \$1 billion so that we could have a set of resources where we could take

those schools offline and bring new schools online because the gap was so large.

TREASURER KOPP: Well that was my question.

Are these schools --

MS. EDWARDS: No.

TREASURER KOPP: -- that don't have fire protection --

MR. SCROGGINS: They have fire alarm systems. Their systems are very antiquated and require a significant amount of work, repair all the time. We also, in these schools we work with the fire department and with the staff of the school. We have fire watches that ensure the safety of the students in the schools. But what we are trying to do is to put in completely new systems that are compliant with City Code.

MS. EDWARDS: Right.

COMPTROLLER FRANCHOT: Could I ask just, what do you say to your peers around the State who look at the \$335 million up there on the chart and say, gosh, you guys got three times that, that everybody gets, all across the State. You get three times that in one chunk of money. A billion dollars.

And you are still before us in queue to get whatever allocation there is from the normal.

MS. EDWARDS: So the first --

COMPTROLLER FRANCHOT: What, I mean, isn't that embarrassing sometimes to go --

MS. EDWARDS: Absolutely not. I'm here to advocate for our children.

COMPTROLLER FRANCHOT: Well I'm, no it's fabulous for Baltimore City. I think it's a, I mean, this is like unbelievable. But you don't even give up, you get a billion dollars that nobody else has and you don't even give up the normal school construction allocation?

MS. EDWARDS: So I think we should step back and first recognize that the way that this billion dollars comes together is that the City, between Baltimore City Schools and Baltimore City. We contribute \$40 million a year for the next 30 years of our own resources. So the way that that billion comes together is through a three-way partnership. And yes, the State made a wonderful investment in the children of Baltimore City. But that was only one-third of what it took to get to a billion dollars. So it was a

significant investment of the school system and our local community to get to that billion dollars. That was not done without significant investment of our community.

GOVERNOR O'MALLEY: And it doesn't begin to start, I mean, it's not happening this year. Right? I mean, that's an off --

MS. EDWARDS: Right.

GOVERNOR O'MALLEY: So to those who would say, oh, you are double dipping, the fact is you're not, the dollars that go to school construction that we have pledged as part of this accelerated billion that we bond into the future, that doesn't start landing in terms of expenditure --

MS. EDWARDS: Until 2015-2016.

GOVERNOR O'MALLEY: Got you.

COMPTROLLER FRANCHOT: Okay, let me, I don't mean to act uninformed. I'm not in the Legislature so I didn't know what was going on. But I do know I go all over the State and there are people absolutely screaming for school construction money.

MS. EDWARDS: Absolutely.

COMPTROLLER FRANCHOT: And so God bless the Legislature if they can find the money and make this work. Because it's, you know, it's just -- well, let me just ask this. As the new program is going forward, what kind of attention is being paid to the ongoing maintenance of the existing building? As old as they might be, and the ones that are in operation right now, what is being done to, as I guess the Treasurer was asking about some Code things. But I'm asking what about just ordinary maintenance? What is the situation with the City's program?

MS. EDWARDS: So we understood going into this is that the City not only needed to invest the \$20 million to support the bonds, but we also needed to have a very aggressive investment strategy around ongoing maintenance for our district. And so we are calibrating ourselves to increase our maintenance budget at about \$3 million a year for the next eight years, which means that eight years from now our budget will be about \$24 million more than what it already is. And we are already investing somewhere between \$16 million and \$18 million in general dollars to our maintenance, to our maintenance fund.

So we understand that with these resources comes a commitment to maintaining the buildings that we have children in who are not a part of the initiative, but also that we need to make sure that Baltimore City never gets into a situation again where the investment, the capital investment hasn't been cared for over time. And we're working with the IAC. They have a copy of our maintenance plan. We are waiting on feedback for that. And we're in an ongoing partnership to make sure that we are being held to the highest of standards around our maintenance program going forward.

COMPTROLLER FRANCHOT: That's excellent. Dr. Lever, would you make sure I stay in the loop on that?

DR. LEVER: Of course.

COMPTROLLER FRANCHOT: On what exactly the program consists of?

DR. LEVER: Yes.

TREASURER KOPP: And there actually is a provision for withholding funds if maintenance plans are not submitted and complied with.

DR. LEVER: That's correct.

MS. EDWARDS: That's correct.

TREASURER KOPP: Which --

COMPTROLLER FRANCHOT: Well I hope that doesn't happen.

MS. EDWARDS: It won't.

COMPTROLLER FRANCHOT: I, you know, I don't want to give the wrong impression. I'm just saying my goodness, you know, Montgomery is banging on my door at home saying can we get a billion dollars? And can Prince George's get a billion dollars? And what about us over here? So I'm just, I didn't mean to shock you --

MS. EDWARDS: No, no, no. It's okay. No, no, no.

COMPTROLLER FRANCHOT: -- by indicating that I was not aware of it.

MS. EDWARDS: I understand.

COMPTROLLER FRANCHOT: But it's, boy, a billion here and a billion there, and pretty soon you are throwing money.

GOVERNOR O'MALLEY: Yeah, but that's, it's a pledged, keep in mind, you know, it's a pledged thing. There are those that are running around acting like

somehow we went in and we took a billion dollars away from everybody to give it to Baltimore City. Which is a usual thing, and I know there is columnists, God bless their hearts, in Montgomery County that make a cottage industry of this. But you know, what it requires is they anticipated, they looked down the road. They anticipated what their allocation would be for a 30-year period. They came together as a City and as a school system, pledged it, bonded it, and that's what is happening in the part of our State which is best capable of absorbing the additional population growth, which would be a benefit both to, you know, on so many scores.

So other jurisdictions that want to do this should begin by talking amongst themselves and seeing if their counties and their school boards would want to make that sort of long term decision. Because it is not a double dip. It is banking and betting on a forward, on a bond, in essence.

MS. EDWARDS: Right.

GOVERNOR O'MALLEY: To do now which otherwise you would not be able to get to within a period of time. And it is going to create some

challenges for them because they are going to have to, they are going to have to make sure they maintain these buildings, and do that.

MS. EDWARDS: That's right.

GOVERNOR O'MALLEY: But they are banking that the City's population will grow. In other jurisdictions growth is not the problem. They are growing too fast and therefore accelerating a bond issue like this and doing this sort of school construction might actually run counter to what they are trying to accomplish by way of channeling and keeping growth in their older communities by way of renovations. So --

COMPTROLLER FRANCHOT: Hm. Well, that's helpful. I didn't, I'm just --

MS. EDWARDS: I understand.

COMPTROLLER FRANCHOT: -- I'm just the Comptroller, you know?

MS. EDWARDS: And I, no, I appreciate the questions. I understand.

COMPTROLLER FRANCHOT: Let me ask my favorite subject. What kind of, what are we banking on as far as getting some immediate help to the kids

that are lacking in air conditioning, and the faculty, because it's a health issue. And trust me, the people that say no can do, and it's too expensive, and you've got to wait until we do this. Mr. Scroggins, you have probably told me that for a long time. But for gosh sakes, how many kids right now don't have air conditioned classrooms?

MR. SCROGGINS: About 32,000.

COMPTROLLER FRANCHOT: I mean, I just find that --

MR. SCROGGINS: And we have 46,000 that do.

COMPTROLLER FRANCHOT: Yeah --

MR. SCROGGINS: But we --

COMPTROLLER FRANCHOT: But can't we do something for them? Please?

MR. SCROGGINS: Well you know --

COMPTROLLER FRANCHOT: I have a medallion, I had a medallion here somewhere --

MR. SCROGGINS: I'll take it later.

COMPTROLLER FRANCHOT: But can't we get something going that's not going to be seven, eight, nine, ten years down the road?

MR. SCROGGINS: We currently have nine programs in our CIP program, eight which are under design and one which we are about to kick off, which will add air conditioning to those buildings.

COMPTROLLER FRANCHOT: What year? What year will they be --

MR. SCROGGINS: Within two years.

COMPTROLLER FRANCHOT: Okay.

MR. SCROGGINS: We also have with the 21st Century plan another 30 to 35 buildings that will have air conditioning. So at the end of phase one, we will have probably a total of 66,000 students, at a minimum, assuming, you know, because that does not take into account any growth, but a minimum of 66,000 which would be 84 percent of the kids in Baltimore City having air conditioning in their school.

COMPTROLLER FRANCHOT: And when is that over, phase one?

MR. SCROGGINS: 2019.

COMPTROLLER FRANCHOT: Yeah. That's, all due respect, you've got to do something quicker than that. I mean, it just, you can't do it to these kids. And you can't take these engineers who are biased

against it, take this guy, what's this guy?

Szachnowicz, from Anne Arundel County, and bring him up there. I mean, the guy can show you how to do it so that by the end of this calendar year every one of those kids has an air conditioned classroom. And boy, it would help bring you a whole briefcase full of medallions. I mean, it's, you've got to do it. There are too many kids that are, that are, it's just not right. And so anyway, I'm done. Thank you for being here.

MS. EDWARDS: You are very welcome.

COMPTROLLER FRANCHOT: Dr. Edwards, very impressive presentation.

MS. EDWARDS: Thank you.

COMPTROLLER FRANCHOT: Mr. Scroggins, as always. But try to reconsider. And let's get the job done. Because clearly the money is going to be available down the road.

TREASURER KOPP: Can I ask two questions?

MS. EDWARDS: Sure.

TREASURER KOPP: First off, looking at these, like Coldstream Park, which is deferred because of fiscal constraints, or Steuart Hill Elementary, can

you tell me that in fact they do now at least not violate basic fire and safety code?

MR. SCROGGINS: No, they do not.

MS. EDWARDS: Right.

MR. SCROGGINS: They do not. And we consult with the fire department every year as we open schools. They check all of our schools to make sure that they are safe. And we develop plans to ensure the safety of the schools.

TREASURER KOPP: Because it's short of shocking, sitting here, looking at what is being deferred. And school downsizing and closure is part of the plan?

MS. EDWARDS: Absolutely.

TREASURER KOPP: And it is going forward?

MS. EDWARDS: Yes. Yes. We just finished seven, six closures this past fall, early winter. We are committed to surplusizing 26 buildings out of our portfolio by the end of the project. We are looking for more opportunities. Again, this is an area that we have talked through extensively with the IAC. We know that we have some, we have already agreed to increase utilization targets. We want to not only

meet those expectations but we are working hard to exceed those expectations. So we are very open to and understand that this is an opportunity to right size the portfolio with the community.

I think one of the things that makes this different, and again why we are so appreciative of this investment, is that we were able to go to our communities and say by closing schools we can get children in 21st Century schools. So there is an exchange.

TREASURER KOPP: You can increase opportunity.

MS. EDWARDS: There is an exchange.

TREASURER KOPP: Absolutely.

MS. EDWARDS: So it's not just about closing down --

TREASURER KOPP: It's not --

MS. EDWARDS: Exactly. So it created a wonderful opportunity in our community and it actually brought us together around education.

TREASURER KOPP: That's great.

MS. EDWARDS: And so it's something that we are very excited about and we couldn't have done it

without the leadership of the Legislature and of our Governor, and the other leaders here in Annapolis. So thank you for that.

GOVERNOR O'MALLEY: It took us all these years to overcome David Lever's aversion to any new schools in Baltimore City, but by God --

(Laughter.)

MS. EDWARDS: Anyone can change, Governor O'Malley. Don't ever forget that. We don't give up on anyone in Baltimore City.

GOVERNOR O'MALLEY: It only took me seven years. My portrait will be on that wall before the shovel goes in the ground, but by golly.

(Laughter.)

GOVERNOR O'MALLEY: Finally, 15 years we have been trying to build a new school in Baltimore City.

TREASURER KOPP: Well, you did it.

MS. EDWARDS: He's on our team now, right David?

GOVERNOR O'MALLEY: He's on our team now.

DR. LEVER: I've always been on your team.

GOVERNOR O'MALLEY: He's always been on our team.

TREASURER KOPP: Thank you for working with the folks in the Treasurer's Office, the debt management people as we go through all this. We just want to make sure that we don't do anything that violates IRS --

MS. EDWARDS: You have an amazing staff and they have been very good to us. They have been partners.

TREASURER KOPP: Thank you. I appreciate it.

MS. EDWARDS: They have helped us get smarter about what we do. And it had been a wonderful partnership.

TREASURER KOPP: It's sort of an arcane area, but you don't want to --

MS. EDWARDS: But you know what? They are a fun group of people. So even though it is not necessarily a fun topic, they have a sense of humor.

TREASURER KOPP: You have to make what you can of it.

MS. EDWARDS: And your staff has been, it has just been a really good partnership and good to our children and good to our team. So thank you.

TREASURER KOPP: It's a commitment on our part to --

MS. EDWARDS: I've learned a lot from that lady sitting next to you.

TREASURER KOPP: Me too. Thank you.

GOVERNOR O'MALLEY: You know, and the difficult part of this going forward will be when we are at that time when what we pledged is coming. I mean, there will not be as much as, you know, you will still come in for the differential, right?

MS. EDWARDS: Yes. We understand.

GOVERNOR O'MALLEY: But there will be --

MS. EDWARDS: Yes.

GOVERNOR O'MALLEY: Okay.

MS. EDWARDS: We understand that there will be some shifting. We understand that we have to make our case. We understand that there are other children in the State who also have a need. And so we're not, you know, we are not remiss to that. But our job in Baltimore City is to keep you informed --

GOVERNOR O'MALLEY: Mm-hmm.

MS. EDWARDS: -- of the needs of our children. And I couldn't live in my City without making the request, Governor.

GOVERNOR O'MALLEY: Got you. No, and could you, I talked to you, called you on the phone, thanked you for what you had done on the childhood hunger. But we still have 19,218 kids who while they receive lunch, don't receive breakfast. And Anne Sheridan, who you should know by now --

MS. EDWARDS: Yes.

GOVERNOR O'MALLEY: -- we've got a little packet for you. If you, you are at 60 percent now. If you could get it up to 70 in short order I know we would see the benefit in the achievement levels and I would be grateful to you.

MS. EDWARDS: And I am committed to that.

GOVERNOR O'MALLEY: Awesome. Thank you very much.

MS. EDWARDS: Thank you.

TREASURER KOPP: Could I just ask you what, I don't know when you came. Did you know Pete Rawlings? Does his name mean anything to you?

MS. EDWARDS: I do know the name. I don't know the person. I've been in Baltimore since 1998. I'm a University of Maryland Law School grad, so I've been here since then. And worked in the school system since 2003. I did not know Pete Rawlings directly.

TREASURER KOPP: Well let me just tell you then he was working on this long ago. And he would just, you know, would be so pleased and so proud --

MS. EDWARDS: Elated, yes.

TREASURER KOPP: -- of what is happening.

MS. EDWARDS: Yes, we know that. Absolutely. Thank you for supporting us. Thank you.

GOVERNOR O'MALLEY: Thank you. Thanks a lot. All right. This concludes our meeting of the Board of Public Works.

DR. LEVER: You have to take action.

GOVERNOR O'MALLEY: I'm sorry?

DR. LEVER: You have to take action.

SECRETARY MCDONALD: No, you have to vote on the actual item --

GOVERNOR O'MALLEY: Oh, we've got to take action?

TREASURER KOPP: Oh, yeah.

(Laughter.)

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. Thank you.

(Whereupon, at 6:39 p.m., the meeting was concluded.)