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

February 24, 2016
10:00 a.m.

PRESENT

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Treasurer

HONORABLE PETER FRANCHOT

Comptroller

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PROCEEDINGS

LIEUTENANT GOVERNOR RUTHERFORD: Good morning.

AUDIENCE: Good morning.

LIEUTENANT GOVERNOR RUTHERFORD: As you can see, if you didn't know, I am not Governor Hogan. The Governor has a cold this morning. Actually, he had it yesterday, and so he decided to take, as the Secretary said, a wellness day to get better. So it's good that he decided to do that. So it's going to be the substitute teacher today.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: So as we get started, I just wanted to make a couple of comments that the Governor was going to mention, that the Governor and the full administration supports HB-316, which is the video live streaming of General Assembly meetings. We think it's important that the citizens are able to and deserve to see how their elected officials are conducting business.

As here in the Board of Public Works, this meeting is live streamed. It is recorded. We oversee billions of dollars in contracts annually. The agendas are posted two weeks before the meetings. The Board is conducted in a public setting. And as I mentioned, those videos are also archived for those to see later if they didn't get a chance.

And we think that should apply also to the Legislature as well. Maryland is one of only seven states that does not record voting sessions, and we

think that the legislation that's being proposed by Delegates Moon and Szeliga are something that should be supported, and that current technology would allow for this transparency.

The Board of Public Works' meetings are live streamed at the cost of about \$4,000, so it's not a very expensive proposition. And currently what is considered transparency are these types of boxes that sit in a couple of our offices. I think this is a little older than the ones before. Green for House, red for Senate. But we think that it's important that we, in the interest of transparency, that we go forward and move in this direction.

So, thank you. With that said, Madame Treasurer?

TREASURER KOPP: Thank you. It's good to be here. I know that you will give our regards to the Governor. No one likes to have a cold, especially when it's rainy and gray out. I must say, a personal note, I just noted to Ms. Brogan, I believe that the Comptroller when he was a member of the House of Delegates – and I, when I was a member of the House of Delegates – some years ago, maybe a couple of decades ago, actually sponsored a proposal for live coverage –

LIEUTENANT GOVERNOR RUTHERFORD: All right.

TREASURER KOPP: -- of the House and the Committee. The Committees are all covered now.

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

TREASURER KOPP: But they weren't at that time. And I think it's really a boom to democracy. People understand, then, that issues are taken

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seriously when they actually see what is happening and they see how people, you know, how people really on both sides of the aisle discuss legislation seriously. And they begin to realize that some things that look simple --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: -- are not always so simple. It's a very good thing. That's a great step forward.

COMPTROLLER FRANCHOT: Of course their response was, "Franchot, you'll never shut up if you're on camera."

(Laughter.)

TREASURER KOPP: Right. There was that.

LIEUTENANT GOVERNOR RUTHERFORD: Well, that's --

(Laughter.)

COMPTROLLER FRANCHOT: Thank you. I just wanted to take a moment and remark that during our last Board of Public Works meeting two weeks ago, an unspeakable tragedy occurred in Harford County that served as yet another painful reminder of the sacrifices that our law enforcement officers make every day.

Last week, I had the privilege of joining hundreds of Marylanders in paying my respects at the funeral services for two of Harford County's finest, Senior Deputy Sheriff Pat Dailey and Deputy Sheriff Mark Logsdon. Like everyone who attended those services and lined up along the motorcade routes, my heart was filled with emotions as we honored the amazing lives and exemplary service of those two heroes.

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The touching tributes from Deputy Dailey's sons, Brian and Taylor -- you had to be there to hear these kids -- offered us a glimpse of the incredible life that their father lived and the influence that he had on his sons, both of whom are following in his footsteps in serving their community.

And as I watched as Deputy Logsdon's son, who served as a pallbearer, carrying his father's flag-draped casket, I couldn't help but imagine what must have been going through his mind. I know their fathers would have been proud of the courage and poise they displayed in a time of overwhelming sadness and grief.

As their families and communities begin the process of healing, my wife Annie and I will continue to keep their families in our thoughts and prayers. And Lieutenant Governor Rutherford, I was very pleased to see Governor Hogan make such personal comments. It was entirely appropriate. And, boy, seeing those law enforcement officers at the funeral on Saturday was about as moving an expression of support from our state as I could possibly imagine. So please thank him for me --

LIEUTENANT GOVERNOR RUTHERFORD: We will. I will.

COMPTROLLER FRANCHOT: -- for his comments and participation. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Well, I know he was quite moved by the whole ceremonies, and of course we were all affected by the tragedy that occurred.

TREASURER KOPP: And I must take a moment to recognize all those people who do put their lives on the line for us, and understand that something quite unexpected –

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: -- untoward just can happen like that. All those men and women throughout the State who everyday risk all -- risk not only themselves, but their families.

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: As Peter pointed out, we should keep them in our prayers very often, all the time, and hopefully not just at moments of great tragedy.

LIEUTENANT GOVERNOR RUTHERFORD: Right. You have to remember that they are there to protect us. They step into the breach when others are fleeing. And they do it willingly. So thank you.

Okay. Madam Secretary?

SECRETARY MACDONALD: Good morning, Lieutenant Governor Rutherford, Madame Treasurer, and Mr. Comptroller. We have 17 items on the Secretary's agenda. There's one report of an emergency procurement. We are withdrawing Item 12 and are prepared to respond to any questions you may have.

LIEUTENANT GOVERNOR RUTHERFORD: Any questions?

COMPTROLLER FRANCHOT: I want to thank whoever pulled Item 12, because --

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SECRETARY MACDONALD: The Housing Department, yes.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

COMPTROLLER FRANCHOT: Thank you.

TREASURER KOPP: Yeah, I have a question.

SECRETARY MACDONALD: Yes.

TREASURER KOPP: On number six.

SECRETARY MACDONALD: Number six, absolutely. That's the Wetlands license.

LIEUTENANT GOVERNOR RUTHERFORD: Was there someone here to speak on that?

SECRETARY MACDONALD: You have your Wetlands Administrator, Mr. Bill Morgante, who has reviewed this recommendation from the Department of the Environment in favor of the license. Mr. Morgante concurs with the recommendation in favor of the license for the Maryland Port Administration. In addition, though, we do have an adjacent property owner who would like to be heard on exceptions. Mr. Morgante?

MR. MORGANTE: Good morning, Lieutenant Governor, Madame Treasurer, Mr. Comptroller. I'm Bill Morgante, Wetlands Administrator for the Board. I'm here to provide background for the Wetland license for the Paul Sarbanes Ecosystem Restoration Project to Poplar Island. What's before you today is the licensing for phase three of this project.

So Poplar Island is 16 miles south of the Bay Bridge in Talbot County just northwest of Tilghman Island. In 1847, Poplar Island was 1,140

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acres, but by 1990 Poplar Island had been reduced to just five acres, mainly due to sea level rise and erosion.

Federal and State agencies collaborated on a plan, however, to use clean Chesapeake Bay dredge materials to restore Poplar Island to its 1847 size. So after scientific study, examination of alternative locations, and the permitting process, the port constructed and now operates phases one and two of the Poplar Island project.

So this project is seen as a unique and economic and environmental success, because Poplar Island provides a repository for millions of cubic yards of clean dredge materials from the Baltimore Harbor channels and enables Baltimore Harbor to kind of continue as a successful port. As well, it provides ecological habitat. It provides wetlands, uplands, and open embayment areas.

So the Port at this time seeks license to, number one, mechanically dredge 5.6 million cubic yards of clean dredge materials from the phase three footprint. So actually the map you see before you is, Poplar Island is to the center of the project. Phases one and two of it has already been built. The yellow outlined area is the proposed phase three.

So the port is seeking licensing for this 5.6 million cubic yards, which will be dredged in this footprint of phase three and this footprint of the yellow outlined area in an access channel to Poplar Island. It seeks to license to transport these materials to specific areas of Poplar Island, to provide periodic maintenance dredging, to construct the breakwaters, containment dikes, fillways,

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breach features, and bulkheads to make phase three happen, to create a total of 259 acres of upland habitat, 206 acres of tidal wetland habitat, and 110 acres of open water embayment. And this is all for 30 years.

So there were two public information hearings held in July of this year -- I'm sorry, July of 2015. And after distributing the MDE's Report and Recommendation to interested parties, I received a letter in favor of the project from Chesapeake Bay Foundation and a letter against the project from Mr. Zelinske, one of the owners of Jefferson Island, the small island that is nearest to Poplar -- just east of Poplar.

So after careful review of the project, consultation with MDE and DNR and U.S. Fish and Wildlife Service, Maryland Port Administration, an acoustics engineer, and in speaking with the owner of Coaches Island nearby, and meeting actually with Mr. Zelinske, I recommend granting the license.

Concerns remain about the impact of the expansion project, particularly the permanent loss of view on nearby property owners. And I believe Maryland Port Administration and the representative for the owner of Jefferson Island is here to speak as well, if you'd like to hear from them.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. I have a quick question -- well, two questions. One, what is clean dredge material?

MR. MORGANTE: Clean dredge has been deemed the word "clean" because it's been harvested or dredged outside of Baltimore Harbor. There is this line within Baltimore Harbor that actually the report kind of showed that they're deeming the dredge materials inside this line and inside Baltimore

Harbor as contaminated based on testing. And the materials outside that boundary and surrounding Poplar are deemed and have been tested to be clean materials. So I guess they are freer from toxins. They are freer from any contaminants that could be harmful to anything that will be established in terms of the ecological restoration.

LIEUTENANT GOVERNOR RUTHERFORD: Is that growth or whatever -- is it natural erosion that caused to -- I don't know what the channel originally was in 1847, but is it growth material, just organic material that's there, that's going to be pulled out? Versus, I guess, in the Inner Harbor you have the metals from the old factories and the like.

MR. MORGANTE: So, I mean, the dredge materials that would be deemed as clean would come from channels that have silted in or would have been caused by erosion or caused by silting. I mean, I guess there are a number of different factors that would have caused the channels to be not deep enough to actually successfully access Baltimore as a harbor.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. So the second question is, you're going to remove the clean dredge and place it in a location to try to bring Poplar Island back to -- close to the level that it was in the 1800s. What type of growth do you actually get there? It'll be a new wetlands, I guess?

MR. MORGANTE: So I guess just to clarify -- so phases one and two that you can mostly see are mostly built would be -- those two phases would have been restoring Poplar to its 1847 footprint.

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LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. MORGANTE: Of 1,140 acres. So this -- the proposal before you today for phase three is actually an extension, a larger area than the 1847 footprint.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

TREASURER KOPP: It's analogous to an earlier footprint?

MR. MORGANTE: I don't know that the records --

TREASURER KOPP: I mean --

MR. MORGANTE: -- show that.

TREASURER KOPP: -- natural footprints went up and down, didn't they?

MR. MORGANTE: I don't know that they were actually before 1847. I think that that -- the 1840s, from what I've learned, was a time when actually there was more accurate mapping that was done for islands. So I think that the time period before that, there actually isn't adequate -- isn't accurate records for.

TREASURER KOPP: But you wouldn't say for the time infinitum before 1847 --

MR. MORGANTE: It was that size?

TREASURER KOPP: -- it was one constant size? That would be really quite unique.

MR. MORGANTE: I would agree. I mean, perhaps, you know, historically Jefferson Island and Coaches Island nearby was all part of one, large land mass.

TREASURER KOPP: Okay.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. Thank you. Do we want to hear from --

TREASURER KOPP: Can I just --

LIEUTENANT GOVERNOR RUTHERFORD: Oh, I'm sorry.

TREASURER KOPP: Mr. Morgante? Just because you're -- so you went through this process of hearing, you mentioned. And as I understand, actually there was a condition regarding testing of contaminants that are put on this permit?

MR. MORGANTE: Yes.

TREASURER KOPP: Is that --

MR. MORGANTE: Yes. I mean, there's is actually -- I mean, there'd be a number of conditions that are relating to verifying, in terms of the regularity of the testing and in terms of the levels of materials that go in there, so that there's regular testing done to assure that the materials that are going in there are not contaminated or are not toxic -- there would not be anything that wouldn't allow kind of a successful ecological restoration to occur.

SECRETARY MCDONALD: Didn't you recommend actually a change to strengthen MDE's recommendation on this specific condition, that your

recommendation was to adopt the license that they proposed but strengthen this one condition of that testing of sediment?

MR. MORGANTE: Yes. There was one condition M where we -- you know, I just -- I made a recommendation, I think, to clarify that the dredging - - that for every new site, that was going to be a clean dredge material site, it was really just meant to clarify that there would be testing done at each new site.

LIEUTENANT GOVERNOR RUTHERFORD: I guess we should hear from Mr. Zelinske?

SECRETARY MCDONALD: Mr. Zelinske, or is it your attorney, or --

MR. HENDERSON: Well, I think we'll both come up.

SECRETARY MCDONALD: Okay, yes, absolutely.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

SECRETARY MCDONALD: Come up. We're glad to have you here. Just come up to the podium and introduce yourself, and that's fine.

MR. HENDERSON: Good morning.

LIEUTENANT GOVERNOR RUTHERFORD: Good morning.

MR. HENDERSON: My name is Tim Henderson, and I represent Jefferson Island, LLC. And Paul Zelinske is a member of that LLC, and he's also the owner of Lowes Wharf Marina, which is directly -- sort of directly across from the island.

So you can see one of the things that he's been commenting on is that the vision -- the view from Lowes Wharf Marina will also be impacted by

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this expansion. I want to keep this very short. I know there's a lot of people here. I wanted to focus on just a few specific things that Mr. Zelinske has brought up over the last few months in the different hearings.

One is that the -- they bought the island in 2001. In 2001, there was no talk of this third phase, so they had no idea that it was in the works. In fact, I'm not sure the Corps or the Port Administration knew that it was in the works.

Second thing is that the footprint as was being discussed of, the 1847 footprint did not extend -- and even if you go back to the 1600s, it didn't extend to this 500-some odd acres that the third phase is going to cover. And so it's a form of island creation rather than island restoration.

And I'm talking about phase three. Phase one and two, Mr. Zelinske and his partners were aware that it was going to be built. It hadn't really started, right, when you first bought? It was starting, but it wasn't anything like it is today.

The second, there's some specific deficiencies in the application that I want to highlight. One of the obligations of the Board and the Wetlands Administrator and the Maryland Department of the Environment in putting together the response and recommendations is to do an avoidance analysis, an alternatives analysis, and to provide mitigation.

The alternatives analysis is very deficient. As far as I can tell, there was not a full and robust examination of other island areas that could be restored as opposed to this island creation. As a matter of law, Maryland law, and

in the Environmental Article, Title 5, Subtitle 11, it does not authorize the Board to authorize island creation. So a big chunk of this 500 acres would be island creation that we would argue the Board doesn't have the authority to authorize. And that would have been part of a good, robust alternatives analysis to identify that.

The one thing that's very -- I'm jumping ahead of my talk, but one of the things that's very of great concern to Mr. Zelinske and his partners is that when they bought the island in 2001, they were focused on its attributes for hunting, fishing, bird-watching, and the -- those attributes and what they bought the island for are going to be severely impacted. And the Wetlands Administrator's report reporting the Maryland Department of Environment report and recommendations acknowledges that, and acknowledges it in three points.

Noise. There's going to be significant noise for thirty years, and those noise levels for 12 hours a day are going to be equivalent of what industrial properties are held to, and in excess at times.

There's going to be contamination. Even though contamination is being measured, there is -- one thing about the record for the application is they don't get into the levels that have been measured for phase one, phase two, in any real depth. So what they do evaluate is water quality at the edge of the phase one, phase two Poplar Island and extending towards Jefferson Island. And they have found exceedances of water quality standards.

And the plan is to sample the dredge material before it's excavated.

And there will be excavations at the mouth of the Patapsco River, which, you

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know, it's just a line that's drawn. The mouth of Patapsco River can be as contaminated as further in, up towards Baltimore Harbor.

The other thing is the Corps of Engineers just samples the -- what's on the island every three years. And there's no condition proposed to increase their frequency of that sampling.

I said I'd be short, so let me sort of cut to the chase. The viewshed issue may seem esoteric, but right now Jefferson Island, if you look at it, it has what's called, you know, a 50 percent -- 60 percent of the island, you can see out into the water. This is going to cut off 50 percent of that, this extension. And it'll cut off 100 percent of the view that's what's called a four-mile view, the long view up to the north. One hundred percent of that is going to be blocked off.

The report and recommendation of MDE and the Wetlands Administrator's report both acknowledge that these impacts, unavoidable impacts, will occur. But there's no compensation being offered. There's no mitigation that's being offered. It's just saying the public benefits; Mr. Zelinske and his partners won't. They'll suffer, but it's to the public good.

So there's this fundamental question of what is the appropriate mitigation and/or compensation. And I don't know if Mr. Zelinske has anything to add, or if you have any questions for him, since he's lived this. I'm a lawyer. I happen to have helped him and his partners out in 2005, but I really haven't been involved since last month. So if you really want to hear some of specifics of his issues, you could ask him, and you could offer -- if you have time.

LIEUTENANT GOVERNOR RUTHERFORD: We have a moment, yeah.

MR. ZELINSKE: Well, the main thing it's the view. We have the property. And approximately about 600 to 700 feet out in the front, they want to build –

LIEUTENANT GOVERNOR RUTHERFORD: You need to step up to the microphone. Yes, that's better.

MR. ZELINSKE: Sorry.

LIEUTENANT GOVERNOR RUTHERFORD: Because all of this is being recorded.

MR. ZELINSKE: Hi. My name's Paul Zelinske. I'm the owner of Jefferson Island. And my biggest concern is approximately 600 to 700 feet right out in front of my property, this new expansion, this new proposed expansion, they want to put a 30-foot-high wall in front of my island. Six hundred feet, not counting the trees or whatever they're going to plant on top.

Then it's going to extend a half a mile towards the east. There's going to be a big, huge wall in front of my property blocking the whole Eastern Bay view from there. It's approximately about a four-mile open view that's unobstructed. And then it's going to be, behind my property, the dump site for the dredge spoils with the noise.

And we purchased the property -- the Poplar Island project was supposed to stop in August of 2026. Now, this is going to go on for, I think they say, like, 2045. So I'm going to have to be out there dealing with this, if I live

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that long, for 20 years of noise and all the construction work that's going on. Basically, I mean, just to keep it short, that is really my main objection to this construction site.

LIEUTENANT GOVERNOR RUTHERFORD: All right.

MR. HENDERSON: Thank you. In closing, I wanted to mention one other area that the application is woefully deficient. And neither Mr. Zelinske nor I mentioned it, but the erosive effect of both phase one, phase two in this new extension.

The data that's in the application is 13 years old. It was done in 2002, and it was based on an analysis of a configuration that is different than this new configuration -- new being, you know, in the last few years. So there's been no analysis.

There's no scientific evidence of the erosion that has occurred because of phase one, phase two. There's statements. There's just what I call unfounded, unsupported-by-science statements that, by having phase one, phase two there, Jefferson Island has eroded less than it would have. That's just a statement. There's no analysis that that's true. In fact, it appears that the erosion has occurred more -- there's been more erosion in the last 20 years than there was in the last 150 years.

And with that, I just want to mention that we would ask the Board to return the application, to have it -- have the Port Administration and the Maryland Department of the Environment and the Wetlands Administrator evaluate -- come up with the detailed, specific scientific analysis that's required

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for alternatives analysis, avoidance, and mitigation, and also erosion -- and to examine the contamination issue in more detail.

If the Board proceeds and issues the license, we are prepared -- both Jefferson Island, LLC and the Marina will appeal the issuance of the permit. And we would also seek -- we'll explore all legal avenues for compensation for what would become, we think, a regulatory taking and/or inverse condemnation of their rights. Thank you very much.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Any questions? Madam Treasurer?

TREASURER KOPP: We do have an opinion or a letter of analysis from the Attorney General?

SECRETARY MACDONALD: We have advice from an Assistant Attorney General.

TREASURER KOPP: Advice from the Attorney General.

SECRETARY MACDONALD: He said that -- and who also informed us that he would not be able to be here today, but the answer to both questions is yes -- that the Board could issue this license, and --

TREASURER KOPP: That it does not constitute --

LIEUTENANT GOVERNOR RUTHERFORD: It's not a taking.

TREASURER KOPP: -- taking --

SECRETARY MACDONALD: -- what she's properly saying is that the Board's issuance of this Wetlands license needs to concentrate on the

wetlands. That the taking issue is a separate issue. I wish she was here to be able to explain. But yes, you have a four-page memo in your backup of materials.

LIEUTENANT GOVERNOR RUTHERFORD: In our bag of tricks?

TREASURER KOPP: That came yesterday.

SECRETARY MACDONALD: I mean, I'd be happy to put this on the record. But I don't think, I mean, I think this is attorney-client communication that you all can decide about.

COMPTROLLER FRANCHOT: Well, that's just a lot of nonsense, that this Board is restricted --

SECRETARY MACDONALD: It's not --

COMPTROLLER FRANCHOT: -- to Wetlands criteria.

SECRETARY MACDONALD: It's not restricted. It's not. It's not. That's what I'm saying. I'm not saying --

COMPTROLLER FRANCHOT: I don't know what our lawyer is doing suggesting that it is. And perhaps we need to -- maybe we could get a new lawyer.

(Laughter.)

TREASURER KOPP: Well, he was elected for four years, but the question was whether it constituted a taking. I mean, that was my question. And what the -- I understand that it's an aesthetic and perhaps financial issue for you, believe me.

SECRETARY MACDONALD: -- would you like me to comment for the record? The question she felt was posed to her was may the Board of Public Works issue this tidal wetlands to the Port for this expansion project where Mr. Henderson asserts that the Board's issuance of the license may result in a compensable taking of Jefferson Island?

The answer to the question is yes. The Board's authority under the Wetlands Act as construed by the Court of Appeals does not include the adjudication of constitutional takings claims. Instead, the Board must limit itself to the effect of the proposed project on tidal wetlands.

So that's why I didn't hesitate to say that she did not find this to be a taking. I don't know that she analyzed it -- I mean --

LIEUTENANT GOVERNOR RUTHERFORD: And that's her point.

SECRETARY MACDONALD: But what she was saying and her advice was that that's not what's in front of the Board of Public Works with respect to this license.

MR. HENDERSON: I mean, I -- since she's not here to discuss this, I'll just -- a brief comment is that it is true in Maryland that case law has not found that the taking of the viewshed -- I'll call it the viewshed -- is compensable, but hasn't found it's not. Other states have been finding that it is. And it's an extension of riparian rights.

So you've got a very unique situation. There's nothing like this that I could find. There's nothing the Board of Public Works has dealt with, nor,

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as far as I can tell, the Port Administration with this kind of configuration where you have essentially -- the island being created is really being created around an island that's a remnant of the original Poplar Island. In the 1600s, Jefferson Island was smack-dab in the middle of what was the island.

But -- so it's a very unique situation to have an island being, you know, by a restoration of an island to the 1847 configuration, and then this extension to what I think is a new area, significant part of the new 570 -- 47 acres or whatever it is, is brand new. There's never been an island there. So it's island creation.

So it's exactly the kind of situation where we could -- I think we could get Maryland courts to join what I view as a trend in other states. And now there's no lawyer on the other side to debate me, but that's the position we would take.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, and I understand what you're saying. But based on our Attorney General opinion, what we're here for today is to really look at the impact on the wetlands itself. And that's what the license is extended to. And the arguments that you're making are a separate issue that we are not really addressing in an approval or disapproval of the wetlands permit. Am I correct in that, Madame Secretary?

SECRETARY MACDONALD: Correct. That is what she said.
Yes.

MR. HENDERSON: And I wouldn't disagree with that. I mean, that's why I didn't even get into it with you.

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LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you. Any additional questions? Concerns? Thank you very much.

MR. ZELINSKE: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Okay. Any other questions on the Secretary's agenda?

TREASURER KOPP: Pardon?

LIEUTENANT GOVERNOR RUTHERFORD: I was just asking if there are other questions on the Secretary's agenda. I don't think we need a separate vote.

SECRETARY MACDONALD: No, no, no.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

SECRETARY MACDONALD: I didn't know if you wanted to --

COMPTROLLER FRANCHOT: Just want to, if I could, recognize Mr. White who's sitting here from the Port.

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

COMPTROLLER FRANCHOT: And thank you for that extraordinary economic engine which the State of Maryland owns and that you oversee. Because it is unbelievably important to our citizens to have the economic activity that you represent at the Port. Keep up the good work.

MR. WHITE: Thank you.

COMPTROLLER FRANCHOT: Are we still doing okay?

MR. WHITE: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: It's doing great.

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MR. WHITE: The Governor just signed a 30-year contract with Wallenius Wilhelmsen, who is the largest railroad carrier --

LIEUTENANT GOVERNOR RUTHERFORD: Why don't you come to the -- yeah.

MR. WHITE: Thank you. Yes. The Port is doing exceptionally well. Governor Hogan was just down signing a contract with Wallenius Wilhelmsen for 30 years. And I think this Board knows that the jobs that we create at the Port are good paying, family supporting jobs -- upwards of 127,000 jobs in Maryland, which produces every year almost \$3 billion in salary and wage to Marylanders, plus \$310 million in taxes back to the State.

You know, we had two huge wins this year with long-term contracts. And the other was -- Lieutenant Governor, you were there for the Maersk.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

MR. WHITE: That was big, and those ships just keep getting bigger and bigger. So we need places to put the dredge material. But certainly, we have to install a level of confidence in our customers when we're signing 30-year deals that we have 30-year placement sites to put our dredge materials so the harbors stay deep and safe.

LIEUTENANT GOVERNOR RUTHERFORD: Very good.

MR. WHITE: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: And we're working on access as well. I know the Transportation Department is looking at

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the railroad tunnel, so that we can move freight from the Port and to the different markets. So, yeah, keep up the good work. I had a wonderful visit there -- I guess twice now. And then I sat offshore not too long ago, also on a very cold day, on a Coast Guard vessel. But it was wonderful to see the activity going on at the Port.

MR. WHITE: Thank you. We got the Governor's message.

We're open for business.

LIEUTENANT GOVERNOR RUTHERFORD: Absolutely.

Thank you.

(Laughter.)

TREASURER KOPP: Mr. White, can I just -- just apropos of the last concern, I know the question was raised of whether you couldn't locate the dredge elsewhere on another part of Poplar Island. My recollection is that a study was done, and the sediment that's there now didn't support the weight of the dredge on the other end of the island.

MR. WHITE: I'd like to ask Chris Correale, our Director of Harbor Development, to come up and answer that.

TREASURER KOPP: A yes or no would be terrific.

MS. CORREALE: You are correct.

(Laughter.)

TREASURER KOPP: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: For the record, you are correct.

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(Laughter.)

TREASURER KOPP: Governor, could I just point out the next item after six is seven, and a great example, I think, of the wetlands process and how the administrator and the department and the neighbors and the person who is seeking a license could all get together and work things out in the public's interest. I congratulate you all.

LIEUTENANT GOVERNOR RUTHERFORD: Very good. That's Queen Anne's Marina. Okay. I am looking. I do not have any additional questions.

COMPTROLLER FRANCHOT: Move for approval.

LIEUTENANT GOVERNOR RUTHERFORD: Second? All in favor?

COMPTROLLER FRANCHOT: Aye.

LIEUTENANT GOVERNOR RUTHERFORD: Aye. Madame Secretary?

SECRETARY MACDONALD: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

SECRETARY MACDONALD: Secretary Belton?

MR. BELTON: Good morning, Lieutenant Governor.

LIEUTENANT GOVERNOR RUTHERFORD: Good morning.

MR. BELTON: Madame Treasurer, Mr. Comptroller. I'm Mark Belton, Secretary of the Maryland Department of Natural Resources. We have three items on our Real Property Agenda for your approval this morning.

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LIEUTENANT GOVERNOR RUTHERFORD: Can you tell me a little bit about item 3A, Maryland Environmental Trust?

MR. BELTON: Yes, sir. We have Ann Carlson here from the Maryland Environment Trust who can provide background on that information.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. CARLSON: Thank you. I'm Ann Carlson with the Maryland Environmental Trust, and I can answer any questions you have.

LIEUTENANT GOVERNOR RUTHERFORD: Could you tell me a little bit about the acquisition, the easement?

MS. CARLSON: This is conservation easement on 678 acres in Kent County, right outside of Galena. The purchase will protect this whole area from development. There will only be seven houses allowed on the property. It's removing close to 40 development rights. A number of those development rights are waterfront. The program and the funding source is to protect the viewshed along the Chesapeake Country National Scenic Byway. And this property has more than 5,000 feet of frontage along that byway and is immediately across the byway from another protected property. And so we've got a wonderful viewshed of rolling agricultural fields and forest right outside of Galena protected by this conservation easement and adjacent to another conservation easement.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. And did you need to have Eastern Shore Land Conservancy, is that for funding purposes that the two of you are the grantees?

MS. CARLSON: The Eastern Shore Land Conservancy worked with, this is a federal funding source and it was earmarked and it was earmarked specifically for the Eastern Shore Land Conservancy and the Boards of Commissioners of Cecil, Kent, and Queen Anne's County to use those funds. And they approached the Maryland Environmental Trust to co-hold those conservation easements with them. So it's a partnership at the local county level, the local private nonprofit conservation organization level, and us as the State agency.

LIEUTENANT GOVERNOR RUTHERFORD: So it was federal funding that went to the Land Conservancy? Or did it go to the county?

MS. CARLSON: It's going to flow through, it will, the county will actually put the money, give the money directly to the landowner at closing and then the federal money will be reimbursed to the counties. Because the program requires that the federal government, that the money be transferred to the landowner by an agency of the government. And in this case it's the counties.

LIEUTENANT GOVERNOR RUTHERFORD: It's the county. I guess I'm just trying to understand where the Land Conservancy comes in, and why you couldn't you just do it as Maryland Environmental Trust? Why the other cooks in the kitchen?

MS. CARLSON: Well I think we wanted to, we were approached by these local entities to be the State partner.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MS. CARLSON: And we want to support our counties and our local land conservation and the work that they're doing. So that, I mean so we were kind of added as an extra cook, if you will.

LIEUTENANT GOVERNOR RUTHERFORD: Oh. So you were brought in to the --

MS. CARLSON: So we were brought --

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. CARLSON: -- in because the money was earmarked by then Congressman Gilchrest to this particular area.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. CARLSON: This was his district at the time, to the county governments and to the Eastern Shore Land Conservancy.

LIEUTENANT GOVERNOR RUTHERFORD: It takes a while to get this done.

TREASURER KOPP: Congressman Gilchrest?

LIEUTENANT GOVERNOR RUTHERFORD: Gilchrest, I know.

MS. CARLSON: Oh, we have been working on these for a number of years. This is the sixth conservation easement.

LIEUTENANT GOVERNOR RUTHERFORD: The Treasurer was a child at that time.

(Laughter.)

MS. CARLSON: I think this MOU was signed in 2007. So this is the last conservation easement which will be purchased with this pot of money.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. Okay. Thank you very much.

MS. CARLSON: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Any other questions on DNR's Agenda?

COMPTROLLER FRANCHOT: Move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Move? Do we have a second?

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All in favor? I think we have it. Thank you, Mr. Secretary. Department of Budget and Management?

MR. BRINKLEY: Good morning, Lieutenant Governor, Mr. Comptroller, Madam Treasurer. I'm David Brinkley, the Secretary of Budget and Management. We have eight items on the Agenda and I have people here to address any questions you might have.

LIEUTENANT GOVERNOR RUTHERFORD: I have a short inquiry in terms of our advertising with the Baltimore Sun, LLC out of Delaware. Is this required to publish? Because I know that, and I know it's up to a certain amount, do we also advertise in an electronic media? A lot of young people don't --

MS. TOMASZEWSKI: Pretty much, sir.

LIEUTENANT GOVERNOR RUTHERFORD: -- most young people don't read newspapers anymore.

MS. TOMASZEWSKI: Yes. Good morning, Lieutenant Governor, Madam Treasurer, Mr. Comptroller. Jamie Tomaszewski, Chief of Procurement for the Department of Budget and Management. We started this sole source contract with the *Baltimore Sun* based on economies of scale. The agencies were going out and getting advertising but small agencies were paying a lot more money than our larger agencies that advertise more often.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MS. TOMASZEWSKI: With this contract we actually have an optional feature to advertise with the careerbuilder.com. It's one of their partner vendors, so we do get that electronic. We also as a State advertise online as well, and we have a smaller local with the marylandjobnetwork.com that does online advertising as well. So this is just the opportunity to get the same pricing throughout the State for anytime that they do need to advertise with the *Sun*.

LIEUTENANT GOVERNOR RUTHERFORD: So it's a master contract with the Sun and then they partner with the others? Is that what you are saying? Or are you --

MS. TOMASZEWSKI: We have a separate contract --

LIEUTENANT GOVERNOR RUTHERFORD: Oh, you have separate agreements?

MS. TOMASZEWSKI: -- with the local MarylandJobNetwork for online advertising, again as an economies of scale to get same pricing throughout the State. And then CareerBuilder is an option through the *Sun*, because it's one of their partners --

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Got you.

MS. TOMASZEWSKI: -- to do the online advertising.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Okay.

Thank you. I just saw that. It seemed like a lot money and --

COMPTROLLER FRANCHOT: Would you please let the *Baltimore Sun* editorial board know that I'm voting for this despite what they say about me?

(Laughter.)

TREASURER KOPP: But reluctantly. Governor, could I ask a question about --

LIEUTENANT GOVERNOR RUTHERFORD: Sure.

TREASURER KOPP: -- since I saw the Secretary come in, number six? The Department of Public Safety and Correctional --

MR. BRINKLEY: Secretary Moyer.

TREASURER KOPP: Mr. Secretary, you know how highly I think of you and your work and your staff, and was delighted when you came in and took on this job. But I am concerned. Item 6 is an item that is before us after having, with a very long life, but somehow unforeseen circumstances prevented the department from issuing a contract or signing a contract on time. There are also some items in the PAAR's report, which are reports to us of items, that are the same syndrome. What is the, what are the problems that prevent a smooth and efficiently moving procurement in this office?

MR. MOYER: Madam Treasurer, thank you, and Board, Lieutenant Governor Rutherford, thank you, and Comptroller Franchot. The

business offices within this department are all over the Baltimore region. We just consolidated all of the procurement offices into one specific location. I brought Mike Stelmack, who is my Human Resources Director, here today. We have been recruiting. We have gone through recruiting for a director, we have six other vacancies. We have conducted interviews. We cannot find the right people. We will, we are going back out. We're still trying to replace these positions.

As far as the business function on this one, the solicitation is out, the bids are supposed to be in by March 10th. I will take full responsibility for this one, for not riding herd on this. But as we move forward to try and put the best team in place on our procurement staff, we will continue to try and monitor this. If you want to hear from my HR Director, the Deputy Secretary of Administration, we are making headway on a lot of different issues and this is one where it's just trying to find the right people. I mean, I have even called people I personally know. That, you know, would you interview, would you please apply for this position because I know that, you know, they are talented. But they don't want to give up the positions they've had for years. So it is a challenge.

TREASURER KOPP: Well let me just say I know the Lieutenant Governor is chairing a commission, the Comptroller has been very interested in the procurement process for years, as have I. I think this is one example of --

LIEUTENANT GOVERNOR RUTHERFORD: This is one of the top -- right.

TREASURER KOPP: -- just the question of how we attract and retain good people.

LIEUTENANT GOVERNOR RUTHERFORD: Retain.

MR. MOYER: Absolutely.

TREASURER KOPP: How we have the technology --

LIEUTENANT GOVERNOR RUTHERFORD: Training.

TREASURER KOPP: -- in place to bring these on, the training. The, I use you as an example because I do think so highly of you, Secretary Moyer. I think there is, there are some structural problems which --

LIEUTENANT GOVERNOR RUTHERFORD: Yes. I mean, a lot of it, and exactly what he's talking about is where we're going to be looking, amongst others. But one of the key areas is the professionalizing our procurement staff. The career path, training, the consistency, the compensation. And making sure that we can attract as well as retain, you know, the best possible. We do have the challenge of the, you know, some of the counties pay extraordinary amounts of money. The federal government pays higher than we do. But we have to figure out ways to address that so that we can retain people as well as attract people. And then the folks that we have, making sure that they are trained to be

able to do the job. We have some very good people here now. We just don't have enough that are trained and competent in those areas. And it's not because they don't try, it's because they haven't had the guidance and training in many cases.

TREASURER KOPP: And I'd like to point out those examples, as you know, where the Legislature and the executive branch have focused on the same problem. There was a hearing in the Legislature last week --

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: -- about the procurement process. This is something if we can get it together I think you're going to find very strong support across the board.

LIEUTENANT GOVERNOR RUTHERFORD: I have --

TREASURER KOPP: Thank you for allowing me to use you --

MR. MOYER: No, thank you. And thank --

LIEUTENANT GOVERNOR RUTHERFORD: You can use him as a --

MR. MOYER: -- I mean, you all know I'm a retired trooper and I was at the viewings and the memorial services, and thank you all for your comments. And Comptroller, thank you for being there as well. I appreciate it.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

MR. MOYER: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Any other questions?

COMPTROLLER FRANCHOT: I had Item 3-S, please.

LIEUTENANT GOVERNOR RUTHERFORD: Oh.

MR. BRINKLEY: Steve Ports, Principal Deputy Director.

COMPTROLLER FRANCHOT: Thank you, Lieutenant Governor. We're being asked to approve a two-year, \$1.3 million contract to a Michigan based firm called Health Management Associates to assist with the second phase of the State's Medicare waiver application. Out of the three bidders for this contract this firm, HMA, actually submitted the highest bid, 18 percent higher than the second highest vendor and 24 percent higher than the low bidder. However, the Health Services Cost Review Commission, HSCRC, believes that the winning bidder has such technical superiority that it outweighs the price disparities. So my first question is what is it about HMA and its bid that makes this firm so technically superior to its two competitors?

DR. GEROVICH: Good morning. Thank you for the opportunity. So when the evaluation committee --

LIEUTENANT GOVERNOR RUTHERFORD: Please identify yourself.

DR. GEROVICH: I'm sorry. Sule Gerovich, I'm the Director of Research and Methodology at HSCRC and I led the evaluation team for this procurement.

After we looked at the financial proposals the evaluation committee met again to address the question that the Comptroller Franchot asked, is it worth to award the contract to the highest bidder? And does their technical proposal outweigh their price differences? When we looked at it again for their technical proposal, this contract weighted the technical scoring higher. And when we evaluated all three bidders HMA's contract outweighed all the others in all the areas.

The contract is arranged for different scopes of tasks, so they have analytical scopes, they have stakeholder engagement, they have to write, and they also have to help us with the negotiations with the federal government. On all these areas HMA ranked the first and the others changed between second and third. So that's kind of the strength that they had.

In addition they have a lot of experience in Maryland. They have been involved in care coordination activities that will be central for this application. Given their experience in Maryland, we think that the amount of time that they have to spend on this would be much smaller than the other contractors. So this is a time contract so it will depend on how many hours that

they need to perform the tasks. And overall we think that the price differences might be remediated by their experience in Maryland and they would not need as much hours to learn our system.

And thirdly, their team is very experienced. Their lead is experienced in total cost of care, which HSCRC do not have that much experience. As you know, we are focused on hospital finance so far so we really need that expertise. And this HMA contract team provided that expertise that we need. In addition they are auditors, have experience with Medicaid in the State, and their analytical team has experience with the HSCRC datasets and Medicare datasets that will be essential for the contract.

MR. PORTS: And Mr. Comptroller, Steve Ports, with the HSCRC. HMA also helped us on the phase one negotiations with the federal government because they are, they had done significant negotiations in the past with CMS and the federal government and that helped us in our negotiations on phase one. So they have been, you know, they do have a lot of experience in Maryland and have been through this similar kind of arrangement in the past with the HSCRC.

COMPTROLLER FRANCHOT: Okay. So according to my background materials a gentleman named Dr. Patrick Redmon is a subcontractor on HMA's bid. He also happens to be the former executive director of your

organization, HSCRC. Could you give me a little more insight? How long did Dr. Redmon serve as the executive director of your agency and when did he leave his post?

MR. PORTS: He served for a year and three months. He left in April of 2013. This, and that was before the other contract was finished. The contract with the federal government on phase one was not signed until February 11th of 2014. And it wasn't even anticipated that there would be a phase two at that point in the process.

We began to work on this procurement for the phase two in early 2015. So he would have been long gone by the time we would have begun this procurement process.

COMPTROLLER FRANCHOT: Okay. I just want to make sure Dr. Redmon was not on either of the other bids, the two losing bids? He wasn't listed anywhere or is not a subcontract to them?

DR. GEROVICH: That's correct.

COMPTROLLER FRANCHOT: Okay. So my final question is who was involved in the selection process, and did that individual or individuals work for Dr. Redmon when he was executive director? I recognize that that is a rather uncomfortable line of questioning. But I think you can appreciate the optic

here if in fact the people on the selection committee were involved professionally with Dr. Redmon.

MR. PORTS: Right. It was, the process was led by David Romans, who was with the commission, currently is not with the commission. And he was not with the commission at the point when Dr. Redmon was with the commission.

COMPTROLLER FRANCHOT: But who else was on the committee?

DR. GEROVICH: The others were, I'm the only one who worked for Dr. Redmon when he was the executive director. The other evaluators were Ben Steffen, the Executive Director of the Maryland Healthcare Commission; Tricia Roddy from Medicaid; and Dr. Haft from DHMH. Since this is a contract that is going to be department-wide we composed a team that kind of got all the other members from the DHMH. So I'm the only one.

COMPTROLLER FRANCHOT: But those other folks, I take it, worked with Dr. Redmon when he was executive director?

DR. GEROVICH: Yes. But not for him. Except Dr. Haft, I think wasn't in the department.

COMPTROLLER FRANCHOT: Mm-hmm. Well I can see the value of the previous experience. I take it, was that part of the technical evaluation? Or not? Was that just, is --

LIEUTENANT GOVERNOR RUTHERFORD: Looking at the subcontractors?

COMPTROLLER FRANCHOT: No, not even the subcontractor. I think the fact that the organization has worked for us on a very complicated, frankly pretty unique arrangement that is the envy of every other state around the country, with this waiver that we have, I can see why experience was important. But I'm still a little concerned about the, as I said, the appearance of him being involved. And I'm not implying anything. I'm just talking about what it looks like from the outside.

MR. PORTS: And to just place his role in perspective, it's my understanding that on the analytical side, he works for Berkeley Research Group. And as I recall I think his hours were somewhere in the neighborhood of 20 to 30 overseeing the analytical team at BRG, which is somewhere in the neighborhood of 400 hours. So his experience will help ensure that we're looking at the right data, that we're doing the correct analysis to get us to the end that the State needs to get to on the phase two.

COMPTROLLER FRANCHOT: If I could have this one pulled out, I'm reluctantly going to vote no.

LIEUTENANT GOVERNOR RUTHERFORD: Any concerns, Madam Treasurer?

TREASURER KOPP: I have no concerns with it being voted on separately. I would like to have the opportunity to vote for it.

LIEUTENANT GOVERNOR RUTHERFORD: Mr. Secretary, do you wish to speak?

MR. MITCHELL: If you don't mind, I'd like to just address the, what I think is the urgency of this. I think it's December of 2016, we have to have the report back in to CMS. So in that context I'd like to see it move forward if at all possible.

I understand the optics that you're talking about, Mr. Comptroller. We have reviewed it and looked at it. As you just alluded, it's a very technical. We are the envy but we are also under the gun in regards to the whole all payer waiver system. I met with Ms. Kinzer yesterday in regards to our next phase. We have a meeting next week with them. So we're at a real tenuous point in regards to whether we're going to be able to keep this.

We just had a financial analysis done that is a value of about \$1.8 billion to this State and the 47 acute care hospitals. So, you know, I understand, I definitely understand your optics.

TREASURER KOPP: And I assume, Van, that everybody will do everything they can to enhance transparency and make it quite clear what, to the public and everyone, what the process is?

MR. MITCHELL: Absolutely. Absolutely. No question about it. No question.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you. I think we can have a, we'll take a separate vote on this. Do we have a motion?

TREASURER KOPP: On this one?

SECRETARY MCDONALD: On Item 3-S.

LIEUTENANT GOVERNOR RUTHERFORD: Move --

TREASURER KOPP: Move for a favorable.

LIEUTENANT GOVERNOR RUTHERFORD: I second. In favor?

TREASURER KOPP: Aye.

COMPTROLLER FRANCHOT: I vote no.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Two to one.

SECRETARY MCDONALD: Thank you. And the balance of the Budget Agenda?

LIEUTENANT GOVERNOR RUTHERFORD: Any other questions on the balance of this Budget --

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor? Okay. Except for 3-S, which is two-one.

SECRETARY MCDONALD: You've got it. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

SECRETARY MCDONALD: University System?

LIEUTENANT GOVERNOR RUTHERFORD: University of Maryland?

MR. EVANS: Good morning.

LIEUTENANT GOVERNOR RUTHERFORD: Good morning.

MR. EVANS: Joe Evans, representing the University System of Maryland. We have six items on the Agenda. We're here to answer any questions.

LIEUTENANT GOVERNOR RUTHERFORD: Question on 2-AE, and actually I think it's a couple of A&E on call contracts that are here. And I'm going to raise a similar question with State Highway when we get to Jim Ports. But I just, the on call contracts, it seems as though -- well, let me just ask this question. Are any of these, and we'll start with 2-AE, are any of these contractors small or minority contractors? A&E firms? I know Cho Benn isn't, Whitman is not. I am not familiar with the others.

MR. EVANS: Cho Benn is.

LIEUTENANT GOVERNOR RUTHERFORD: They are?

MR. EVANS: They are.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. They are MBE contractors?

MR. EVANS: They're an MBE.

LIEUTENANT GOVERNOR RUTHERFORD: MBE? Okay.

MR. EVANS: Looking at them, I recognize Cho Benn.

LIEUTENANT GOVERNOR RUTHERFORD: Cho Benn?

MR. EVANS: I can go back and look at the rest of them --

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. EVANS: -- and get back to you which ones are small and which ones are minority.

LIEUTENANT GOVERNOR RUTHERFORD: I just, you know, I know that in some cases, and particularly when we get to, jumping ahead to the Transportation Agenda, there are some cases that it's very specialized and it's very difficult for some of the smaller A&E firms to do the work. But I just want to make sure that we're reaching out, we're not bundling these contracts so that no one can compete other than the largest, you know, firms. And so that's just the message I wanted to send out.

MR. EVANS: My campus does have a small A&E contract that's only, it's small business reserve.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. EVANS: It's only A&Es, and it's on call.

LIEUTENANT GOVERNOR RUTHERFORD: What's the, what's the value of those contracts?

MR. EVANS: I think it's kept at, I think it's at \$200,000.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Well just my pre-this job public service, or private experience, I represented at one point a number of A&E firms. Some of them were MBEs in this State, and they were working in Virginia on Virginia's mega projects. The mega projects, you know, again it goes back to the State Highway. But they were having difficulty working in the State. Not necessarily with the University of Maryland. Similar to what

the Treasurer was using Secretary Moyer, I'm using you. But they were doing transportation projects in the millions of dollars. And on one occasion meeting with, and I guess I should be talking to Jim Ports here, a person in Transportation. And they said, well these firms can't do million-dollar projects. And we were saying, they are doing \$3 million-projects now in Virginia, and you don't believe they can do it here in Maryland. And so I appreciate your, you know, having the small business reserve. But some of these firms out there can do larger projects than that. So just something to keep in mind.

MR. EVANS: Yes, sir.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you. I don't have any other questions for your Agenda. Any questions?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor?

TREASURER KOPP: Aye.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Thank you for indulging me. I'm getting warmed up for Transportation.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Information Technology?

MR. ESTRADA: Good morning, Lieutenant Governor, Mr. Comptroller, and Madam Treasurer. I'm Luis Estrada, the Deputy Secretary of the Department of Information Technology. Today we have four items on the Agenda, and we are withdrawing Items 2-IT and 4-IT. We have agency representatives here to answer any questions on the remaining two items.

LIEUTENANT GOVERNOR RUTHERFORD: Those were the two that I had questions about.

(Laughter.)

MR. ESTRADA: I know.

(Laughter.)

COMPTROLLER FRANCHOT: So just so you don't feel too comfortable, how about Item 3?

(Laughter.)

COMPTROLLER FRANCHOT: We're being asked to authorize a one-year contract extension of a California-based company, Security Mentor of Pacific Grove, California, to provide cyber security training for State employees. This is an extension of an existing contract, a 12-month extension. It will cost the State \$202,548, which amounts to \$16,879 per month. This is the second extension that we've been asked to approve. It looks as if the price of this firm's services has gone up substantially. The original contract that we awarded back in

August of 2013 was a 16-month deal worth \$107,700, or \$6,731 per month. So in less than three years we've seen a price escalation of 151 percent. And despite that, we continue to grant these extensions. And I guess the question is why haven't we put the contract back into the marketplace for some actual bid competition?

MR. ESTRADA: Sure. One of the reasons for the increase is the addition of licenses, so our use has gone up. The price has also increased but remains below the price that we're able to obtain elsewhere. We do plan to compete the service in the coming year and to fit in our larger cyber security strategy, which is currently developing. So we have been very pleased with the service. There is a high adoption rate and these training lessons are addressing one of the primary security vulnerabilities in IT, and that is the employees that are entrusted with sensitive data. So being able to reach 45,000 State employees with these easy short lessons that are delivered monthly is very important to us. So, again, the price analysis we completed does indicate that the current pricing is advantageous to us to leverage the contract that the State of Michigan acquired with Security Mentor. And the recompetes of these services, again, will be done under our larger cyber security strategy.

COMPTROLLER FRANCHOT: So the justification for a cost hike of 151 percent, again, is what?

MR. ESTRADA: Addition of licenses represents or is --

COMPTROLLER FRANCHOT: But what does that mean?
Addition of licenses?

MR. ESTRADA: So the original contract was for 30,000 licenses and we've increased that to 45,000 licenses. And then the price increase is just an annual increase for that service, which still remains, the price remains below what we are able to obtain this service for outside of the State of Michigan contract.

COMPTROLLER FRANCHOT: Okay. And then my second complaint with this is that I believe the contract is going to expire on Monday? This coming Monday?

MR. ESTRADA: That is correct.

COMPTROLLER FRANCHOT: Why are you waiting till the last possible moment to request an extension?

MR. ESTRADA: Well normally we try to put these on the BPW Agenda a couple of meetings beforehand but we were not able to with this one.

COMPTROLLER FRANCHOT: Lieutenant Governor, Madam Treasurer, I'd be grateful if we could this item for two weeks to the next meeting to examine the spiraling costs and get a clearer sense of what exactly is going on. Because I appreciate all the leadership on procurement reform. I happen to think that we need to put our foot down from time to time. And sorry, coming up and

essentially saying you're in a corner, you have to vote for this otherwise it expires, it's wrong.

MR. ESTRADA: I apologize. That certainly was not our intention.

LIEUTENANT GOVERNOR RUTHERFORD: What would be the impact of delaying this? The contract expires Monday and --

MR. ESTRADA: This training is an important pillar in our cyber security strategy because the number one cause of breaches of cyber security is the employees that are actively using State entrusted data. So it's important for us to keep this service going and providing that training for each of the 45,000 State employees.

TREASURER KOPP: Governor, Comptroller, I must say I agree with you about the dates. It burns the heck out of me when I see this happen. But on the other hand, I don't want a lag in security training either. Is that what you are saying in fact would happen?

MR. ESTRADA: Yes. The security training would lag until we're able to get a contract in place.

TREASURER KOPP: And you are a control agency over a number of different agencies in terms of IT and cyber security, correct?

MR. ESTRADA: Yes.

TREASURER KOPP: Can you tell us that we won't see this sort of situation again?

MR. ESTRADA: Yes, we strive to deliver these to the Board several meetings beforehand. Our apologies for the late submission of this item.

LIEUTENANT GOVERNOR RUTHERFORD: What really happened? I mean, no one's listening. You can --

(Laughter.)

TREASURER KOPP: It's a wonderful, on our live streaming --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, our live streaming, right. No one is watching at home.

MR. ESTRADA: So our cyber security strategy is evolving and this is one piece of it. And it was determined a little bit late in the life cycle to proceed in this way rather than recompeting the service. That will also give us time to really examine what the, how this fits into our overall strategy as it evolves over the coming year and complete the competitive procurement.

TREASURER KOPP: Governor, as I understand it, also, this is ongoing training. This is not something that, you know, you do once a year and so you could do it monthly or -- is that right?

MR. ESTRADA: That's correct. It's a monthly subscription.

TREASURER KOPP: It could be helpful if it had been, if there had been a little more explanation here of that fact. It would make my support of this item more comfortable. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: I think we'll have a separate vote on this item and so I'll move for a vote on this one item.

COMPTROLLER FRANCHOT: I would move to defer it for two weeks so we can understand why the cost has gone from \$6,000 a month to \$16,000 a month. And perhaps some explanation as to, other than it's just a sloppy process, as to why it's being put before us when it's going to expire next Monday. And until we put our foot down this is going to continue, and continue, and continue. I saw eight years of it under Governor O'Malley. I hate to see it happening again. So please, let's just, give me the two, I'm not asking for the turn down of the contract. I'm just saying let's give it two weeks to understand exactly what did happen. I thought it was an excellent question, Lieutenant Governor. Because it doesn't make any sense, what I just heard. And as a courtesy I'd like to have two weeks to try to figure it out.

LIEUTENANT GOVERNOR RUTHERFORD: I guess we have two motions.

SECRETARY MCDONALD: I have two motions. I have no second. Yeah, there is a motion to defer and a motion to approve. So I guess we need a second on the motion.

LIEUTENANT GOVERNOR RUTHERFORD: Madam Treasurer, what do you want to do?

SECRETARY MCDONALD: I'm letting the Board decide.

TREASURER KOPP: I'm prepared to, under these circumstances to support the department. But --

LIEUTENANT GOVERNOR RUTHERFORD: I mean, the Comptroller makes a very good point. I think we have put our foot down. Typically when I'm here it seems that that happens a little more often. Let me ask, this is an ongoing, we have a, I think the Treasurer was seconding my motion but I'll wait on --

SECRETARY MCDONALD: Yours was the first motion.

LIEUTENANT GOVERNOR RUTHERFORD: -- right, I'll wait on that vote for a moment. Two-week delay, at least a two-week delay, means that there's not the training going on. Is this online training that pops up at a person's desktop and they go through it and view it?

MR. ESTRADA: Yes, it is.

LIEUTENANT GOVERNOR RUTHERFORD: So are there people who are on Monday of next week, they are scheduled to do their training and they are not going to be trained?

MR. ESTRADA: The training is available on an ongoing basis. So if I receive the lesson for that month, I can take it at anytime. So it is, training is taken throughout the month, from the beginning, middle, and end. So employees would lose access to training.

LIEUTENANT GOVERNOR RUTHERFORD: For a two-week period, approximately?

MR. ESTRADA: For at least a two-week period. And then I'm not sure of the tear down and the set up process either.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. ESTRADA: So the lag could be longer.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. You know what? I'm going to withdraw my motion, and second the Comptroller's motion. And ask for a vote. Anyone in favor? Opposed?

TREASURER KOPP: What is the motion?

SECRETARY MCDONALD: Motion to defer.

LIEUTENANT GOVERNOR RUTHERFORD: To defer for two weeks.

SECRETARY MCDONALD: To defer the item till it comes back.

TREASURER KOPP: No.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Two-one.

Okay. Come back.

MR. ESTRADA: Thank you.

SECRETARY MCDONALD: And you still have Item 1-IT.

LIEUTENANT GOVERNOR RUTHERFORD: That's right, you withdrew everything else.

SECRETARY MCDONALD: You know, we did two and four --

TREASURER KOPP: There's one more left.

SECRETARY MCDONALD: -- and now we have one.

MR. ESTRADA: Didn't withdraw enough, apparently.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: All right. Okay.

Do we have a motion on the remainder --

SECRETARY MCDONALD: Item 1.

LIEUTENANT GOVERNOR RUTHERFORD: -- remaining item on the Agenda?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor?

Okay. So one is approved.

MR. ESTRADA: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: The others withdrawn or deferred. Thank you. Department of Transportation?

MR. PORTS: Good morning, Lieutenant Governor, Madam Treasurer, Mr. Comptroller. For the record, my name is Jim Ports, Deputy Secretary for the Maryland Department of Transportation. The Maryland Department of Transportation is presenting 17 items today, including three supplemental items. Item 8-M has been revised.

LIEUTENANT GOVERNOR RUTHERFORD: I don't know if I have any questions or not, actually. No.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Let's start with 2-AE, but I'm going to have similar with 3-AE, to a lesser extent some of the other AE contracts.

As I mentioned before, I understand that some of the AE contracts, and these are on-call contracts, task order contracts.

MR. PORTS: Mm-hmm. Correct.

LIEUTENANT GOVERNOR RUTHERFORD: So for those who don't understand an on-call contract, it's where you award a contract at a maximum number that the department or the agency within can call the contractor or the group of contractors and say, I need you to do X. Give me a price. Go forward. Up to a certain dollar amount. And so they tend to have this contract for many years. And while we call it on-call, contractors can actually market as well and say, hey, you have this contract vehicle, we can do this.

So but my concern is I see the same large engineering firms with the lock down of these contracts. And so I just want to know if the department is, and the agencies, are looking to expand the pool of candidates and particularly looking at the smaller and the minority firms.

MR. PORTS: Yes, sir. Absolutely. As a matter of fact, I would point --

LIEUTENANT GOVERNOR RUTHERFORD: As prime contractors, and not just to get the droppings.

MR. PORTS: The changes the question. So the answer would be yes, we are looking for opportunities for smaller firms. I would just point to 8-M and 9-M. I know they are maintenance contracts, but they are going to small firms. One of those is a \$4 million contract. So we are looking for those opportunities.

But at the same time, as you mentioned, Lieutenant Governor, many of these services, we don't know what they are going to be until we know what they are going to be. And they get defined later, as you mentioned. And so what we look to do, and this is part of our plan, we have a very aggressive DBE/MBE goal structure. I noticed that 1-AE is a 20 percent DBE. 2-AE has a 27 percent DBE. And 3-AE has a 35 percent DBE requirement. And so we are looking for those. And I think, let's see, on 3-AE I see Century Engineering, and of course they are using some of the other smaller firms also.

So we are looking for those opportunities. And as we do that we are hoping that they do get that education and that experience so that they too then can also bid as a prime contractor. So that is the goal.

LIEUTENANT GOVERNOR RUTHERFORD: Well, I mean, you know I'm not sitting here looking at the technical requirements because I know AE contracting is under the technical --

MR. PORTS: Open-ended, yeah. Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: -- review before you negotiate a price. But you know, in environmental design management and inspection, particularly at State Highway, and State Highway has been an issue for years --

MR. PORTS: Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: In terms of how they do business, and particularly with the AE firms. They actually got into a little trouble a couple of years ago in terms of some of these areas. And some of it was with some of these same contractors, too. That, you know, I'm not sure, and \$5 million as an on-call contract, meaning that you are not going to get one \$5 million task order, you'll get smaller task orders --

MR. PORTS: Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: -- there are environmental design firms out there that are smaller than the KCIs and JMT and Century. And believe me, I know a lot of the principals in these organizations.

MR. PORTS: Sure.

LIEUTENANT GOVERNOR RUTHERFORD: But, and they are great organizations. But they shouldn't get everything.

MR. PORTS: Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: Or at least there should be some competition, even though AE is different, it's an art. And so they don't really compete the same way some other industries do. So I just, I'm sending a message out that I want particularly State Highway to do a better job of looking at these firms. And maybe Jimmy Rhee can help you in terms of firms

that are ready to be primes. I'm not saying take the guy with one truck, you know, and a pick.

MR. PORTS: Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: But you know, there are firms out there that are ready to do prime work, and particularly in some of these areas like environmental engineering, they can do it.

MR. PORTS: Okay.

LIEUTENANT GOVERNOR RUTHERFORD: So.

MR. PORTS: We will take that back. And we absolutely look forward to your task force committee.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. PORTS: And revising a lot of our procurement issues.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. And, right. And we want to talk about that as well. But definitely, and the message needs to go to State Highway.

MR. PORTS: Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: I know Cheryl Hill. You need to send that message to Cheryl Hill.

MR. PORTS: She's in the audience.

LIEUTENANT GOVERNOR RUTHERFORD: Right. Where is she? Hiding in the back? Okay.

MR. PORTS: There she is.

(Laughter.)

MR. PORTS: She heard it.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. Send the message to Ms. Hill. And so we need that work to be done.

MR. PORTS: Okay.

LIEUTENANT GOVERNOR RUTHERFORD: Okay?

MR. PORTS: Done.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Thank you.

MR. PORTS: Did you hear that, Cheryl? Got it.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. PEAKE: We do have something in place, just so you know.

MR. PORTS: Okay.

MS. PEAKE: We do have --

SECRETARY MCDONALD: We need --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, if you're going to speak from the --

SECRETARY MCDONALD: -- if there's going to be a discussion it has to be at the microphone.

MR. PORTS: Do you want to come up?

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. PORTS: This is our Deputy Director of Procurement for SHA.

LIEUTENANT GOVERNOR RUTHERFORD: All right.

MS. PEAKE: Hi.

LIEUTENANT GOVERNOR RUTHERFORD: Hello.

MS. PEAKE: Hi, everybody. Good afternoon, or good morning. I'm Georgia Peake, and I am the Deputy Director of the Office of Procurement at State Highway. And I just wanted to mention that we are already looking into that for small businesses. And we have, we're anticipating putting environmental design, as you had just mentioned, and compliance, and also traffic services.

LIEUTENANT GOVERNOR RUTHERFORD: All right.

MS. PEAKE: And we're looking maybe at some survey and engineering but we're not sure yet for that.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MS. PEAKE: But in the next probably six to eight months we should be putting out contracts that we're going to do possibly like two reduced candidate lists --

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MS. PEAKE: -- you know, within one procurement so that we can have the small businesses come and --

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. PEAKE: -- you know bid against themselves --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

MS. PEAKE: -- you know so that they are in competition with other small businesses rather than the large.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MS. PEAKE: And then we will award probably around \$3 million contracts, give or take, depending on the size of the original one and the ones that we're going to give the smalls. And that is already kind of in the works and we're planning on doing that.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. Very good. I'll be watching.

MS. PEAKE: Okay. Yeah.

(Laughter.)

MR. PORTS: I'm sure. Word has already gone out, because you've mentioned this before.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MR. PORTS: And I did, I have to admit, I liked when you sat next to me over here better.

LIEUTENANT GOVERNOR RUTHERFORD: Better?

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Okay. I can sit I think anywhere. The Governor --

(Laughter.)

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

TREASURER KOPP: Yes, I just had a brief question on number four, the 21-day shut down of Metro train service?

LIEUTENANT GOVERNOR RUTHERFORD: Ah, yes.

TREASURER KOPP: So what are you doing to let people know about this? And I do see that there will be a bus bridge, which I assume a bus bridge is a bus going back and forth?

MR. KNIGHTON: Correct.

TREASURER KOPP: But just a little bit about the impact on people?

MR. KNIGHTON: Yes. Yes. Good morning, Madam Treasurer, Mr. Lieutenant Governor, and Mr. Comptroller. I'm Jim Knighton, Chief of Staff at Maryland Transit Administration.

Yes, a bus bridge is essentially a shuttle bus service that takes people to the various stops along the rail line when the rail is out of service. MTA has an office of customer and community relations that does extensive public notification and outreach. And we -- this is a major shutdown. So we would have our folks out months ahead of time. We'd certainly do notification on our website. We would also go to nearby businesses and reach out to community associations and neighborhood associations in the vicinity of those stations, come to their meetings, distribute leaflets. And while the shutdown is going on, we have signage and what we call transit ambassadors that direct people to the shuttle buses while it's going on. So we have a very well-developed process for that.

TREASURER KOPP: What is the timing of this, the rollout of it?

MR. KNIGHTON: We're looking at the summer of 2016, so it would be the end of July into the middle of August of 2016 for the actual 21-day shutdown.

TREASURER KOPP: And the bus bridge will essentially mimic the Metro?

MR. KNIGHTON: That's correct, yes. There are two portions to it. There will be an express service to goes from our Mondawmin transit center --

TREASURER KOPP: That's what I was going to ask you.

MR. KNIGHTON: -- in the City, out to Milford Mill, which is the end of the portion of the line where the shutdown is. So there will be an express shuttle. And then there will be another shuttle that stops at all five stations that are affected by the shutdown.

TREASURER KOPP: And how frequently will they run?

MR. KNIGHTON: We're going to set it up so that it mimics fairly closely the running time of the Metro subway itself. So it will be about every ten to 15 minutes. And that runs 5:00 a.m. to midnight.

TREASURER KOPP: As I assume the Metro --

MR. KNIGHTON: That's correct. That's how it runs. Yes, ma'am.

TREASURER KOPP: Thank you. That's good.

MR. KNIGHTON: Thank you.

MR. PORTS: Great. Thanks, Jim.

COMPTROLLER FRANCHOT: I just wanted to take advantage of -- no, that's fine. I've got you. I just want to take advantage of Mr. Ports being here to ask a couple of questions about the administration's plan to close the Chester River Bridge this summer, which connects Chesterton with Queen Anne's County over on the Upper Eastern Shore for up to, I believe you plan to close it for four weeks. I believe you picked July 18th to August 12th for the painting and repairs. Obviously I'm not saying anything that you and your team do not already know. But this area's economy is heavily dependent on summertime tourism and closing a bridge right in the heart of the season is going to present an enormous burden for both visitors and small businesses. I've read the local media. I know that local tourism officials are, God bless them, they have optimism in their DNA. They are planning to make the best of a bad situation. And I respect them for it. But with all due respect for the things I've read about, river cruises, band concerts, and ferries going back and forth, and other creative ideas, the fact is that this is going to cut off Chestertown from the rest of the Eastern Shore and from a good portion of the Baltimore-Washington corridor at a time when many of these small businesses in Chestertown are already struggling. And they need those summer weekends to end up in the black. I know I'm coming in at the 11th hour, but and I obviously appreciate the work that SHA has done as far as communicating with the public stakeholders. But could you just help me with

what is the SHA actually doing to the bridge? And why is it necessary to close the entire bridge rather than coming up with a way to perform the work through an overnight bridge closure, or closing individual lanes of traffic?

MR. PORTS: Okay. Well, thank you, Mr. Comptroller. It's a great question. This is part of our bridge preservation program. And obviously it needs some painting. It's a moveable bridge. And the quickest way to get it done is to raise the draw, if you will, and I guess break it down and then repaint it.

SHA originally had this advertised a year or so ago and it was removed because of the very concerns that you are talking about today throughout the community, and of course elected officials. From that a special task force was created to discuss this project. And of course, by the way, I want to say we also worked with the Coast Guard on this because of the navigable waters. But the task force included county commissioners, various members of the business community, Washington College community members, District 2, and our Office of Structures. They met several times and they came out with a few points.

One is the task force agreed upon the following. Chester River should remain as a draw bridge. That was one of the compromises. The only way to properly paint the bridge, as I mentioned, was in the upright position, which would mean you'd have to temporarily close the bridge for about four weeks. The proper incentives and disincentives were set to ensure the bridge is open to

traffic as soon as possible. And they agreed, believe it or not, that the best closure period was from July 18th to August 14th. And that was a task force made up of all those folks.

So as always, I mean, Governor Hogan and Lieutenant Governor Rutherford have an extremely strong customer focus. And we are always willing and more than happy to continue to work with local communities like this on our large infrastructure projects. But the question comes down basically do we disrupt traffic for a much longer period, usually about two years, and with that there's safety concerns, because of shifting lanes and such and using people directing traffic. Or do you I guess bite the bullet in a way and do it in four weeks? And this is what the task force had agreed to.

So I understand media as well as you do. You know, and how that works. And not always do you get a good story. But this is what the task force agreed to.

LIEUTENANT GOVERNOR RUTHERFORD: Can I ask a question?

COMPTROLLER FRANCHOT: Yeah, sure --

LIEUTENANT GOVERNOR RUTHERFORD: Did they consider doing it earlier in the summer or late spring, such as kind of the mid-April to mid-May or late-April to --

MR. PORTS: Yes, and we're still open to that, quite frankly. If this task force, the elected officials, and all the other people, the business owners and all that, would like us to try and do it earlier or find a different timeframe, we're more than happy to do that. Obviously you can't do it in February or March.

LIEUTENANT GOVERNOR RUTHERFORD: Right. Right.

MR. PORTS: Not when you're painting. But, you know, the April, May, whatever. Again, we're more than happy to work with the local communities.

TREASURER KOPP: Although as a former citizen of Chestertown --

LIEUTENANT GOVERNOR RUTHERFORD: And there's a college that happens to be there.

TREASURER KOPP: -- well and a major festival that you want to work around.

LIEUTENANT GOVERNOR RUTHERFORD: When is the festival? Oh, Memorial Day.

MR. PORTS: And maybe that's one of the reasons why we didn't do Memorial Day, is because of that festival.

LIEUTENANT GOVERNOR RUTHERFORD: Maybe do just before it.

MR. PORTS: So, I mean, yeah, there's --

LIEUTENANT GOVERNOR RUTHERFORD: April 15th to May 15th.

MR. PORTS: -- I guess there's, I mean, there's pluses and minuses to all these infrastructure projects.

LIEUTENANT GOVERNOR RUTHERFORD: -- college.

TREASURER KOPP: Yeah.

MR. PORTS: We try to do the best we can to minimize the impact.

LIEUTENANT GOVERNOR RUTHERFORD: Their graduation.

MR. PORTS: And this is how it was agreed to.

COMPTROLLER FRANCHOT: Well, thank you. And thank you, Lieutenant Governor, for jumping in. Because that actually was the question I was going to pose, which is I remember you made some significant repairs on the Harry Kelley Bridge going into Ocean City last year, and but you decided to keep certain lanes open. There was a backup but people were still able to get over. And what I really liked about that proposal was that you did the work in March, which is a relatively quiet period down on the beach and I assume is a

relatively quiet period in Chestertown. And so if you could, I'm not sure what this task force, how exactly the idea that there could be a, rather than right in the heart of the summer you could do it in March. Or October. My reading of the media is that you guys are very firm, maybe because of the task force. I didn't see any mention of the task force. All I saw was the SHA task force engineers said this is the way it's going to be, period.

MR. PORTS: Right.

COMPTROLLER FRANCHOT: And sometimes when that's out there you kind of yield and say, okay, I guess that's, that's been decided. But if there is some flexibility and it can be done in March or October I think you'd find a lot of small businesses, restaurants and others down there, saying, gee, that's really good.

MR. PORTS: Again, I'll go back to SHA and see what, have them again work with the task force, or other people, to see when the best time is. But -
-

COMPTROLLER FRANCHOT: Thank you.

MR. PORTS: -- yeah, again, we're more than happy to work with them.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Yeah, it's worth taking a look.

MR. PORTS: Sure.

LIEUTENANT GOVERNOR RUTHERFORD: And I know we have the college there as well, and but there may be some leeway.

MR. PORTS: Exactly.

LIEUTENANT GOVERNOR RUTHERFORD: I mean, April is usually not that bad, though. And --

COMPTROLLER FRANCHOT: Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: When does the college graduate, do you know? May what? First Saturday in May? Second Saturday?

MR. PORTS: But then you have Memorial Day, and then you have the Fourth of July --

LIEUTENANT GOVERNOR RUTHERFORD: As long as we're before Memorial Day.

MR. PORTS: -- and then you have, so, it gets, it's complex.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Right. Okay. Thank you.

MR. PORTS: Sure.

LIEUTENANT GOVERNOR RUTHERFORD: Any other questions on the Transportation Agenda?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor?

Thank you. Department of General Services?

MS. BASSETTE: Good morning, Lieutenant Governor, Madam Treasurer, and Mr. Comptroller. For the record, my name is Gail Bassette, Secretary of General Services. The department has 18 items on our Agenda. We are withdrawing Item 7. We'll be glad to answer any questions you may have.

TREASURER KOPP: Governor, could I just say for the record that Item 15, which is a grant to the White Marsh Volunteer Fire Department, is not only a great grant but has received the enthusiastic support of Senator Kathy Klausmeier.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, good, good.

TREASURER KOPP: And I told her I would tell you that and thank you.

MS. BASSETTE: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Very good. Is the Senator here? The Senator is not here. She's probably in session.

TREASURER KOPP: She should be.

SECRETARY MCDONALD: The White Marsh Volunteer Fire Company is here.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, I'm sorry.

MR. PORTS: Who, if I could, I absolutely support, myself, being a Perry Hall resident. And much of the services that we get is from the White Marsh or Cowenton Fire Department. So they are an excellent group and they are very, very, very active in the community.

LIEUTENANT GOVERNOR RUTHERFORD: You need, you probably do need a good fire company in your --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: -- given your lifestyle.

(Laughter.)

COMPTROLLER FRANCHOT: I just wanted to --

LIEUTENANT GOVERNOR RUTHERFORD: Go ahead. No, go ahead.

COMPTROLLER FRANCHOT: I just wanted to end on a happy note, which is that folks in my part of the State are enjoying right next door to us the finest example of a professional hockey team in the history of the NHL. And that is the Washington Capitals, who are a born to sorrow team. I promise you. I

have rooted for them for 38 years and sometimes they're good during the regular season, and they don't --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, that's true.

COMPTROLLER FRANCHOT: -- inevitably they'd fail in the playoffs. This year through 68, 58 games, which is two-thirds of the NHL schedule, they have won more games during that period than any team in the history of the NHL. And they are something special. And you need, even folks that don't understand hockey and think it's a brutalitarian sport and it goes too fast, take an opportunity if you have and watch this team. Because they are pretty unique. And Ted Leonsis, the owner, seriously has done the region an enormous favor by creating this extraordinary athletic program. So I just wanted to tell you that the Caps are going to win the Stanley Cup. Rock the Red.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: All right. Keep hope alive.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Sorry, I'm rooting for them, too, but --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: -- we've seen in the playoffs they are usually --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Yes, but we'll keep hope alive.

COMPTROLLER FRANCHOT: Yep. Oh ye of little faith. But this is, what the Lieutenant Governor just mentioned is so common amongst Caps fans.

(Laughter.)

COMPTROLLER FRANCHOT: And all I can say is this year there is really something going on.

LIEUTENANT GOVERNOR RUTHERFORD: This is the year. This is the year.

COMPTROLLER FRANCHOT: So thank you very much.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Before we close I just want to commend, Item 18-CGL, capital grant and loan to Tuerk House. They do wonderful work in Baltimore with some of those who are suffering from substance abuse. Is there a representative here today, by any chance? Okay. Not to hold up too much longer. But I just, the very last item on the very last Agenda.

SECRETARY MCDONALD: This is Mr. Awad.

MR. AWAD: Yes.

SECRETARY MCDONALD: If you wanted to introduce yourself and introduce --

MR. AWAD: Good morning. My name is Ahmed Awad. I'm the Administrator of the Office of Capital Planning. Lieutenant Governor, Madam Treasurer, Mr. Comptroller, I have Mr. Kevin Tyler, who is the CEO of Tuerk House here with us.

LIEUTENANT GOVERNOR RUTHERFORD: Tell us just briefly about the Tuerk House.

MR. TYLER: Okay. The Tuerk House is a -- excuse me, I am Kevin Tyler. I'm the Executive Director of Tuerk House. Tuerk House has been performing in Baltimore for over 45 years. Tuerk House looks to transform individuals, families, and communities by providing substance use services. We've been doing it, again, for over 45 years in the Baltimore area. Tuerk House has developed a brand that is well known in West Baltimore.

We serve right near the area where we had the uprising during the Freddie Gray incident. And it's very important that we continue those services and even expand them as the opioid, opiate, and heroin epidemic continues to grow, not only in Baltimore but in the surrounding areas.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Okay.

Well thank you, and keep up the good work. And hopefully this grant will help.

MR. TYLER: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

MR. AWAD: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Do we have any other questions on the DGS Agenda?

COMPTROLLER FRANCHOT: Move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Second?

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor?

TREASURER KOPP: Aye.

LIEUTENANT GOVERNOR RUTHERFORD: And we all are.

Thank you. Thank you. Everyone have a wonderful day.

(Whereupon, at 11:40 a.m., the meeting was concluded.)