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

**October 21, 2015**  
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# **PRESENT**

## **HONORABLE BOYD K. RUTHERFORD**

Lieutenant Governor

## **HONORABLE NANCY KOPP**

Treasurer

## **HONORABLE PETER FRANCHOT**

Comptroller

## **SHEILA C. MCDONALD**

Secretary, Board of Public Works

## **C. GAIL BASSETTE**

Department of General Services

## **DAVID BRINKLEY**

Secretary, Department of Budget and Management

## **PETER RAHN**

Secretary, Department of Transportation

## **EMILY WILSON**

Director, Land Acquisition & Planning, Department of Natural Resources

## **DAVID GARCIA**

Secretary, Department of Information Technology

## **JIMMY RHEE**

Special Secretary, Governor's Office of Minority Affairs

## **MISSY HODGES**

Recording Secretary, Board of Public Works

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# PROCEEDINGS

LIEUTENANT GOVERNOR RUTHERFORD: All right. Good morning.

AUDIENCE: Good morning.

LIEUTENANT GOVERNOR RUTHERFORD: Well, back again. The Governor had a couple of appointments this morning. Just to let you know, he is doing very well. I mean it is, you know, quite amazing and inspiring that a person can go through six rounds of chemo and still pretty much be the same person when you see him. I mean, he'll tell you that he's down a little bit and, you know, beat up a little bit, and doesn't have the stamina. But when you are with him he seems to be the same Larry. So it's very inspirational for all of us in the administration and we continue to be hopeful. His doctors are very positive. So we see him coming back Hogan Stronger.

So I don't have much to say other than, you know, thank you everyone, and I look forward to a wonderful Agenda today. Madam Treasurer?

TREASURER KOPP: It's very good to hear about the Governor. And I like the Hogan Stronger. He is one tough person. We might not agree on every policy, but a really, truly remarkable person.

It's good to be here. It looks like a relatively brief and well done Agenda. And I look forward to being brief.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

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(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: She looked right at me on that.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: I kind of think people are --

TREASURER KOPP: It's a promise on my part.

LIEUTENANT GOVERNOR RUTHERFORD: I kind of think that the agencies are trying to push --

TREASURER KOPP: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: -- the different controversial or difficult ones to when the Governor gets back. So maybe, we'll see.

(Laughter.)

COMPTROLLER FRANCHOT: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Mr. Comptroller?

COMPTROLLER FRANCHOT: Thank you, Lieutenant Governor, and good morning, Madam Treasurer. I had the privilege of attending the Maryland Teacher of the Year Gala recently. It's always a treat to be part of this annual celebration. It's a very large gathering, for those of you that have been there. And it celebrates our State's best educators.

I had the opportunity to meet all the finalists and learn about the inspiring and important work that they do everyday. I want to especially recognize Ryan Kaiser from the Mount Washington School in Baltimore City who was this year's recipient of the Maryland Teacher of the Year Award. Attending this event this year is yet another shining example of how our teachers are our State's most indispensable economic resource. And I really want to emphasize this, because I have toured over 300 schools since I've been Comptroller. And every single one of the high performing schools have unbelievable teachers. And when you meet them it's just so obvious that these are special individuals. And far too often their impact goes unrecognized and underappreciated. Each of us in this room know that teachers do more than write lesson plans and teach curriculum. They are role models, mentors, and life coaches. They make lasting impacts on the lives of their students. Their passion and dedication for our children are the reason why Maryland is home to the best public schools in the nation.

While this Board is responsible for providing the appropriate teaching facilities that house our public schools on behalf of the State, it's about the people who work inside those walls that make all the difference. They are the foundation upon which our State's economic future rests and I remain honored and humbled to serve as Comptroller and have the privilege to continue to fight for the best interests of our teachers and our students.

And Lieutenant Governor Rutherford, if I could just take a moment and do a couple of follow ups not on the subject of the teachers? But I wanted to especially thank Secretary Brinkley. Yesterday at the Pension Board he articulated something which is very difficult, which is perhaps the Pension System should be getting more money given the instability of the markets and the uncertainty as to the funding of that particular program. That's not easy. Because everybody wants to keep money in Annapolis and spend it on things that are unrelated to a dry subject like pensions. But our Pension System is huge. It supports the teachers and all of our State employees. It's very important for their financial security. But even more important it's a big issue for our citizens who have no connection to the Pension System, other than that their taxpayer dollars go into it. But they associate the health of the Pension System with the fiscal health of the State. It's very symbolic. And I just wanted to salute your Budget Secretary for making comments yesterday at the Board of Trustees of the Pension System which I thought were very courageous.

And then I'd like to thank Secretary Bassette for taking care of a very uncomfortable problem up in our offices in Baltimore City.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: I heard about that.

COMPTROLLER FRANCHOT: She was superb. And then of course we had a very well attended important meeting up in Baltimore County, up in Dundalk. And Mr. Nugent and Mr. McGrath came along with the Secretary, and I think that they will all agree with me that it was a very well organized, and Secretary, I think you were there. Were you there also?

MS. BASSETTE: Yes.

COMPTROLLER FRANCHOT: Thank you. And someone from Planning was there. So there were, heck, I only asked for one person from the Hogan Administration and they sent five. So but it was a very important meeting and I think it laid out the issues that, in a professional manner and I certainly appreciate the attendance of folks that can help us get from point A to point B.

But thank you very much for letting me make those comments. And I will end, the Teacher of the Year Gala, I gave my much coveted Comptroller Medallions to every finalist up there. And once again I got back to my table and I happened to be sitting next to the iconic former U.S. Senator Paul Sarbanes. And he leaned over and said, those medallions are kind of cool. Could I have one?

(Laughter.)

COMPTROLLER FRANCHOT: So I carry one around in my pocket, just for future encounters with folks like Paul Sarbanes. But it was a

wonderful Gala with over 1,000 people and very appropriate that we honor those teachers. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Very good. Thank you.

TREASURER KOPP: Could I just say that the Comptroller and I don't agree on everything always. But I could not agree more on what you were saying about the importance of the teacher in the classroom. And we talk a lot about different aspects of schools, both capital construction and operation, but I think there is no doubt that study after study and parent after parent can attest to the fact that it's the teacher in the classroom and the other students from whom the students learn that is the most important. I think it's --

COMPTROLLER FRANCHOT: Thank you.

TREASURER KOPP: -- an extremely appropriate time for you to point that out, Comptroller.

COMPTROLLER FRANCHOT: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Very good. I agree with both. Madam Secretary, the Secretary's Agenda?

SECRETARY MCDONALD: Good morning, Governor, Madam Treasurer, Mr. Comptroller. We have 13 items on the Secretary's Agenda this morning, five reports of emergency procurements. We are withdrawing Item 7

from the Department of Housing and Community Development and are prepared on the rest of the Agenda.

LIEUTENANT GOVERNOR RUTHERFORD: Any questions?

COMPTROLLER FRANCHOT: Item 11?

SECRETARY MCDONALD: Item 11 is the Military Department. I know that Ms. Kelly is here. Is that the Fire Department loan? To the Elkridge Volunteer Fire Department?

LIEUTENANT GOVERNOR RUTHERFORD: Several of them, Elkridge.

COMPTROLLER FRANCHOT: Yep.

SECRETARY MCDONALD: Eleven, 12, and 13.

COMPTROLLER FRANCHOT: I just wanted to say that I visited the Elkridge Volunteer Fire Department and can't think of a better use of taxpayers' dollars than giving a loan to help with your operation. Are you associated with them?

MS. KELLY: No, sir. I'm just the staffer that processes the loans.

SECRETARY MCDONALD: Catherine, why don't you introduce yourself for the record?

MS. KELLY: I'm Catherine Kelly with the Military Department. And we oversee the Volunteer Company Assistance Fund.

COMPTROLLER FRANCHOT: Well this is \$364,000 for a new engine for the Elkridge Volunteer Fire Department in Howard County.

MS. KELLY: Yes, sir.

COMPTROLLER FRANCHOT: And kudos to you for working with them. They do a great job.

MS. KELLY: They do, sir. They serve our State well.

COMPTROLLER FRANCHOT: And then I had a, since you're up there I also visited Mechanicsville Volunteer Fire Department, where I presented former Delegate John Wood with the William Donald Schaefer Helping People Award in St. Mary's County. And I see they are getting \$2.5 million for a new facility. I should visit these places more often.

(Laughter.)

MS. KELLY: Yes, sir. Their facility doesn't house their equipment so it's a great investment. And these loans are repaid so it's a revolving fund. Right now we have about \$11 million available and the Maryland State Firemen's Association does a good job making sure that their companies take advantage of the program.

COMPTROLLER FRANCHOT: Excellent. Thank you very much.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Very good.

TREASURER KOPP: Let me just, Susanne was just refreshing my recollection, this was the Bill Amos, remember Senator Amos?

COMPTROLLER FRANCHOT: Mm-hmm.

TREASURER KOPP: The Bill Amos program, which some people had some question about when they started. And I think that it has shown across the State the importance of public attention and concerted funding working with the volunteers to bring, not every State has the same sort of volunteer fire program we do. And I think Bill Amos would be very pleased to hear the Comptroller, his former colleague, pointing that out.

COMPTROLLER FRANCHOT: Is he still with us? I hate to ask. Maybe not. But --

TREASURER KOPP: I don't think so. Unfortunately --

COMPTROLLER FRANCHOT: -- wherever he is, God bless you.

TREASURER KOPP: -- but nonetheless.

LIEUTENANT GOVERNOR RUTHERFORD: I never ask that question.

COMPTROLLER FRANCHOT: Yeah, sorry about that.

TREASURER KOPP: No, unfortunately he's not. But the program and the work is still following him.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Yeah, good. I typically don't ask that question.

TREASURER KOPP: Right. No, it's difficult.

LIEUTENANT GOVERNOR RUTHERFORD: I may think it but  
I don't --

(Laughter.)

COMPTROLLER FRANCHOT: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: Just like a  
gentleman does not ask a woman if she's pregnant. That's another one.

TREASURER KOPP: Right.

(Laughter.)

TREASURER KOPP: Always --

LIEUTENANT GOVERNOR RUTHERFORD: That's always a  
bad question.

COMPTROLLER FRANCHOT: Yeah. I try to avoid that  
question.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: I did see a  
woman ask a woman that once.

TREASURER KOPP: That dress is very becoming.

COMPTROLLER FRANCHOT: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah. I saw a woman ask that question once, and she was wrong.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: So it was very uncomfortable. Okay. Do we have a motion on the Secretary's Agenda?

TREASURER KOPP: Favorable.

COMPTROLLER FRANCHOT: Move approval.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor?  
Okay, thank you.

SECRETARY MCDONALD: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Department of Natural Resources?

MS. WILSON: Good morning, Governor, Mr. Comptroller, Madam Treasurer. Emily Wilson with the Maryland Department of Natural Resources. We have nine items on our Agenda today. And if I may, I'd like to highlight one of our items, Item 6A-1, which is the Hanlon Park playground renovations through the Community Parks and Playgrounds program.

This is exactly the kind of project that Community Parks and Playgrounds is designed to rehabilitate existing playgrounds in municipal neighborhoods. This is a 32-acre park in the Hanlon Longwood neighborhood of Baltimore City. It also happens to be just a few blocks away from the

Mondawmin Mall area which is where, you know, we had seen a lot of the civil unrest this past spring. So it's nice to be able to invest in the City parks in this area. This is a very important place for recreation and socializing for the area teens and young families with children. It's a part of many folks' daily routine in this area. So I just would like to highlight that. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Is there an anticipated date of completion?

MS. WILSON: Well this is --

LIEUTENANT GOVERNOR RUTHERFORD: With equipment?

MS. WILSON: I think it's, yeah, I don't know exactly when that would be. I can certainly talk to the City and get that information back to you.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Very good.

COMPTROLLER FRANCHOT: Lieutenant Governor, I just wanted to highlight Item 5A. That's a request from the Department of Natural Resources to award \$230,200 in Community Parks and Playgrounds program funding to Kent County for field renovation at the Kent County Middle School. I stood on that field on May 18th as we presented the Kent County Maryland Masters Awards at that school. And what I love about your agenda items are that there are so many development, they are called development projects, I think.

MS. WILSON: Mm-hmm.

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COMPTROLLER FRANCHOT: But there are so many projects that are not just ecologically sensitive land but in fact are for parks and for fields and things that people can use. So I know there is a balance there but --

MS. WILSON: Right.

COMPTROLLER FRANCHOT: -- keep it up. I think that's, you are really creating things that are useful for our citizens.

MS. WILSON: Thank you.

COMPTROLLER FRANCHOT: Thank you, Governor.

LIEUTENANT GOVERNOR RUTHERFORD: Very good. Mm-hmm. Any additional questions?

TREASURER KOPP: No, but since we're highlighting things --

COMPTROLLER FRANCHOT: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

TREASURER KOPP: -- no, 7A, which I think is very interesting actually, in St. Mary's County. The agreement between the Navy, the county, and the State --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: -- to preserve the forest buffer to the Eastern Branch. It just shows that government can work and in fact people can work together and in the interest of all three levels of representation, and the Tideland Trust, Tidal Land Trust.

MS. WILSON: The Patuxent Tidewater Land Trust, exactly. So it's a partnership among many levels of government in addition to being with a nonprofit organization.

TREASURER KOPP: That's super.

MS. WILSON: It's an excellent example of that, for 286 acres of permanent protection.

LIEUTENANT GOVERNOR RUTHERFORD: Very good.

TREASURER KOPP: Yeah. Congratulations.

MS. WILSON: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

Additional questions? Do we have a motion?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor?

Aye. I think we, we're moving along.

MS. WILSON: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Mr. Secretary Brinkley, good to see you again. We were together Friday night.

MR. BRINKLEY: That was a great event, the NAACP Awards Banquet up in Carroll County, so thanks for speaking there.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MR. BRINKLEY: Lieutenant Governor, Madam Treasurer, Mr. Comptroller, the Department of Budget and Management has submitted six items for today's Agenda. I have representatives here to address any questions you may have.

COMPTROLLER FRANCHOT: I don't have any.

LIEUTENANT GOVERNOR RUTHERFORD: Madam Treasurer?

TREASURER KOPP: No.

MR. BRINKLEY: That is truly a first.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Oh, wait until next time.

COMPTROLLER FRANCHOT: Yeah.

TREASURER KOPP: I would point out it's a fairly brief Agenda, so maybe there's --

MR. BRINKLEY: There we go. There we go.

LIEUTENANT GOVERNOR RUTHERFORD: It is brief. Okay. All right. There appears to be no question, as the Comptroller tries to think about a question to get --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Do we have a motion?

TREASURER KOPP: Favorable.

COMPTROLLER FRANCHOT: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor? All right. Thank you. Moving along. University System?

MR. EVANS: Good morning. Joe Evans, representing the University System of Maryland. We have four items on the Agenda. We are withdrawing Item 1-C. In attendance I have Dr. Jay Perman, President of the University of Maryland Baltimore, here to answer any questions.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. I believe we have an item, the ground lease item. Is he here to talk about that? I'd like to hear a little bit more about what the plans are, if you don't mind?

SECRETARY MCDONALD: Item 4 --

LIEUTENANT GOVERNOR RUTHERFORD: Four, yes, 4-RP.

SECRETARY MCDONALD: And Dr. Perman is here from the University of Maryland Baltimore.

DR. PERMAN: Good morning.

LIEUTENANT GOVERNOR RUTHERFORD: Good morning.  
Good to see you, sir.

DR. PERMAN : Good to see you all. Thank you for having me here. The ground lease item is one in which we have property on Fayette Street --

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

DR. PERMAN : -- between Eutaw and Paca in Downtown Baltimore on the west side. This is property that has long been vacant. When it was acquired several decades ago there was some thought that perhaps the University might have need for it in the future.

For me this is an important item wearing three hats. First of all, my official job as University President. But you perhaps know that I also have the privilege of chairing the Board of the Downtown Partnership in Baltimore, which is an organization of perhaps 700 businesses and law firms that are dedicated to the revitalization of Downtown. And I also have for a number of years co-Chaired a task force with Mayor Rawlings-Blake which is particularly focused on revitalizing the west side of Downtown. These are properties that are in misuse.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

DR. PERMAN : And they cost money to keep standing, to maintain. And we have an opportunity now to have a developer build on these two properties which are adjacent to the Lexington Market site. What is planned by the developer is retail and apartments, both of which help our efforts, these collective efforts, to improve the west side of Downtown, to return property to the

tax rolls, to get more people on the street. It's good for the University. People are attracted to the University of Maryland Baltimore as faculty, as staff, as students because they perceive that there is increasing revitalization Downtown. So in terms of my principal role for the State of Maryland this is not only good for the City, it's very good for the University.

LIEUTENANT GOVERNOR RUTHERFORD: Very good. So you, there is demolition that is required on that property as well?

MR. EVANS: I'd like to bring up Kathy Byington, who is the Vice President for Administration and Finance at the University of Maryland Baltimore.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you.

MR. EVANS: Can you address that?

MS. BYINGTON: Good morning. I'll address any of your detailed questions. Yes, the proposal that you have in front of you would propose demolition of the Sons of Italy building that is currently on that site. That will require mitigation and agreement from the Maryland Historic Trust. The developer is already in negotiations with them and that would proceed once all approvals are in place.

LIEUTENANT GOVERNOR RUTHERFORD: What's the age of the building, if I might ask?

MS. BYINGTON: These buildings were built, the Drovers Bank Building is the older building. I'm not sure I have a date here, early 1900s. The Sons of Italy building is slightly newer.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

COMPTROLLER FRANCHOT: I'm glad the Lieutenant Governor brought this up and I'd like to congratulate the President for moving forward with something that frankly makes sense. And so kudos to the partnership, although I take it the developer is assuming most of the risk here?

MS. BYINGTON: Yes, the developer would be assuming the risk.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

COMPTROLLER FRANCHOT: Thank you.

TREASURER KOPP: And basically it's two ground leases because of the Historic Tax Credit? Or --

MS. BYINGTON: Correct. It's two ground leases because the proposal is to rehabilitate the Drovers Sons of Italy building. The older -- I'm sorry, the Drovers National Bank building.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: Right.

MS. BYINGTON: And in order to secure the Historic Tax Credits that needs to be a separate development legally and it has to be physically separated from the other development.

TREASURER KOPP: Great.

LIEUTENANT GOVERNOR RUTHERFORD: Very good.

Sounds good. And I appreciate that as well. West side development is something that has been in the works for a number of years. And what the University can do down there helps a lot. So thank you. Additional questions?

COMPTROLLER FRANCHOT: Yes. Just for the item that is being withdrawn, the Item 1-C. When you come back if you could just explain to us, because I lost track of these prices of these University projects, how exactly you come up with the anticipated cost of \$24 million? I know you are only asking for \$97,000 from us. But I still am a little confused as to how exactly the University makes sure that these projects are built as economically as possible. And I'm not saying you are not, but when you bring it back you're going to be asking for \$97,000 and I would like to have an explanation given as to how you arrive at the other costs. And who is the arms length government representative of the taxpayers in all of this? Or is it just you guys saying we need this and the construction people saying here's what we're going to charge and nobody is putting their hand up? I think I'm referencing the comments of the Lieutenant Governor, who knows a lot more than I do about these projects. But how do we protect the, and make sure that the costs are as vigilantly reviewed as possible?

MR. EVANS: When the item comes back I will --

COMPTROLLER FRANCHOT: Thank you.

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MR. EVANS: -- definitely be addressing that.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you. Any other questions?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor? I think we're done.

MR. EVANS: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you very much. That was a very good question, Mr. Comptroller, with regard to construction management at risk. It's something that we will be exploring. We've talked about it for a while.

COMPTROLLER FRANCHOT: Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: Procurement reform, revitalization, updating, and we're moving closer to doing that. The Governor has put a lot on my plate, so that's the last one that's coming in. The service is coming so it will be on my desk in a moment or two. Okay. All right. So we have Department of Information Technology, Secretary Garcia?

MR. GARCIA: Good morning, Lieutenant Governor, Mr. Comptroller, Madam Treasurer, Department of Information Technology. We

have three items on our Agenda this morning. One is a supplemental. And in addition we have agency representation to address any questions.

LIEUTENANT GOVERNOR RUTHERFORD: Very short Agenda today as well.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: I really do think that they are saving them for when the Governor comes back.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Particularly the ones with the typos and things of that nature in them. So I don't have any questions.

COMPTROLLER FRANCHOT: I don't either.

LIEUTENANT GOVERNOR RUTHERFORD: Madam Treasurer?

TREASURER KOPP: No. I did have a question about number two. I think I get it. But the DLLR, the workforce exchange system item? I'm just, so I mean basically what you are saying is when you cost out the need to finish out one contract and move to another, that cost would decrease the cost difference between the two bidders to such an extent that you think that the bid from the incumbent --

MS. SCHULZ: I know it's rather confusing, Madam Treasurer.

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TREASURER KOPP: Yes.

MS. SCHULZ: It's confusing for me as well.

TREASURER KOPP: Because how did you decide to keep the guys you have?

MS. SCHULZ: And I will have our technical experts and our financial experts explain that to you. But it's my understanding --

TREASURER KOPP: Well, not all of them.

SECRETARY MCDONALD: Madam Secretary, could you just introduce yourself for the record?

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

MS. SCHULZ: Oh, I'm sorry. I'm Kelly Schulz, Secretary of the Department of Labor, Licensing, and Regulation.

SECRETARY MCDONALD: Thank you.

MS. SCHULZ: And our staff worked tirelessly on this to get it to this point. And the problem with the bidder that had reduced their bid amount after we put in, they put in the best and final offer, it was realized during the technical portion of the evaluation that they were not prepared to move forward immediately.

TREASURER KOPP: Oh, okay.

MS. SCHULZ: So the difference with having to cover that part of the contract with when they would actually be able to perform the upgrades and

the actual service would get us to the point where it would be roughly the same amount of money, Madam Treasurer, but we would be getting less of a technical expertise on the project.

TREASURER KOPP: I get it. I get that.

MS. SCHULZ: Perfect.

TREASURER KOPP: It was that one missing link.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: Thank you.

MS. SCHULZ: You are very welcome. Anything else?

LIEUTENANT GOVERNOR RUTHERFORD: Aren't there some questions --

MS. SCHULZ: Look, they are ready.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Yes, I see. I mean --

TREASURER KOPP: I really feel bad about having you all here.

MS. SCHULZ: They have my back.

LIEUTENANT GOVERNOR RUTHERFORD: Right.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Maybe they can sing.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right.

TREASURER KOPP: Yeah, it was not clear why you needed that extra time.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: And if it's the others couldn't start up that's, I get it. Thank you all.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: All right. Mr. Comptroller, any questions?

COMPTROLLER FRANCHOT: None. Move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All right. All in favor? I have to find something to slow this process down.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: All right. Department of Transportation, Mr. Secretary?

MR. RAHN: Good morning, Lieutenant Governor.

LIEUTENANT GOVERNOR RUTHERFORD: Good morning.

MR. RAHN: Comptroller, Treasurer, it's my pleasure to be here. And I would like to point out that over in the corner here, so far I've completed 17 of our CTP tours, and a gift to the Governor from Caroline County with the signatures on the back of all the elected officials and administrators --

SECRETARY MCDONALD: Thank you for Route 404.

MR. RAHN: And it was. And it says on the back, Thank you, Governor, for 404. But they wanted to make sure that they were thinking of the Governor and that he, that was their way to send the message that they are with him in his, in his --

LIEUTENANT GOVERNOR RUTHERFORD: We've got a photographer that can't hold it up.

(Laughter.)

MR. RAHN: There we go. So anyway, and I can report that the CTP tour is going very well.

LIEUTENANT GOVERNOR RUTHERFORD: Well good to hear.

MR. RAHN: So members of the Board, I'm Pete Rahn, Secretary of the Maryland Department of Transportation, for the record. And MDOT is presenting 15 items today, and we are withdrawing Item 8-M until the Governor is leading the -- no, I'm kidding.

(Laughter.)

MR. RAHN: But we are withdrawing --

LIEUTENANT GOVERNOR RUTHERFORD: I knew it.

MR. RAHN: -- Item 8-M for a future Board meeting.

LIEUTENANT GOVERNOR RUTHERFORD: I knew it. I knew it. I knew it.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Treasurer, Madam Treasurer? Mr. Comptroller? Well I have, I do have a question. 15-S-OPTION, that's Maryland Aviation Administration, good morning.

MR. SMITH: Good morning. Good morning, Lieutenant Governor, Madam Treasurer, Comptroller.

LIEUTENANT GOVERNOR RUTHERFORD: Introduce yourself, please.

MR. SMITH: I'm Ricky Smith, Executive Director, Chief, and CEO for the Maryland Aviation Administration. It's good to be here.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. This, this is an option on an advertising and marketing services contract. One of the things that the Governor was very adamant about was increasing travel at BWI in particular, Baltimore Washington International, really chasing the Washington market, becoming more competitive with Dulles in particular, and particularly for international travel. Is this, would this help in that process?

MR. SMITH: Yes, Lieutenant Governor. That message was made very clear early on. You know, the key to both sustaining our air service routes and growing them is having a cooperative marketing effort with the airlines. This particular extension will allow us to continue our collaborative relationship with WOW, Alaska Air, and Condor, all offering important international and domestic service.

However, in addition to that I have asked my marketing chief, Linda Mallinger who is here with us, to work with this firm to develop a comprehensive marketing strategy to meet that particular objective. We have to win Washington, okay?

LIEUTENANT GOVERNOR RUTHERFORD: Right.

MR. SMITH: We are winning, but we have to do a better job. And so having this firm on for another year or two gives us some time to develop that comprehensive marketing strategy and to have it linked with the strategic planning effort that we are also launching during the next couple of months.

So it is an important piece. It goes to the heart of the point you made, Lieutenant Governor, in terms of not just allowing us to attract new service but to maintain the service we have and build the service up.

LIEUTENANT GOVERNOR RUTHERFORD: What about marketing to some of the domestic carriers? I know a number of the big carriers, and there's been consolidation, they already have their hub locations on the East

Coast. But you are the expert, I'm not. But it appears that Delta could be someone to go after. And they have basically their hub in Atlanta and a smaller satellite hub I think at JFK. Is it possible to have a satellite hub here which will then help our international travel?

MR. SMITH: Very good question. We spend, we talked to everyone, including Delta.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MR. SMITH: We are always trying to grow service. We have not had a conversation with Delta about an additional hub. That is a conversation we can have. That being said, when you have a premier carrier like Southwest Airlines that has such a significant presence it is a deterrent to other hub prospects to come in because of the fortress hub. That being said, we can actually talk to, we can talk to Delta about growing service. Perhaps not rising to the level of a hub, but they can look at options for growing service.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Because, you know, again, you know it better than I do. But if you are trying to attract international travel --

MR. SMITH: Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: -- they need to connect to a domestic carrier. And Southwest does not connect to anybody. So, I mean, they have their international leisure travel.

MR. SMITH: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: But in terms of business travel where the money is --

MR. SMITH: Well two years ago, you know, Southwest Airlines would be both a blessing and a curse.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MR. SMITH: A blessing in that, I mean, who doesn't want to have a major hub --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

MR. SMITH: -- particularly when it's one of the premier airlines in the world? However, having a hub that does not interlink with other carriers makes it difficult to, for example, attract international carriers based on that relationship. As you are aware over the past recent year or so Southwest has engaged in a pretty ambitious entree into the international markets, and they are also looking at options for interlinking with other carriers. And so that will remove that curse, if you will --

LIEUTENANT GOVERNOR RUTHERFORD: Okay, good.

MR. SMITH: -- that burden that comes with Southwest Airlines. And it will actually, it will be a game changer for Maryland because it really opens BWI Airport's international prospects that we didn't have the opportunity to reach in the past.

LIEUTENANT GOVERNOR RUTHERFORD: Well, very good.

MR. SMITH: I do want to add that this particular contract is aimed at marketing to passengers. We do have another contract that we use to market to air carriers.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MR. SMITH: And they do a pretty good job. We spend a lot of time going all over the world often smarter than those particular carriers in terms of offering them the keys to operating out of BWI. And so we have a pretty robust air service development program. And in the coming months you will begin to see other announcements that indicate that we are still strong.

MR. RAHN: Lieutenant Governor, and if I may add?

MR. SMITH: Mm-hmm.

MR. RAHN: And Ricky knows the business better than anyone. So he is a real asset to MDOT and MAA, and we are fortunate to have him. I would like to add a few numbers that I think are significant for BWI. And that is within the last fiscal year our passenger count at BWI was 22.7 million passengers, which represents the, that is the airport within the capital region, BWI is larger than either Reagan National or Dulles, and larger than Dulles by a long shot.

Growth in international passengers this last year grew by 12 percent. So we are seeing that occur and I did have the opportunity to have a one

on one lunch with Gary Kelly, the CEO at Southwest. And they do have aggressive plans for international travel. And the good news that I heard from him was that they are going to base their international travel out of two airports, and one was Houston Hobby and the other is BWI. So I think the future of the Airport and growth in international, and as Ricky has said the exploration of Southwest into even (indiscernible) and baggage handling from other airlines would be huge. And I, while it's not guaranteed, I think it's exciting as a possibility.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. SMITH: Well we currently have about 35 percent of the Washington Metropolitan market as the Secretary has alluded to. So we are by far the busiest in the Washington Metropolitan market. We are just coming off of two record breaking months. The month of August, our traffic was 2.3 million passengers. That's the largest number of passengers we have serviced in this Airport in the history of the Airport.

It's funny, back in 1982 I presented a certificate to a good friend of ours who was the former Executive Director of the BWI Business Partnership about two months ago. She is the Former Public Relations Director for the Airport. So back in 1982 she prepared a press release that announced that BWI had experienced record passenger traffic at 2.2 million passengers. Okay? We're now experiencing 23 million passengers.

TREASURER KOPP: Twenty --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, right.

MR. SMITH: We experienced 2.2 million passengers in one month.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MR. SMITH: As opposed to one year. So --

MR. RAHN: And we are investing in the expansion of the international terminal so that we can handle this additional traffic. So I believe we are doing those things necessary to achieve the Governor's goal of increasing international traffic there. And I only see the future at BWI to be up and we, with the right leadership we are poised to grow in a number of areas.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

TREASURER KOPP: Mr. Secretary, Ricky, I flew into BWI Monday night. I didn't realize I was one of 22 million people.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: But everything, everything went so smoothly. I mean, it was really good. It looked good. The people were all pleasant. The baggage came quickly. I mean, it just ran really well. It was a pleasure to go through BWI. Thank you.

MR. SMITH: Well, Treasurer, we knew you were coming. So --

(Laughter.)

TREASURER KOPP: No I didn't tell you I was coming.

COMPTROLLER FRANCHOT: -- do what?

LIEUTENANT GOVERNOR RUTHERFORD: Needs her, needs her comments. Yeah.

TREASURER KOPP: Yeah, that was good.

COMPTROLLER FRANCHOT: Just add that I'm delighted to hear your support for Southwest because it's beyond comparison with the other airlines. And I share the Lieutenant Governor's desire, I guess, in the abstract to have more airlines there. But anyone who flies anything other than Southwest is crazy because the business model that they have is so pro-consumer that it just knocks the socks off of every other company out there. And my recommendation on the international travel, because I know we want to promote that, is let's ride Southwest and get them to go to Europe and Asia. Because they, well, hopefully the seats are a little bigger. But --

(Laughter.)

COMPTROLLER FRANCHOT: -- the airline is a model of efficiency. And I was in the Legislature, I think then Delegate Kopp was also, when the State got crosswise with Southwest. And it was a real problem for the Airport. Because there were complaints that might have made sense to someone but it was, we were really damaging our relationship with that great company.

Now I understand it's great. Just please nurture that, because they are the future of that airport. And you know, when I think of the number of times that I've flown on Southwest and had the experience, I'm not sure whether the Treasurer was flying Southwest?

TREASURER KOPP: No, I was.

COMPTROLLER FRANCHOT: But it's, you know, that operation really, really impressed us. So it doesn't surprise me --

TREASURER KOPP: And they are pleasant to fly on, too.

COMPTROLLER FRANCHOT: Yes. That's the other thing. They believe in customer service. They actually have their employees semi-interested in their customers.

(Laughter.)

MR. SMITH: Well you know what's funny? If you go to Southwest Airlines you won't see customer service written anywhere in the organization. You won't see banners saying customer service.

COMPTROLLER FRANCHOT: Mm-hmm.

MR. SMITH: Because in their minds customer service is just what they do.

COMPTROLLER FRANCHOT: Yep.

MR. SMITH: They don't have to promote it. They don't have to instill. It's just what they do.

At the risk of prolonging this meeting --

(Laughter.)

MR. SMITH: -- Lieutenant Governor, I will add that I remember when Southwest Airlines first joined BWI offering service to Cleveland for \$29 and Chicago for \$39, and they changed the trajectory of that airport then.

TREASURER KOPP: They changed their fare --

MR. SMITH: Secretary has had some of the conversations with Gary Kelly, and I have had conversations with them as well. They are the future of BWI and their plans will change BWI as we know it today.

Now I get in trouble if I go back to the Airport and don't, without being able to say that the other carriers are important too. British Airways is important. WOW is important. Alaska Air is important. Am I saying it right?

(Laughter.)

MR. SMITH: The other ones are important as well. So although we put a lot of our stake in Southwest Airlines, for good reason, we will be coming back with you for proposals to support other carriers. As a matter of fact, this particular piece is critical to supporting WOW and Condor and Alaska Air. They are also important growth airlines for us as well.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Well would, and once Southwest, if they do go forward with relationships with other

carriers, the international carriers, I think that will address that concern that I have. And that the Governor has in terms of, you know, those coming in from Europe and Asia, that they don't have that connecting domestic carrier coming through BWI so they tend to go through Dulles on that. So that would be very helpful.

TREASURER KOPP: Can I, not to prolong it again, but you mentioned Alaska, and my understanding is Alaska is expanding. Is that right?

MR. SMITH: Alaska, over the last several years Alaska has been an airline in very high demand. They have been growing all over the country.

TREASURER KOPP: And they do have relationships with American and other --

MR. SMITH: Yes, they do. But they offer service right now to Seattle for us and Los Angeles. And we are having discussions with them about growing as well. And you talk about a well managed airline, Alaska is up there as well. It's one of the well managed airlines.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: That would be good. I mean, that gives you the linkage, although I don't know that the seats are any bigger than Southwest.

MR. SMITH: They are all making the seats smaller so they can pack more people into the aircraft.

COMPTROLLER FRANCHOT: Actually, Southwest disagrees with you. They say people are getting bigger, the seats are the same size.

(Laughter.)

MR. SMITH: Well they are not telling women that.

LIEUTENANT GOVERNOR RUTHERFORD: No. No.

MR. RAHN: And Lieutenant Governor, I need to stress that these things are, they are what Southwest is exploring. They --

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

MR. RAHN: -- are not, they have not announced it. But it is encouraging to us to hear the things that they are looking at. And --

LIEUTENANT GOVERNOR RUTHERFORD: No, that part is encouraging. Because previously they were not interested in playing with others. So that's good. Thank you. Are there any additional questions for either Mr. Smith or --

COMPTROLLER FRANCHOT: Move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. On the Agenda?

MR. SMITH: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. All in favor? Okay. That's moving along. I prolonged that as much as I could.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Department of General Services?

MS. BASSETTE: Good morning, Lieutenant Governor, Madam Treasurer, Mr. Comptroller. For the record I'm Gail Bassette, Secretary of General Services. The department has 28 items on our Agenda. We are withdrawing Item 6-M. We will be glad to answer any questions you may have at this time.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. I do have a question on 9-GM, A&E contract. Was this, was there any consideration, and I think it's also the one that follows it, I didn't see whether this was put in the small business reserve? Or was there any consideration for putting it in the small business reserve program?

MS. BUCKLER: It was done off of our --

LIEUTENANT GOVERNOR RUTHERFORD: First, I'm sorry, introduce yourself.

MS. BUCKLER: I'm sorry. I'm Lauren Buckler, Assistant Secretary of Design and Construction for General Services.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. BUCKLER: It was done off of our on call contract for conditioning services.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, okay.

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MS. BUCKLER: So, which is done through a rotation basis. Our on call contracts do include some small businesses, some minority businesses. I don't know for certain that this on call has that on there. I do know that Kibart, this firm, is a local firm. They have an office in Towson. They are not a large company.

LIEUTENANT GOVERNOR RUTHERFORD: Right.

MS. BUCKLER: But I don't know if they qualify as a small business.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. And then the, I guess the same was for the second was the IDIQ contract as well. And I don't think Gannett Fleming is a small business. I think --

MS. BUCKLER: No.

LIEUTENANT GOVERNOR RUTHERFORD: -- they are fairly large.

MS. BUCKLER: They are not a small business.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. BUCKLER: But they are also on one of our on calls.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. BUCKLER: Our on calls, we have done an assessment to look at them. We are going to be talking about them at the business summit that's coming up with DGS and MDOT as a partnership.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MS. BUCKLER: Making sure people are aware when they come up for renewal who is on these contracts. We have 12 different on call contracts. Of those contracts there's about 30-some different vendors on there. Most vendors hold at max two on calls with the State and there is only I believe three nationwide vendors on our on calls.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. BUCKLER: Most of them are local companies, small businesses, minority businesses. So they are open for business. You have got a chance.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MS. BUCKLER: If you come out and compete on these contracts then you have got a very high probability of ending up on them.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. That's good. I'd like maybe at a later point, Madam Secretary, if you could give me a list of the A&E companies that are on your on call contracts?

MS. BASSETTE: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: And which ones are in the small business reserve, which ones are MBEs.

MS. BASSETTE: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: That would be nice to see. Okay.

TREASURER KOPP: Could I ask a question about that same item?

MS. BUCKLER: Sure.

TREASURER KOPP: Nine. Tell me about what is going to happen out here with this?

MS. BUCKLER: For which? For A or B?

TREASURER KOPP: B, the --

MS. BUCKLER: Lawyers Mall?

TREASURER KOPP: -- digging or the, the question is --

LIEUTENANT GOVERNOR RUTHERFORD: Underground --

TREASURER KOPP: -- is there going to be digging up around, what is going to happen?

MS. BUCKLER: Eventually. This is the study. We know that there are some leaks under Lawyers Mall. We know that there's going to be a lot of complications when we have to repair those leaks. It's a heavily trafficked area. There's a lot of dynamic here, especially during session, to try to go in and repair stuff. So we will need to do that at some point. It has been in the capital plan to go in there at some point. So this is the investigative study for what we need to do and how we do it with the least disruption. We really only want to go

in there once. There's a lot of antiquated steam lines, water lines, other lines for utility companies. So if we are going to go in there we want to make sure we get everything and we are not ripping it up multiple times.

TREASURER KOPP: So we are ripping it up once?

MS. BUCKLER: Not yet.

LIEUTENANT GOVERNOR RUTHERFORD: Once.

TREASURER KOPP: I mean that's --

MS. BUCKLER: The plan is once. But this is the study to --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, only during the legislative session.

(Laughter.)

TREASURER KOPP: Well I noticed --

MS. BUCKLER: And we will try to avoid that.

TREASURER KOPP: -- you said you were using electromagnetic detection for part of it, which I assume means at a distance? I mean --

MS. BUCKLER: They would --

TREASURER KOPP: -- not, but you are going to be ripping it up for the --

MS. BUCKLER: Not for the study.

LIEUTENANT GOVERNOR RUTHERFORD: They are going to repair --

MS. BUCKLER: We are not ripping it up. They would be doing stuff above ground. You may see people out there with, you know, something magnetic looking, or some kind of system --

TREASURER KOPP: Right, that's what --

MS. BUCKLER: -- that they are investigating what's underground.

TREASURER KOPP: So it's actually when you have to do something in response to that that --

MS. BUCKLER: When we have to repair the lines, that we would have to dig them up.

TREASURER KOPP: And are all the lines, I mean, do you have any idea as you go down deeper there what in fact is out there? I mean, I know in the last 40 years. But this is an old place.

MS. BUCKLER: We have a relative idea. We have plans of what's out there. But this is investigative work to make sure we know because there could be other stuff we don't know that's under there.

TREASURER KOPP: Well I just wondered when they did the Senate Office Building --

LIEUTENANT GOVERNOR RUTHERFORD: There's always going to be stuff that we didn't know, right.

TREASURER KOPP: -- it was, you were, yeah.

LIEUTENANT GOVERNOR RUTHERFORD: There's always, there's always things that you just don't know in the older, because the recording, the records were, you know, are not as great as they are now.

TREASURER KOPP: And things shifted, too.

LIEUTENANT GOVERNOR RUTHERFORD: And things shift. And was any of this part of the issue with water in the Legislative Services Building? Was any of that part of it? Or was that --

MS. BUCKLER: Some of it may be.

LIEUTENANT GOVERNOR RUTHERFORD: May be? Okay.

MS. BUCKLER: It's underground. It's close to Legislative Services.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MS. BUCKLER: We know that there's some issues there. We are working on a conditions assessment of that facility separate from this underground utility work.

LIEUTENANT GOVERNOR RUTHERFORD: Right.

MS. BUCKLER: But we do know that there are some leaks in these underground utilities that obviously the water finds some place to go. So --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

MS. BUCKLER: -- some of it may be finding --

LIEUTENANT GOVERNOR RUTHERFORD: So it might be us, but it could be the City also?

MS. BUCKLER: Correct.

MS. BASSETTE: Could be, mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: Because they are under the street.

MS. BUCKLER: Correct.

MS. BASSETTE: Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: So, okay.

TREASURER KOPP: So what's the timing of all this?

MS. BUCKLER: So this is the study right now, which we are coming for you to initiate. The study would be probably six to nine months of somebody out there, and the report, and then us investigating that, and then us working with DBM on when we are funding the next phases of the results of this study. This is going to give us an estimate. This alludes to what the Comptroller has asked before, where do these numbers come from? We do something like this, typically some kind of feasibility study, to know what it is, how much it's going to cost. There are assessments done internal at DGS when this comes back. What do we really need to ask for and when is a reasonable time frame to do this work? So --

TREASURER KOPP: Well if you could keep us --

MS. BUCKLER: Sure.

TREASURER KOPP: -- a complete survey is what caught my eye, actually. Because we have no idea what a complete, what it will take to have a complete survey. Thank you. Thank you very much.

MS. BUCKLER: Thank you.

COMPTROLLER FRANCHOT: Could I just ask a question while you are up there?

MS. BUCKLER: Yes.

COMPTROLLER FRANCHOT: So we are closing in on what will be the shortest BPW meeting ever. But I did want to compliment the inclusion of the \$250,000 for the Chesapeake Bay Maritime Museum, which is a fabulous project. And I think is it Ms. Greenaway, is she here? Maybe you could come up and just tell us what this is going to accomplish?

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

SECRETARY MCDONALD: This is Kathy Ensor.

LIEUTENANT GOVERNOR RUTHERFORD: That's the CGL item?

COMPTROLLER FRANCHOT: Kristen Greenaway.

You can mention the name Howard Friedlander.

(Laughter.)

MS. GREENAWAY: I will mention Howard. Howard sends his best to you all. Kristen Friedlander, President of the Chesapeake Bay Maritime Museum. Thank you very much for your time.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

MS. GREENAWAY: We, I started mid-July last year and one of the key elements that we really came to appreciate is the deferred maintenance at the museum. And considering it's a key element of tourism on the Eastern Shore, an economic driver, social impact as well. We have over 70,000 visitors a year and we serve 3,500 K through 12 schoolchildren a year which we are driving to 7,000 over the next five years. So the very kind support from Maryland State has enabled us to start this restoration business. We started off with the lighthouse, Hooper Strait Lighthouse, which is very much the iconic image of the museum. And we not, we're pursuing the band-aid maintenance concept as well. So we are spending a lot of time on really making sure that the work that we do do is going to last for a long period of time.

For example, the lighthouse, the bell tower, also a historic structure, will have been completely redone in Rhino Shield, which has a 25- to 30-year warranty. Good for your own private homes in that respect, too. So that means we don't have to spend a lot of extra money repainting that every three to four years with the environmental impact that we have.

So a lot of work being done to really bring the campus up to the state that it should be for a world class maritime museum. And for all those extra facilities and programming that we are offering for the education of both children and adults.

COMPTROLLER FRANCHOT: Very good.

MS. GREENAWAY: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: I think I may have told you, I did an impromptu tour there --

MS. GREENAWAY: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: -- unofficial visit. I was there without security.

MS. GREENAWAY: Yep.

LIEUTENANT GOVERNOR RUTHERFORD: And I was very impressed.

MS. GREENAWAY: You were safe. You were safe.

LIEUTENANT GOVERNOR RUTHERFORD: I was very safe. I was very safe. I'm always safe on the Eastern Shore.

MS. GREENAWAY: Absolutely.

LIEUTENANT GOVERNOR RUTHERFORD: And very impressed and took my wife through. And so we really enjoyed the museum.

And that was probably at least the third time I had been there. But the first time in recent years. So thank you.

MS. GREENAWAY: Thank you very much.

COMPTROLLER FRANCHOT: Okay. Thank you. I just wanted to give a shout out to someone I served with in the Legislature many years ago, your Secretary of Veterans Affairs who is standing back there.

MR. OWINGS: You mean I get to talk today?

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: George, I have one question and then you can come up. I want to ask about CGL-25. That's going to, and this is Family Recovery Program. Is there someone here to talk about that, or someone from DGS to talk about it? Where is Paul Giorgio when you need him?

SECRETARY MCDONALD: Kathy Ensor has been doing an able job as the replacement for Paul Giorgio.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, I think Sheila you are one of the few people that remember --

SECRETARY MCDONALD: That is one of the great names from the past, thank you.

LIEUTENANT GOVERNOR RUTHERFORD: The Treasurer probably remembers Paul Giorgio, that the Comptroller, your predecessor, Governor Schaefer right there, used to always call Paul up to --

SECRETARY MCDONALD: I have to say when you were talking about everything you would find down underground when you dug up, I said I remember a certain Secretary of General Services sitting over there --

(Laughter.)

SECRETARY MCDONALD: -- Comptroller Schaefer many times. And warning him that you didn't always know what was down there, he had to come back and tell you later. Anyway, that was enjoyable.

LIEUTENANT GOVERNOR RUTHERFORD: Right. Tell me a little about the Family Recovery Program and this item? And I'm interested because as many may know by now the Governor had asked me to chair the Heroin and Opiate Emergency Task Force. And I just wanted to know about what we are doing with the Family Recovery Program, and what they are doing.

MS. ENSOR: Good morning, everyone.

LIEUTENANT GOVERNOR RUTHERFORD: Good morning.

MS. ENSOR: Cathy Ensor, Capital Grants, General Services. This is a Department of Health and Mental Hygiene grant. We are bringing this to you for a waiver of the subordination agreement so that they can get a loan. They used grant funds in the past to acquire the property. In terms of the actual

details of the organization, someone from Department of Health and Mental Hygiene would need to answer that for you.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Well --

MS. ENSOR: And I can take that --

LIEUTENANT GOVERNOR RUTHERFORD: -- we did get some information earlier on some of the addiction treatment that they have, as well as supporting families, particularly mothers with children, that may have an addiction problem or substance abuse problem. And so I just, I was hopeful that we'd have someone to talk about their program. But that's just how it goes. So --

MS. ENSOR: I don't know if anybody here --

LIEUTENANT GOVERNOR RUTHERFORD: Oh, wait a minute. Here we are. Never mind.

MR. HOWARD: I'm Mike Howard. I'm the Acting Director for Procurement. I don't have any information specifically on the program but I can make sure that you receive that.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. If you can get some information to us?

MR. HOWARD: Definitely.

LIEUTENANT GOVERNOR RUTHERFORD: That would be appreciated.

MR. HOWARD: Absolutely.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. And then thank you. And I'm going to take the vote on this, and then offer a short period of time for Secretary Owings. Any other questions on the General Services?

MS. BASSETTE: Lieutenant Governor?

LIEUTENANT GOVERNOR RUTHERFORD: Oh, wait a minute. I'm sorry.

MS. BASSETTE: I just wanted to back up a minute about your small business, the small business reserve and the on call contracts. We are proposing to procure other on call contracts with small and minority businesses. I know we have two now that are expiring maybe in a couple of years, we do have them now. But to make sure that small businesses have an opportunity to also be a part of this on call --

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. BASSETTE: -- opportunity. So we are working on that right now and that's, you know, that's in conjunction with the small business summit. So we will be able to give the small businesses information on how they can compete for these new opportunities. So yes.

LIEUTENANT GOVERNOR RUTHERFORD: Very good.

TREASURER KOPP: Governor, could I just ask the Secretary?

MS. BASSETTE: Yes.

TREASURER KOPP: For future, not to go into now, but we talk a lot about the schools and maintenance and the maintenance problems, and we heard about the problems, we know about the State Center issues, and the Comptroller's Office. And obviously we have the same problem with budgeting for maintenance and for carrying out a consistent program of maintenance, the State is.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: Anybody --

MS. BASSETTE: Yes.

TREASURER KOPP: -- and the counties, the schools. And I would just be interested in learning more, now that you have been here --

MS. BASSETTE: Yes.

TREASURER KOPP: -- for your, just your insight into what we could do differently or how we could go about beefing up and maintaining both maintenance and awareness and accountability for maintaining --

MS. BASSETTE: Sure.

TREASURER KOPP: -- the buildings.

MS. BASSETTE: Sure. We are doing a lot of research on that from best practices.

TREASURER KOPP: Yes.

MS. BASSETTE: Actually we are taking a tour over to Washington, D.C. tomorrow, GSA --

TREASURER KOPP: Well if you find anyone who does it well --

MS. BASSETTE: -- yes, just to get some best practices how others, especially GSA, has done it. Obviously they have other funding mechanisms. But just how they have done it with some of their deteriorating buildings and how they do it in a cost effective manner. So we are actually, we are taking all of our maintenance engineers and superintendents over to, and we are having a road trip. And we are going to visit several of their buildings and talk to their maintenance facility managers.

TREASURER KOPP: Fascinating.

MS. BASSETTE: Just to get some best practices. So we are working on that.

TREASURER KOPP: That's great. Thank you.

MS. BASSETTE: Thanks.

LIEUTENANT GOVERNOR RUTHERFORD: Very good. Any other questions? Do we have a motion?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor?

Okay, that's the DGS Agenda. Can we take a few minutes for the Secretary, former Delegate?

MR. OWINGS: Thank you very much, Lieutenant Governor, Comptroller, Madam Treasurer.

COMPTROLLER FRANCHOT: George, I, you know, we -- hold on just a second. Because we kid a lot. But ladies and gentlemen, this is one of the finest public servants in the State of Maryland. And he is the real deal as far as someone who actually deeply cares about the State. And I always appreciated your leadership. You were a big muckety-muck in the House of Delegates. And you know, you always kept an eye on us, us back benchers. You always kept an eye on us.

MR. OWINGS: Thank you very much for those comments. For the record, George Owings, serving at the pleasure of Governor Hogan, with the backing of Lieutenant Governor Rutherford, as the Secretary for the Department of Veterans Affairs representing 428,861 veterans in the State including several of us here today.

Very quickly, on October 8th, 1997 then Senator Bill Amos passed away. But some of us were in the House during that time, then Delegate Brinkley, Delegate Kopp, Delegate Franchot, and yours truly, when we passed the Bill Amos bill recognizing all of his efforts in the Volunteer Fire and Rescue

Department. So I just wanted you all to have that information the next time it comes up. And by the way, Calvert County is the only county in the State of Maryland that is all volunteer. Thank you very much. The only county.

What brings me here today, and if you will give me just a moment I'd like to introduce Lori Pinson. Lori, please? Lori is our procurement officer, which is why I'm here today, thanks to Secretary Brinkley. It was unknown to us that certain procurement laws were being broken categorically because I did not have a procurement person. So just days before we came in as the new administration there was a Legionnaire's outbreak --

LIEUTENANT GOVERNOR RUTHERFORD: Right, emergency procurement. Yep.

MR. OWINGS: -- down at Charlotte Hall, at which time \$55,000 was spent with a company that the CDC recommended we use. And of course, this error wasn't discovered until we got our procurement person. I was trying to balance the books, among other things, before Lori joined us. But you'll see her again in the future.

However, that has all been resolved now. The testing will continue to go on. The prohibition on new admittances has been lifted. So we are rocking and rolling down there. So if I can help you with anything else, please let me know. Other than that, thank you for these few minutes to give you an update on a 100 percent federally funded issue.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Well, thank you.

And Mr. Secretary, as you know, my brother-in-law is at Charlotte Hall.

MR. OWINGS: Yes, sir, he is. And we are taking great care of him, sir.

LIEUTENANT GOVERNOR RUTHERFORD: That's what my sister tells me.

MR. OWINGS: Yes, sir.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

MR. OWINGS: Yes, sir. Thank you all very much.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. With that

--

MR. BRINKLEY: George is riding out there, flying the helicopter.

LIEUTENANT GOVERNOR RUTHERFORD: George is riding the helicopter? Okay.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: All right. Well thank you, everyone. We are done.

(Whereupon, at 11:06 a.m., the meeting was concluded.)