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*STATE OF MARYLAND*  
**BOARD OF PUBLIC WORKS**

*GOVERNOR'S RECEPTION ROOM, SECOND FLOOR, STATE HOUSE  
ANNAPOLIS, MARYLAND*

**January 27, 2016**  
**10:00 a.m.**

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# **PRESENT**

**HONORABLE LAWRENCE J. HOGAN, JR.**

Governor

**HONORABLE NANCY KOPP**

Treasurer

**HONORABLE PETER FRANCHOT**

Comptroller

**SHEILA C. MCDONALD**

Secretary, Board of Public Works

**GAIL BASSETTE**

Secretary, Department of General Services

**DAVID BRINKLEY**

Secretary, Department of Budget and Management

**PETER RAHN**

Secretary, Department of Transportation

**MARK BELTON**

Secretary, Department of Natural Resources

**LUIS ESTRADA**

Deputy Secretary, Department of Information Technology

**JIMMY RHEE**

Special Secretary, Governor's Office of Minority Affairs

**MISSY HODGES**

Recording Secretary, Board of Public Works

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# PROCEEDINGS

GOVERNOR HOGAN: Good morning, everyone.

AUDIENCE: Good morning, Governor.

GOVERNOR HOGAN: Thank you all for being here. I hope you didn't have too much trouble getting in this morning. Over the weekend, as you know, our State was hit by Winter Storm Jonas. It was the most significant and widespread storm that Maryland has ever experienced. In just two days we got an entire season of snow. I'm happy to report that all major State roads are clear. State secondary roads are all in passable condition in each direction and interstates and primary State roads are about 90 percent cleaned up.

I want to just give a shout out to Secretary Pete Rahn. The Secretary of Transportation did an outstanding job.

(Applause.)

GOVERNOR HOGAN: Thank you, Pete. He and SHA Administrator Greg Johnson, they really deserve a lot of the credit. The State is in terrific shape.

The Port of Baltimore was opened. We've got BWI Airport open. In fact, we were the first airport in the region to open. We were way ahead of D.C. and Virginia. In fact the Boston Celtics had to be rerouted.

(Laughter.)

GOVERNOR HOGAN: The only place they could land was at BWI. We were happy to help them.

There is still a considerable amount of work to be done by the counties and the municipalities of digging out the local neighborhood roads and we're going to try to provide all the assistance we can to them. But I am extremely proud of the performance of everybody in State government. All of our agencies were involved. Secretary Bassette, thank you for cleaning up the State House. Did everybody get in today on the sidewalks? MEMA Director Russ Strickland; Adjutant General of the National Guard Linda Singh, the Guard came in with 700 soldiers and 200 and some pieces of equipment and really assisted in over 100 different missions around the State critical to our success. The State Police, Colonel Bill Pallozzi, they worked 24 hours a day, responded to more than 2,000 incidents. And the road crews, the thousands of State employees that worked 24 hours a day, they deserve our deepest gratitude and respect for the effort that they did.

Also the volunteers that put a lot of time and effort in, the counties, the localities, all the work that they have done. And most importantly our citizens. I really want to thank the people of Maryland for heeding the call and listening to us when we pled with them to please stay off the roads. They did. I know it's frustrating. People didn't like it. They are getting cabin fever. But they did stay off the highways and it really enabled us to do a terrific job. And

quite frankly, I don't want to brag too much on you, Secretary Rahn, but we are way ahead of all the other states. I heard people saying they came through Virginia, the roads were a mess, they hit Maryland and they were wide, completely cleared. Same thing from people coming from the north. They just couldn't believe that we had pavement on all of our major interstates. And so I want to thank everybody for their efforts. Thank you all for being here. And please be patient with your local governments as they continue to dig out the last few neighborhoods. But now at this point I would like to turn to my colleagues for any opening remarks. Madam Treasurer?

TREASURER KOPP: Well just to build on what you said, I do want to thank and commend everybody, including the folks like me who stayed at home until this morning. But --

GOVERNOR HOGAN: Thank you.

(Applause.)

TREASURER KOPP: -- Isaiah Leggett, Isaiah Leggett said the road would be cleared by 7:00 and at quarter of six, at quarter of seven this morning the plow came through and we got out. And I appreciate it. But I understand, I was not able to come to the office yesterday but I understand that you all, Madam Secretary, did a terrific job, General Services, with the entire State complex. And I thank you.

And I want to add what I know the Comptroller will be shocked to hear me say, but Pepco in our region did a marvelous job. We didn't lose power for ten minutes. And this, trust me, is very unusual in our area. And I'm still not sure that bringing down all the trees was worth it. But it was, they did a great job. Everybody, the State, the county, the private sector, the citizens. I stand amazed at how smoothly, honestly, it went. With a few unfortunate exceptions like the school in Baltimore County.

GOVERNOR HOGAN: Yes.

TREASURER KOPP: But just terrific.

GOVERNOR HOGAN: Well thanks for mentioning, I forgot to mention the utility companies.

TREASURER KOPP: Yes.

GOVERNOR HOGAN: But they also did a terrific job. MEMA was in contact with all of them. They brought in I think 800 and some contractors from around the country to help with the problem. New Jersey I believe had 70,000 people without power, the Carolinas 100,000 people. At the peak of the storm we had 10,000 people lose power. By the next morning we were down to 200 people. So they did an incredible job and we were very, very lucky with that.

TREASURER KOPP: Well let's hope we don't get another one a week from now --

GOVERNOR HOGAN: Stop saying that.

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(Laughter.)

GOVERNOR HOGAN: Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes. I'd like to echo the words of the Governor and the Treasurer, but noontime on Saturday Annie and I were sitting at home watching the blizzard and all of a sudden the power went out. So generally what happens over in that neck of the woods --

TREASURER KOPP: Don't take it personally.

COMPTROLLER FRANCHOT: -- is that everybody gets on the phone and calls and says, hey, you're a big muck-a-muck, where's our power?

(Laughter.)

COMPTROLLER FRANCHOT: And it turns out a big tree fell down in Takoma Park, knocked out a telephone pole, and 800 people had to sit for eight hours without electricity. But Pepco, God bless them, they sent their crews out, and the City of Takoma Park had their own municipal employees there, and in this raging blizzard that none of us, I wouldn't even stick my nose out the door, 50-mile-an-hour winds and howling snow out there, somehow they were able to replace the telephone pole and get the electricity back up functioning again. Eight o'clock on came the, well, heat was the main thing. But I thought about those Pepco employees --

TREASURER KOPP: Yes.

COMPTROLLER FRANCHOT: -- and our own municipal employees up in those buckets at 50-mile-an-hour winds, off the ground, putting in a brand new telephone pole. And I still don't know how they did it.

But I would just like to echo the comments of both of my colleagues on this Board. There is always carping, and I understand Montgomery County and Baltimore County and Baltimore City, people are upset that not every residential road is plowed. I get that. And I understand the politicians get some criticism for that after the fact. But what about those people that actually go out and do the plowing and do the maintenance work? I mean, the Governor mentioned Maryland's roads. Yeah, it's, I don't see any snow on the road. And -

-

GOVERNOR HOGAN: I saw a little bit on one ramp.

COMPTROLLER FRANCHOT: Uh-oh, well where was it?

(Laughter.)

MR. RAHN: Which one was that?

(Laughter.)

COMPTROLLER FRANCHOT: Anyway, I just wanted to comment that the situation in the state was spectacular, and all the citizens got together, and my street actually ended up on the local news because they had a big, everybody despite the lack of electricity had a big potluck supper and everybody pitched in. And that was the mood. And government stepped up and

did its job. And thank you, Governor Hogan, for arranging that. And Secretary Rahn, last night when we drove home from Annapolis they had these huge trucks on the Beltway taking care of the last remnants. So hats off. You should run for Governor someday. No, I'm kidding.

(Laughter.)

MR. RAHN: No interest.

COMPTROLLER FRANCHOT: Congratulations.

GOVERNOR HOGAN: Thank you very much.

TREASURER KOPP: Could I just add one vignette before you --

GOVERNOR HOGAN: Sure.

TREASURER KOPP: -- that I live in a little neighborhood at the end of a State road that was plowed very early. But one of the advantages of new technology is that we have a community LISTSERV. And so people went on the LISTSERV, and we had neighbors, adults and teenagers, going out, shoveling out other people's driveways. Now on our street there was not a lot of point to it, shoveling out a driveway, because we couldn't go anywhere except for the end of the driveway. But there were people who needed, needed to get out and they could. There were people who went to the drugstore, I mean sent out a thing saying I'm going to the drugstore, does anybody need anything? It was just a sense of community that this sort of stress and situation doesn't create, but it gives

it the opportunity to bloom. And I was just so impressed by my neighbors and by this sense.

COMPTROLLER FRANCHOT: I have one other vignette, since you brought that up. I have a neighbor who is recovering from cancer. And what did he do on our 300-yard long block of Sycamore Avenue? He started out at one end with his snow blower and came up, all the way up, clearing everyone's sidewalk, and then all the way back down the other side.

TREASURER KOPP: That's wonderful.

COMPTROLLER FRANCHOT: And I was like, you know, I wish I owned a snow blower.

(Laughter.)

TREASURER KOPP: Well you can buy a Maryland snow blower.

COMPTROLLER FRANCHOT: What a tremendous act of community charity, really. Because --

TREASURER KOPP: It's true.

COMPTROLLER FRANCHOT: -- well that just made me feel good to see the neighborhoods and the communities pulling together. Thank you, Governor.

GOVERNOR HOGAN: All right. Well, thank you. Let's go ahead and get started with the Secretary's Agenda. Madam Secretary?

SECRETARY MCDONALD: Good morning, Governor --

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GOVERNOR HOGAN: Good morning.

SECRETARY MCDONALD: -- Madam Treasurer, Mr. Comptroller. We have 15 items on the Secretary's Agenda this morning. We have six reports of emergency procurements. And we are prepared for your questions.

GOVERNOR HOGAN: Questions on the Secretary's Agenda? I know that we have a number of people here to testify on item number --

SECRETARY MCDONALD: Right. And I just was reminded, Item 10 is the capital improvement program --

GOVERNOR HOGAN: Yep.

SECRETARY MCDONALD: -- for the schools and we will hold that until the end of the meeting. So the Secretary's Agenda, we're ready to address all the items except Item 10. And yes, Item 9 is a public school construction, is a proposal of a regulation that would allow, or would make window unit air conditioners eligible for expenditure, capital funding. Expenditures that are eligible for capital funding, is what the regulation is on Item 9. And yes, I do believe that, I know that at least the District 6 delegation is here, as well as Senator Brochin from District 42 and Delegate Miele from District 8, and then we also have the Baltimore County, a contingent from the Baltimore County Council.

GOVERNOR HOGAN: Yes, so we have a bipartisan group of legislators from the General Assembly who want to testify in support of this item. Some of them are here now and I think some will be joining us. They have got some issues with session. And the ones that aren't here yet, Madam Secretary, do you just call them up when they do get here?

SECRETARY MCDONALD: Yeah, if they want to come, and if any of those, you or any of those people I just called wanted to come up to the podium now --

GOVERNOR HOGAN: If --

SECRETARY MCDONALD: -- District 6, Senator Brochin, Delegate Miele, the Baltimore County --

GOVERNOR HOGAN: We've also got bipartisan support from the Baltimore County Council. Five of the seven Baltimore County Council members, two Democrats, Cathy Bevins and Vicki Almond; and three Republicans, Todd Crandell, Wade Kach, and David Marks. I believe they are all here. Todd Crandell, Wade Kach, and David Marks are present and I think ready to talk, along with we've got the Senator here. Last week I know Baltimore County Board of Ed. voted to add \$10 million to their school operating budget for air conditioning. And we'll go ahead and start with the Senator from the 6th District. Good morning, Senator.

SENATOR SALLING: Good morning and thank you, Board and all that are here. I am Senator Johnny Ray Salling in the 6th District of Baltimore County. Thank you so much for me having this great opportunity to speak about something that is very important to us, but I believe to you.

We think about our children. We think about our kids that are going through the schools in our State and in our nation and how it is so important for their education. We want them to have the best education that they can get. And we believe we have instilled some good things, and I think we are trying to improve on them. But when we have kids in our schools that are in there and they are not comfortable. As a matter of fact, personally I myself with a couple of other delegates and some councilmen walked through some of our schools in the heat of the day on an August morning through the afternoon. And before we got out of the school, without my jacket, I was soaking, wringing wet in sweat with other staff and principal that we walked through the school. In one of the ends of the school it was 97 degrees, with the kids still in the class with hot fans hitting them, being just very uncomfortable. And I just walked through there at that time. But they were in there the whole time being taught and trying to learn math and English and history in these classes. And I say that is very unbearable, and it shouldn't be that way for our kids.

I think it is something that we have looked into but we haven't acted upon. And I think for the best interest of our future and our kids, my heart

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is this, we want the best for our kids. The only way we can get the best for our kids is to let them be comfortable in their rooms in school. And if we can do something like that it's not just making the statement, it's doing the right thing. And we're thinking, I think about them all the time and I believe you do too. So my heart is this. Let's give something back to our kids. We have parents who are concerned, and we have spoken about this many times already. We have heard the teachers, we have heard staff, we have heard principals, we have heard students. Let's do something. Let's be proactive. Let's give the best to our kids. All they are asking for is air conditioning and I think we can do that. Thank you, sir. Thank you, Governor. Thank you. God bless.

GOVERNOR HOGAN: Thank you, Senator. Good morning, Delegate.

DELEGATE METZGAR: Good morning. Good morning, Mr. Governor, good morning, Mr. Comptroller, good morning, Madam Treasurer.

I will be very brief today. We get a lot of communication from the people of District 6 about this. There are many people that have called my office and said, look, these schools haven't had air conditioners from the time when I went there 30 years ago. Why can't we get this done? And I think we're all elected to provide solutions and not excuses and I think your leadership this morning for this item is going to make a big difference for the everyday lives of these kids attending these schools. We support this item. We think this is going

to give us a mechanism to get the job done and we hope you support it today.

Thank you.

GOVERNOR HOGAN: Thank you. Delegate Long?

DELEGATE LONG: Good morning. Good morning. Thank you for letting me have this opportunity to come here today to speak where, you know, we definitely need to do this. And you know, you talk to constituents and, you know, it's a problem we need to take care of. And we want to ensure that our students have the best learning environment as possible. And this is a great solution to fixing the problem. And Governor, I want to thank you because you are taking care of business, and you too. And thank you so much.

GOVERNOR HOGAN: Thank you.

TREASURER KOPP: Could I just throw out a question to ask people to think about as they come up. And that is obviously that unless we increase the amount of money given to school construction all together, the money for this will come out of something else. And so I'm just asking your reflections on what you think it should come out of instead of window air conditioners, I mean in order to pay for the window air conditioners?

DELEGATE MIELE: Well good morning, first of all.

GOVERNOR HOGAN: Good morning, Delegate.

TREASURER KOPP: Good morning.

GOVERNOR HOGAN: I don't think that question was directed at you.

TREASURER KOPP: No, it wasn't.

GOVERNOR HOGAN: We're not going to put you on the spot.

TREASURER KOPP: I should have asked it in the very beginning and I didn't and I apologize.

DELEGATE MIELE: I know I'm the biggest in the bunch here, okay? The hard ball. Truthfully, it is time. I remember as a child we never had air conditioners in school but times are different now. And people's thinking capacity is different and the stress of children is different. And Mr. Franchot, as you know, we have been in community meetings together and you have heard the children and the disabled and the special needs children. And I just think that it's time that we take this at a serious matter, not just a surface matter and get us all together and hear what we have to say. But I think it is time that we really, I remember as a child my mother used to say actions speak louder than words. And I think it is time that we put actions to our words. And let's get the job done. I think working together bipartisanly we can do this and we can do it expeditiously. God bless you.

GOVERNOR HOGAN: Good morning, councilman. Dr. Crandell?

DR. CRANDELL: Good morning. I want to thank the Board and the Board's leadership for their foresight in offering this amendment. My name is Todd Crandell. I represent the 7th Councilmanic District in Baltimore County. I'm here on behalf of my constituents.

Baltimore County has certainly made progress in air conditioning their schools. However, there are 35 schools in Baltimore County without air conditioning. Eleven of those, almost one-third, happen to be in my district. And for whatever reason, many of our schools are on the lowest priority in terms of the county's list for getting the attention that they need. So I think that we owe it to our students to create the best possible environment. We owe it to our constituents to treat every citizen in Baltimore County fairly. The spending flexibility that the amendment allows for provides us to do these things. And I know there has been an argument made that window air conditioning, portable air conditioning is a temporary fix and not a fiscally sound policy. And sometimes spending money on temporary fixes is not the right thing to do. But when it comes to creating an environment that is conducive to learning as we prepare our young people for the future, I think it is the right thing to do. Doing the right thing is what we were all elected to do and I think it should be our highest and best use of our time on behalf of the people that we represent. Thank you very much for having me today.

GOVERNOR HOGAN: Thank you. Good morning, councilwoman.

MS. ALMOND: Good morning. Good morning. Thank you so much for allowing me the opportunity to be here today. We have four of our councilpeople who have decided that this is a very important piece of business for us. And as Chair of the County Council I just want you to know that I am grateful for your leadership. Our job is to listen to our constituents. And I know you have been listening to our constituents for quite a while, Mr. Comptroller. And we appreciate that.

The purpose of the window air conditioners is not to take the place of the renovation and some of the construction that we need in our Baltimore County schools that are one of our most aged public schools, but to give us a little relief between now and 2020. That is a long time. And so many of my constituents are saying my child isn't going to see the benefit of this at all. And we know that working in a good environment, learning in a good environment where our kids are healthy and happy, where they are well fed, where they are, the climate is good -- I know in my office sometimes in the courthouse it is either freezing cold or extremely hot, and it makes you a little grumpy. So we can understand perhaps why our kids might be a little grumpy and our teachers as well.

So I would appreciate you considering this amendment. I think it gives us another tool in our toolbox to work with. We have a maintenance budget in our schools. We know that. And I think that we should take another look at our maintenance budget across the State and in our Baltimore County Public Schools as well. But I am just here to say thank you and I appreciate very much your leadership on this. Thank you.

GOVERNOR HOGAN: Thank you, Madam Chairman. Good morning, councilman.

MR. MARKS: Good morning, members of the Board of Public Works. My name is David Marks. My County Council district stretches from Towson to Kingsville. The Comptroller was very kind to come to Kingsville Elementary School about two months ago. I will echo a lot of what my colleagues have said.

First, thank you for your support of public education. With your assistance and the help of our County Executive, County Council, and State legislators, we have made a lot of strides. My district is fortunate. We are down to three schools that lack air conditioning in the immediate years but there is a countywide perspective and there's a lot of schools that need this. And I simply think it is important to give our County Executive and our leaders the flexibility that they need to solve this problem. Thank you very much.

GOVERNOR HOGAN: Thank you. Good morning.

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MR. KACH: Good morning, how are you? May I bring up my former student.

(Laughter.)

GOVERNOR HOGAN: Former students? That explains it.

MR. KACH: Delegate Bromwell. Yeah but the problem was he reminded me we were in the un-air conditioned part of Perry Hall Middle.

DELEGATE BROMWELL: That's right. Don't blame him.

MR. KACH: It's not my fault. And then when I was out for 90 days to be in the General Assembly, what happened? This one.

DELEGATE BROMWELL: You took over the class.

GOVERNOR HOGAN: You took over the class?

MR. KACH: I appreciate the opportunity to be here this morning. I represent the 3rd District of Baltimore County, which is through the Beltway all the way to the Pennsylvania line. We're very fortunate to have only two schools without air conditioning. However, one of those schools the Comptroller has been to, I don't know if Governor or Treasurer you have been there, is Dulaney High School which is pretty disgusting, to say the least. The building itself is in terrible shape and un-air conditioned.

But you know I just have two schools in my district but take a look at the rest of Baltimore County. Thirty-five schools without air conditioning.

School years start earlier, they end later. And it gets hotter and hotter. And

believe me, coming from a teacher it is intolerable. Kids can't, I don't care how good the kids are, they can't learn after a while. It just, it just ends.

This amendment will give Baltimore County and all the counties another option of window air conditioners or portable air conditioners. And I say option because it's certainly not the solution to all, for all our schools. We have to look at each school, see where it's going to be viable, and the ones where it's not we don't do it. We go forward with central air conditioning. So I think this amendment sets up the best of both worlds and I urge you to support it. Thank you very much.

GOVERNOR HOGAN: Thank you, Councilman.

TREASURER KOPP: Could I actually ask you a question, Councilman? One of the provisions is that the LEA inspect the maintenance and make sure that it's installed correctly and inspected correctly. I was a little concerned by that because it seems to me that maybe a third party ought to do that. But can I assume that the county government and the County Council will also be keeping an eye on that so that when this is, when they are installed they will be installed properly, they will be maintained properly until you get to the point in the school renovation process where you have a whole building?

MR. KACH: Well I can tell you I worked in the audit office of the county school system.

TREASURER KOPP: I know you did.

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MR. KACH: And for a while we did have a problem. We had a couple of schools out Liberty Road where they were not, they were not inspecting it. And I can assure you after that, Baltimore County Public Schools take very seriously inspecting to make sure the air conditioning and heating systems are proper, although I go over to Dulaney High School, our County Executive pulled a drawer open and bugs came out and the drawer fell apart on the floor. So that, it was, so. But maintenance, the actual maintenance of the buildings is a problem but I don't think those systems, they are going to be inspected.

TREASURER KOPP: A concern was expressed in the past by the IAC that the installations are not put in properly sometimes and when they are not they don't function. And I assume that since everybody thinks that this is, in your area this is the top priority that it will not only be the school maintenance people but the county, the elected county folks who will be keeping an eye on it.

MR. KACH: Well I can assure you I for one will.

TREASURER KOPP: I have no doubt. That's why I asked you the question.

MR. KACH: Absolutely. It's not, yeah, it won't --

TREASURER KOPP: Thank you.

MR. KACH: -- slip by us, definitely not.

GOVERNOR HOGAN: Thank you. Delegate Bromwell?

DELEGATE BROMWELL: Good morning. Thank you very much. Excuse me. You should have my letter of support in your binder of letters of support there, Mr. Comptroller. I want to thank you for having us here this morning. And I'll be very brief.

I'm a product of Baltimore County Schools. Obviously I had this gentleman as a teacher, and he has continued to teach me. But you know to answer your question from earlier, I'm very proud of, in my now, this is my 14th year here, we have set records for school construction and renovation money, what we have been able to bring back to Baltimore County. And that's from both when I was a delegate and chair of our delegation. We negotiated for money for specific to air conditioning. So my job as I see it is to provide the resources to my county and leave the decisions to them. And I think that this is another very valuable resource. My, again, my job is to give all the tools that I can to allow them to do the good things that they do. But I did go to Perry Hall Elementary and Middle when we didn't have air conditioning, at least not in all of Perry Hall Middle School. And it really is a difficult learning environment. So we really appreciate if you would support this. Thank you.

GOVERNOR HOGAN: Thank you, Delegate. Thank you, Councilman. Any other questions on this item? Mr. Comptroller?

TREASURER KOPP: I have a question.

GOVERNOR HOGAN: Madam Treasurer?

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TREASURER KOPP: I don't know whether it's actually a question of Mr. Lever or of the Secretary of the Board. But it's just the way the item is written.

SECRETARY MCDONALD: Mm-hmm.

TREASURER KOPP: I'm stalling because I've got to get back to that item. I apologize. That's the problem with -- where half the classrooms are not temperature controlled --

SECRETARY MCDONALD: Mm-hmm.

TREASURER KOPP: -- what does that mean? Or what does that mean?

SECRETARY MCDONALD: It means --

GOVERNOR HOGAN: It means they don't have air conditioning.

TREASURER KOPP: Is that --

SECRETARY MCDONALD: Either too hot or too cold, that you can't control the temperature to be a reasonable student or a reasonable teacher in that classroom.

TREASURER KOPP: So in, where it's too cold, which is the problem right now, although I don't function well in hot weather. I sympathize completely, totally. Is there now any, what are the prohibitions regarding, the prohibitions in your, I gather this is a question of your policy, it's not the law.

SECRETARY MCDONALD: Dr. Lever, come up. Dr. Lever from the school program.

DR. LEVER: Yes. Good morning.

TREASURER KOPP: Right. It's your policy that things not, that these funds not now be used for window air conditioners? Is that right?

DR. LEVER: That's the IAC's policy for two years, yes.

TREASURER KOPP: Okay. Yes. Do you have a policy about heating? Is there something that is forbidden?

DR. LEVER: No. No.

TREASURER KOPP: Right.

DR. LEVER: The assumption is that all schools will be heated. They have to be in this climate.

TREASURER KOPP: So there are no, there are no places where half the classrooms are not cold temperature controlled?

DR. LEVER: No, they all have heat as far as we know. Now we do have the occasional boiler that goes down and so forth, but that's --

TREASURER KOPP: So all we're talking about, as the Governor said, is air conditioning.

DR. LEVER: Mm-hmm.

SECRETARY MCDONALD: So we can say where half the classrooms are not cooled.

TREASURER KOPP: Well I, we just had language before and I'm trying to understand --

SECRETARY MCDONALD: Well I think it said where there are provisions for cooling, is what was introduced on December 5th. The language was where half of classrooms do not have provisions for cooling. And the language was changed when it came to the Board here to say half the classrooms are not temperature controlled.

TREASURER KOPP: I'm just trying to understand the meaning of that.

SECRETARY MCDONALD: The reason for, yes, the reason for the change is I actually found it difficult, and Dr. Lever can tell you that he and I have worked on the school regulations since scratch, since there were no regulations so I helped develop these things where they went in. So I developed, put this in this place. I found it difficult to understand where there are no provisions for cooling, what did that mean? Did a student or a teacher say are there provisions for cooling in this classroom? And even if there were provisions for cooling, they might not work. So I thought the real question to the student or the teacher is am I temperature controlled? Am I hot in here, am I cool? Is this temperature controlled? I didn't actually know what provisions --

TREASURER KOPP: Okay.

SECRETARY MCDONALD: -- so I changed language that I thought was a little bit more plain language, layperson. But it certainly could be changed if this is not clear enough.

TREASURER KOPP: No. I just wanted to make sure everybody is thinking of the same classrooms, basically, and the same situation.

DR. LEVER: The original IAC motion from December 3rd said for all public school construction program funding programs in facilities where more than 50 percent of the classrooms currently have no provision for cooling.

TREASURER KOPP: Yeah, I understand there was this change. And that's why I'm just trying to understand.

DR. LEVER: Yeah.

SECRETARY MCDONALD: As identified, yes, it was that change. And it was done by this draft --

TREASURER KOPP: And you all, you all share a common understanding about the meaning of --

GOVERNOR HOGAN: Well there are provisions for cooling in the winter. You just open the window so it's talking about --

TREASURER KOPP: Some of those windows don't open.

GOVERNOR HOGAN: -- summertime is when we don't have the temperature controls.

TREASURER KOPP: I'm not a wordsmith. I just want to make sure everybody is thinking about the same situation and the same thing.

DR. LEVER: I think cooling would be a simpler and more straightforward way of putting it.

SECRETARY MCDONALD: Where half the classrooms are not -  
-

TREASURER KOPP: I'm not asking you to, the answer seems to be no, we're not thinking of the same --

SECRETARY MCDONALD: I think Dr. Lever --

DR. LEVER: Well temperature control has a broader meaning. We did not write this, but temperature control has a broader meaning. So it can involve say the thermostat that controls the heat setting. So clearly all classrooms do have some temperature control. So to really make this very clear that it is about situations where there is no provision for air conditioning --

SECRETARY MCDONALD: Well where there is no air conditioning, I guess the word provision, if we're going to start striking on words, provision for air conditioning. So where half the classrooms are not air conditioned. Why don't we say it? That is the simplest thing.

DR. LEVER: That would be simplest.

SECRETARY MCDONALD: Where half the classrooms are not air conditioned.

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DR. LEVER: Sure.

SECRETARY MCDONALD: I mean, that could be a motion from the Board if they would like air conditioning instead of temperature control.

GOVERNOR HOGAN: Okay. We've got a long agenda today, so I think we have to move on --

TREASURER KOPP: Well you're asking us, Governor, to vote for a regulation --

GOVERNOR HOGAN: Okay. Well if you want to make a motion to change the wording, we'll be happy to listen to it. But I don't want to just debate the definition of cooling.

TREASURER KOPP: Well, I'm sorry. Well, that was the question, or whether it is a definition of cooling. And --

GOVERNOR HOGAN: Okay. Any other comments? Mr. Comptroller?

COMPTROLLER FRANCHOT: Yeah, I do have a few comments, thank you. And I just want to say how much I appreciate -- thank you Dr. Lever, you're fine. How much I appreciate the comments of the bipartisan group of local Baltimore County officials and also the State legislators who visited us today.

In a way, it's a shame that it had to come to this. The Board of Public Works under Governor Hogan's leadership has to resolve an issue that

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could have, would have, and should have been dealt with by the IAC months ago. But this is a very good day. And well speaking for the, as the Comptroller, I am delighted to be here with this language in front of us. I believe it is a major step in the right direction for tens of thousands of children, teachers, and public school employees who have been forced, forced to endure conditions that are unsafe, unhealthy, and inhumane.

Here's what we have learned over the course of time about window air conditioning units. Number one, we know they are affordable. Anne Arundel County under Alex Szachnowicz installed them in 33 schools at an average cost of about \$120,000 for an elementary school and \$250,000 for a high school. And just last fall the Department of General Services under Secretary Gail Bassette, thank you Madam Secretary, conducted its own study which confirmed that window units can be purchased and fully installed for less than \$10,000 per classroom. A thousand plus classrooms as we speak in Baltimore County lack air conditioning.

We know that these units are durable. Of the 33 schools that received window units in Anne Arundel County well over a decade ago, 15 of those 33 schools still use them today thanks in large part to proper installation, proper security, and responsible maintenance.

And we know that the window air conditioners work, and children and teachers in places like Anne Arundel County don't have to dread going to

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school. They don't have to worry about getting sick in the classroom, fainting in the hallways, or coming home soaked in sweat because they are forced to sit there and endure conditions which few of us would even expose our animals to.

Governor, this has been a long time coming. And I have been fighting this battle for over five years. And I think back to that day in 2011 when those kids came before this Board, kids from Baltimore County came before this Board five years ago and talked about getting off the school bus with their fingers pruned, talked about how they felt sick, their clothes soaked in sweat. Parents talked about how they felt sick inside, parents right here in this very room, how they felt sick inside because there was nothing they could do to protect their kids. And how they felt somehow like they had let their kids down.

I remember the first time I visited Westowne Elementary School back in September of 2012 at the invitation of Denise Avara for a back to school night and wondering how the children and teachers could endure conditions that were beginning to make me feel nauseous.

For too long these kids, these teachers, these parents have been given the back of the hand by those who should have been looking out for them from the very start. Bureaucrats protecting their own turf; politicians protecting one another; editorial writers dismissing this as nothing more than a sideshow when there were trendier and more fashionable issues to ponder. Well, times have changed. There is a new sheriff in town.

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Governor, I want to thank you sincerely for embracing from the minute you took office this bipartisan coalition of teachers, parents, and community leaders who just want to protect their kids; for taking time to listen to these innocent people whose health and safety hang in the balance; and for sending half of your administration to our town hall meetings in Arbutus, Dundalk, and Parkville; for giving your aide, and our friend Mr. Mark Nugent, a chance to devote himself to finding the solution to this bureaucratic and political log jam and tear into this with the tenacity that one would expect from a young man with three young children himself. Is he here? Mark? Good. Yeah.

Mark, I know you don't have children in the Baltimore County or Baltimore City school systems, but you have honored your own children with the caliber of your work on this issue. Give you a round of applause.

(Applause.)

COMPTROLLER FRANCHOT: And I want to salute my own Chief of Staff Len Foxwell, because when I was out there pounding the table on this, and Valerie Radomsky, who now works for me, was back there, she remembers. We were all dismissed, a bunch of malcontents, not a major issue. Nope. This man over here, Len Foxwell, well the State of Maryland owes a lot to him. Len, thank you very much.

(Applause.)

COMPTROLLER FRANCHOT: He helped the Governor and me show that once again when Republicans and Democrats focus on the work of the people instead of on the next election, we can deliver real results on what I call these real world issues. Real world issues, that actually matter to the people we represent.

I don't know honestly how long it will take to see and feel the effects of what is going to be accomplished with this rule promulgation. I do know that those who are in the resistance will no longer be able to use State policy as an excuse for their own obstructionism. And I would respectfully suggest that those who fail to take advantage of this opportunity to protect the health and safety of their constituents with the money sitting on the barrel head, they continue their obstructionism at their own peril.

This is our Flint. Years, the people in Flint were told, oh, there's no lead in your water, there's no problem with the water, it's fine. The mayor came on the T.V. set and drank a big glass of Flint water. Pushed aside, back of the hand, not a problem. This is our Flint.

Governor, thank you.

GOVERNOR HOGAN: Well thank you, Mr. Comptroller, certainly something he has been passionate about and led the fight on for many, many years. I want to thank you for your leadership on this issue. I'm happy that

we're finally getting to the point where we can take this vote this morning. This IAC policy change will provide a tool to enable us to take care of these kids.

Twenty-two jurisdictions in the State have solved the problem of air conditioning; two have not, Baltimore City and Baltimore County. And it's unacceptable. Thirty thousand students, a thousand teachers sitting in sweltering classrooms. And to say to them we can't fix this problem unless we wait seven to ten years when we get the central air in all these schools, or to say we can't fix it unless we get half of all the school construction dollars in the State given to us, take it away from 15 or 20 other counties, is just unacceptable. So this provides an immediate solution to a terrible problem and I just want to thank you, Mr. Comptroller. It's all because of his effort and he deserves a big round of applause.

(Applause.)

GOVERNOR HOGAN: Madam Treasurer?

TREASURER KOPP: Thank you. I certainly do recognize the hard work of the Comptroller, who has been pressing this issue for a number of years. And I must say it was due to the Comptroller and his request that the gentleman from Anne Arundel County come and tell us about his program that I became actually convinced that the use of room air conditioners in a process towards total building air conditioning was in fact a very reasonable step.

I have no doubt that the Board has the authority to enact this regulation under present law. I was surprised to learn that there was a policy against this and don't quite understand why this policy exists since at one point the Treasurer's Office made it clear that there was no either impediment in bond law or otherwise. And that had been the rationale I had heard. So I don't understand that.

I am very concerned that while this is the legal process, that we do have a system that has worked very well for the people of Maryland, I believe, of non-political administrative examination of school construction needs, a process where the counties make proposals. There is a way for the State to look at it through the IAC and then to recommend to the people on the Board of Public Works, which is a political board, the school, to approve, the projects to approve and the projects not to approve. That process actually fell short when the IAC, I believe, when the IAC did not take up the issue that the Governor and the Comptroller requested them to look at.

To the extent that this is simply authorizing the IAC to consider room air conditioning along with all the other heating and other items, including long term equipment items that they look at, I don't see the harm in doing it. And I think it clarifies that all things should be looked at. If this is the beginning of this political Board, however, taking over school construction projects and decisions, which I am told it's not, I think this would be a significant step in the

wrong direction. And I understand there will be a commission looking at the entire school construction program over the next year and I would hope that they would look at this process also. And with that, Governor, I would vote to support it.

GOVERNOR HOGAN: Great. So I was, Madam Secretary, shall we take a, why don't we take a, open it up to a motion on this one item and then move on.

SECRETARY MCDONALD: Item 9.

GOVERNOR HOGAN: Is there a motion on Item 9?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Approval? Second by the Treasurer.  
Three-nothing.

SECRETARY MCDONALD: Thank you.

GOVERNOR HOGAN: Thank you very much. And we'll move on to the rest of the Secretary's Agenda. Any other questions on the Secretary's Agenda?

COMPTROLLER FRANCHOT: On Item 15.

SECRETARY MCDONALD: Item 15 is the Attorney General's request to enter into a contract with outside counsel and propose to compensate the outside counsel with a contingent fee if recovery is, so do we have Mr.

Zimmerman here? Oh, okay, Mr. Matthew Zimmerman, come up to the podium, please introduce yourself, and tell them about the contract.

GOVERNOR HOGAN: Good morning.

MR. ZIMMERMAN: Good morning.

SECRETARY MCDONALD: Matt, do you want to --

GOVERNOR HOGAN: Do you want to discuss this item?

SECRETARY MCDONALD: -- tell us what you are here for?

MR. ZIMMERMAN: Yes. I am the procurement officer on this contract, so I am the one most familiar with it. We have in concert with a group of the lawyers who specialize in this particular area investigated whether it would be wise for the State of Maryland to pursue the potential for litigation against the petroleum industry for MTBE contamination of water.

MTBE is a gasoline additive. It is very prone to bond with water. It moves faster in water, groundwater, than any other constituent and it is persistent, it doesn't break down. So we have investigated a number of areas where there have been gasoline leaks, found that there is groundwater contamination, drinking water contamination, and we propose to pursue that litigation with this contract.

The states of New Hampshire, New Jersey, Pennsylvania, and Kentucky are pursuing this litigation, also Puerto Rico. And in New Hampshire

the State Supreme Court has just affirmed a \$235 million judgment against Exxon.

So the State of Maryland's geography, geology is similar to these other states and we believe we have selected the best team from a group of applicants at the best price, and we are asking for the Board's approval and blessing of this contract.

COMPTROLLER FRANCHOT: Okay. Very good. When was the contaminant put into, I guess, Maryland? Or when did all of this occur?

MR. ZIMMERMAN: This occurred between, for about 15 years up to roughly 2001.

COMPTROLLER FRANCHOT: Okay. Why are we now suing 15 years later?

MR. ZIMMERMAN: Well --

COMPTROLLER FRANCHOT: Why the delay?

MR. ZIMMERMAN: Well the litigation itself began first with water suppliers in various states about 15 years ago. And states did not begin pursuing this until seven or eight years ago. Maryland has been looking at this question for three or four years now and has only now brought it to this point. The contaminant is no longer sold. It is no longer distributed, but it is not gone. And it won't be gone unless the State has the resources, the money, the personnel to address the problem, find out how widespread it is, and take remedial action

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where necessary. So we lack those resources today and we are seeking to recover them with this litigation now.

COMPTROLLER FRANCHOT: So the reason we waited 15 years is because previous Attorney Generals did not do what Attorney General Frosh is doing? Or I mean I take it --

MR. ZIMMERMAN: I suppose you could say that. But --

COMPTROLLER FRANCHOT: I'm just curious.

MR. ZIMMERMAN: -- put the gun under Attorney General Gansler some time ago, and it's been under careful consideration for a while now.

COMPTROLLER FRANCHOT: Okay. And how were the law firms selected? Was it a competitive process or is this just a case where a couple of people rose to the surface?

MR. ZIMMERMAN: No, sir. It was a competitive process. It was a competitive process. There was a request for proposals put out. Four firms responded, four groups of firms. No one law firm can handle this alone. One group was judged to be not qualified. The other three, each group consists of at least three separate law firms. Those three were interviewed and we ranked them. We then opened sealed bids to consider what their financial proposal was. The group that was eventually selected ranked first on technical merit and also first on financial.

And I might add, I have the contracts from Kentucky, Pennsylvania, New Jersey, and Vermont. I think I forgot to mention Vermont. And our contract on price is very favorable to those contracts.

COMPTROLLER FRANCHOT: Okay. And based upon the previous patterns of state litigation, is it more likely these companies will choose to settle out of court? Or will they be inclined to take the case to trial?

MR. ZIMMERMAN: Historically the defendants have as a group settled these cases, with the exception of Exxon. The New Hampshire case I mentioned a moment ago, there was \$175 million settlements with the other defendants, I believe. Exxon went to trial and lost a verdict that was affirmed at \$236 million. So Exxon has fought to the end, the others have not.

COMPTROLLER FRANCHOT: Well, kudos to Attorney General Frosh for putting this forward. And God knows the State of Maryland needs the money. But I take it the public health hazard has been significantly mitigated by the passage of time? Or not?

MR. ZIMMERMAN: Well, the answer to that is we're not entirely sure of that.

COMPTROLLER FRANCHOT: Well put it this way. The pollution stopped in 2001 when they stopped putting the additive in, and then there is some I guess --

MR. ZIMMERMAN: New pollution stopped in 2001. But this chemical bonds with groundwater, moves with groundwater, it does not break down and degrade. So that basically it is becoming ever more widespread. We have not had the resources to test, investigate, and mediate to the extent that we believe it necessary. There are 400,000 private drinking wells in this State. New Hampshire found about nine percent of its private drinking wells were contaminated, similar numbers in Pennsylvania and New Jersey. We're expecting similar numbers here. Then there are about 3,600 public drinking water systems also in the State, only a small fraction of which have been properly investigated. It takes testing personnel, lab work, and then you have to decide what to do once you find it. So we expect to find MTBE for many years. It does not break down. Other contaminants do. Gasoline is basically remediated by microbes eventually. Not this.

COMPTROLLER FRANCHOT: Well I'm, as I said, I praise Attorney General Frosh for moving forward. I'm just, why did it take so long? That's not for him, or for you, necessarily. It's just, gee, what happened?

MR. ZIMMERMAN: I wish it hadn't. But here we are.

COMPTROLLER FRANCHOT: Okay.

MR. ZIMMERMAN: And we're hoping for your approval.

COMPTROLLER FRANCHOT: Thank you.

TREASURER KOPP: Governor, could I?

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GOVERNOR HOGAN: Sure.

TREASURER KOPP: I have no problem with this, approving this item whatsoever. I think this is the major item, actually, even beyond school construction on this Agenda.

I am very concerned that we don't really have a handle, and we won't until we go through a process, on the impact of the MTBE on Maryland and Maryland's citizens. It is, it's toxic.

MR. ZIMMERMAN: Yes.

TREASURER KOPP: It's not water soluble. It, I don't, I don't know that it's the Attorney General's Office, I don't know whether it's DNR, or the Health Department, or whomever. But I think the Maryland people need some greater understanding and statement on the size of the problem, the nature of the problem. It's fine. I hope we'll get the money from the miscreants to begin to address it but we don't even know the extent of the problem before we begin to address it. And I just think this is a very significant public health issue that I would hope the appropriate agencies --

GOVERNOR HOGAN: I would imagine over the last 15 years they would have already taken some steps.

TREASURER KOPP: Yeah.

GOVERNOR HOGAN: But if it hasn't been done, we'll direct our Secretary of the Environment to take a look at what additional steps we can do that haven't been done for the past 15 years.

MR. ZIMMERMAN: Yes, some steps have been taken. But the resources have been limited. And there's a concern at the Department of the Environment that we haven't had enough of an investigation.

GOVERNOR HOGAN: All right. Thank you.

MR. ZIMMERMAN: Thank you.

GOVERNOR HOGAN: Any other questions on the Secretary's Agenda? Is there a motion?

COMPTROLLER FRANCHOT: Move approval.

SECRETARY MCDONALD: Except for Item 10.

GOVERNOR HOGAN: We're going to remove Item 10.

SECRETARY MCDONALD: Yes.

GOVERNOR HOGAN: The school appeals, later today after this. So everything else.

SECRETARY MCDONALD: Yes.

GOVERNOR HOGAN: We already did nine. Ten comes out. So a motion to approve the rest of all the items?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

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GOVERNOR HOGAN: Okay. Three-nothing on the Secretary's Agenda. We'll move on to the DNR Real Property Agenda.

MR. BELTON: Good morning, Governor.

GOVERNOR HOGAN: Mr. Secretary, good morning.

MR. BELTON: Good morning, Mr. Comptroller, Madam Treasurer. This morning the Department of Natural Resources has 13 items for the Board's consideration.

GOVERNOR HOGAN: Any questions on the DNR Agenda?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Three-nothing DNR Agenda. That was easy for you this morning, Mr. Secretary. We'll move on to the DBM Agenda.

MR. BRINKLEY: Good morning, Governor --

GOVERNOR HOGAN: Secretary Brinkley.

MR. BRINKLEY: -- Mr. Comptroller, Madam Treasurer, the Department of Budget and Management has submitted ten items for today's Agenda. We are withdrawing Item 3-S leaving nine items for your approval. And I have representatives here to address any concerns or questions you might have.

GOVERNOR HOGAN: Questions on the DBM Agenda? Is there a motion?

COMPTROLLER FRANCHOT: Move approval.

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GOVERNOR HOGAN: We're moving through to the University System Agenda. Who is here from the University System?

SECRETARY MCDONALD: Oh, Mr. Evans is here, Mr. Hickey is here from the University System. They are --

GOVERNOR HOGAN: Don't everybody jump up at once.

SECRETARY MCDONALD: There are some people here. And I will tell you that the University System has eight items on this Agenda. And I know some of the, the President --

GOVERNOR HOGAN: Any questions on the University System Agenda? Is there a motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Move approval. Three-nothing. Information Technology?

MR. ESTRADA: Good morning, Governor, Mr. Comptroller, Madam Treasurer. I'm Luis Estrada, the Deputy Secretary of the Department of Information Technology.

GOVERNOR HOGAN: Please be quiet. Thank you.

MR. ESTRADA: Today we have three items on the Agenda and I'm happy to answer any questions that you may have.

GOVERNOR HOGAN: Excuse me. Everybody, can you please keep it down in the back of the room? We have a hearing going on. Thank you. Sorry, what did you say?

MR. ESTRADA: We have three items on the Agenda and we're happy to answer any questions.

GOVERNOR HOGAN: Any questions on DoIT?

COMPTROLLER FRANCHOT: Yeah, I just want to comment for the record that Item 2 is a very complicated and but I think much needed initiative. And Secretary Malhotra nicely briefed me yesterday on it. This is long overdue. It's very complicated. I appreciate his leadership and we'll follow this closely to see what lessons we can all learn from making this technological move to a different platform. So I want to thank the Secretary for explaining in plain English a, what is certainly a very big and very important project.

TREASURER KOPP: Governor, I'd like to echo the Comptroller's remarks and thank the Secretary for coming. Thank you for having the Secretary come. It was very helpful.

COMPTROLLER FRANCHOT: Yeah, if you mess up you'll be back here again though.

GOVERNOR HOGAN: Well we are very proud of the job that Secretary Malhotra does.

TREASURER KOPP: Yes.

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GOVERNOR HOGAN: And he is very good at explaining things in common English. I like that. Thank you, Mr. Secretary. Any other, is there a motion on the DoIT Agenda?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

GOVERNOR HOGAN: Okay, three-nothing. Now move on to the Department of Transportation. Mr. Secretary?

MR. RAHN: Good morning --

GOVERNOR HOGAN: Right after this we want you to get out and finish the snow.

MR. RAHN: Okay. If we can get a quick approval of all 19 items

--

GOVERNOR HOGAN: You can try.

MR. RAHN: -- I'll be out the door. And for the record, Pete Rahn, Secretary of the Maryland Department of Transportation. We are presenting 19 items with one supplemental, and we are pulling Item 5-S from the MDOT Agenda.

GOVERNOR HOGAN: Questions on Transportation?

TREASURER KOPP: I have one question on 21-E, the clean diesel buses.

MR. RAHN: Yes?

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TREASURER KOPP: It's a very simple question. I assume you looked at the natural gas alternative? Did you?

MR. RAHN: Yes. We have.

TREASURER KOPP: Right.

MR. RAHN: We have examined those. We also looked at hybrid

--

TREASURER KOPP: Right.

MR. RAHN: -- as well. And the conclusion was that performance and emissions were best met with the clean diesel selection.

TREASURER KOPP: And was the problem with natural gas, what was the problem with natural gas?

MR. RAHN: So we have --

GOVERNOR HOGAN: We have Director Comfort here if you want to pass it off to him, Paul Comfort.

TREASURER KOPP: I have a feeling there's a simple response that I --

MR. RAHN: Yes.

GOVERNOR HOGAN: Paul Comfort, Director.

TREASURER KOPP: Mr. Comfort, thank you.

GOVERNOR HOGAN: You've done a great job, too, during the storm --

MR. COMFORT: Thank you. Thank you.

GOVERNOR HOGAN: -- getting everything up and running. So thank you.

MR. COMFORT: Yes. I'm happy to announce that all buses are on the street today.

TREASURER KOPP: That's amazing.

GOVERNOR HOGAN: That's great.

MR. COMFORT: There are some diversions but within 72 hours of the storm we were able to get all of our routes out. So --

GOVERNOR HOGAN: Great work. Thank your team for all of their hard work.

MR. COMFORT: -- great work and communication. Thank you. I will. Madam Treasurer, Mr. Governor, Mr. Comptroller, thank you for having me here.

Yes, we are interested in CNG, to be honest with you. It takes a major investment in infrastructure --

TREASURER KOPP: That --

MR. COMFORT: -- to have that. We don't have that at any of our current four bus garages. But if we do build a fifth garage, or a replacement garage, I certainly would be interested in looking at analyzing the long term cost implications and the efficiency of doing CNG on some of these buses.

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TREASURER KOPP: Thank you. That was what I was looking for. Thank you very much.

COMPTROLLER FRANCHOT: If I can just take advantage of you being up there. Why did a \$97 million contract only produce one bid?

MR. COMFORT: It is something, isn't it? We had the same question. As you know this, there are only three manufacturers right now manufacturing buses in the U.S. that can meet the Buy America requirements required by the federal government. One of those companies, Gillig, does not normally bid on 40-foot buses, which is what we need. They normally build 30-foot buses. They would need to build a new factory, we were told, in order to do this. A second company has an 18-month delay before they could even begin construction on our buses. And so there really was only New Flyer was the only manufacturer able to meet the FTA requirements for Buy America and meet our timeline of getting our buses here within the next, you know, by the time we start Baltimore Link in 18 months from now.

COMPTROLLER FRANCHOT: And I noticed, I think there is another item about MARC trains. We're buying them on, well, where the previous technology contract, we're piggybacking on an out of state consortium contract and getting the discount. Why don't we do that here?

MR. COMFORT: We do do it often. As you might recall, just recently you all approved us doing a piggyback, if you want to call it that, with

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our new engines for our locomotives. We did eight and we tagged onto the bid just a couple months ago of Illinois. So we do look for those opportunities.

On the bus by itself, the FTA recently changed the rules in FY '15 which make it a little more complicated to tag onto other cities' bus purchases. But we are working with WASHCOG, the Washington Council of Governments, to get on their agenda so we can do our next bus purchase perhaps in conjunction with our friend down at WMATA, Paul Wiedefeld down there. So.

COMPTROLLER FRANCHOT: So this \$97 million is going to be used to, admittedly its federal dollars, but those are still taxpayer dollars.

MR. COMFORT: Absolutely.

COMPTROLLER FRANCHOT: That's going to be used to replace 172 so-called dirty old buses I take it in Baltimore City?

MR. COMFORT: Yes, sir. So we have about 90 buses in our fleet that still have what we call the old diesel technology, which isn't the clean diesel. And so they will all be replaced. And so we will have an entire fleet of either clean diesel or hybrid buses in the MTA fleet once this purchase is done. We're real happy and proud of that.

COMPTROLLER FRANCHOT: Great. So that's a plus --

MR. COMFORT: Absolutely.

COMPTROLLER FRANCHOT: -- for the Baltimore City region.

MR. COMFORT: Yes, it is. We will no longer have what they call dirty, they're not really, you know, but they are called dirty diesel buses versus the new clean technology which filters out a lot more and meets the new EPA standards.

COMPTROLLER FRANCHOT: Excellent. Thank you, Governor.

GOVERNOR HOGAN: Great. Thank you, Mr. Comfort.

MR. COMFORT: Thank you.

GOVERNOR HOGAN: Any other questions on the MDOT Agenda? Is there a motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing, MDOT. Last but not least we are onto the Department of General Services, Secretary Bassette?

MS. BASSETTE: Good morning, Governor, Madam Treasurer, and Mr. Comptroller.

GOVERNOR HOGAN: Good morning.

MS. BASSETTE: For the record I am Gail Bassette, Secretary of General Services. The department has 18 items on our Agenda. We are withdrawing Items 8 and 9. We will be glad to answer any questions you may have.

GOVERNOR HOGAN: Are there any questions on the DGS Agenda? Is there a motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Seconded?

TREASURER KOPP: Second.

GOVERNOR HOGAN: Three-nothing. Very good. Well, don't get scared when I say this but we are adjourned. We're going to take a short break to reconfigure for the school appeals and then we will be back to start our second part of the hearing. So.

(Recess.)

GOVERNOR HOGAN: Now we're going to move on with one of the most important functions of the Board of Public Works, the approval and oversight of hundreds of millions of dollars in public school construction funds. Today we're going to vote on \$218 million in State school construction funding. We recognize that with the magnitude of the storm some school systems could not make it down here for their appeals in person because they are still digging out and working to reopen their facilities. We are not going to hold that against anybody. They have submitted their appeals in writing, which will be given every consideration, and they will also have the opportunity to come back before the Board in May.

Education is our top priority. It's why the budget we submitted last week contains for the second year in a row record funding for K-12 education totaling a \$6.3 billion investment. Over the past two years we have increased K-12 education funding by \$828 million. Last year we were the first administration in history to ever put any money in GCEI in their first year. This year I will be the first Governor in history to ever fully fund GCEI in the second year. Per pupil spending will go up in every single jurisdiction in the State.

Earlier this morning my administration announced several education proposals designed to create important educational opportunities for students in Maryland and deliver greater balance in the quality of education throughout the State. The Pathways in Technology Early College High School, or P-TECH education model, is an innovative nationally recognized approach that blends high school, college, and work experience into one. P-TECH schools offer students an integrated six-year education program that combines high school, college, and workplace skills required for the 21st Century.

And I also signed an executive order this morning creating the Maryland Early Graduation Scholarship, a new program that will make college more affordable for students that complete high school in three years. Under the program eligible students will receive a \$6,000 scholarship for tuition and expenses at any approved post-secondary educational institution in Maryland.

While we're proud to make record investments in public education, we can't just celebrate for simply spending more money. We must be vigilant in overseeing how those dollars are spent and find ways to more effectively and efficiently deploy those funds to achieve the very best results for our students and our schools. So before we begin with Dr. Lever's overview of the 2017 capital improvement program, we have two brief presentations on the very important topic of school construction and how we can make it less costly and more efficient in order to allow our limited State dollars to go even farther.

First we have Senator Andrew Serafini, and former Delegate LeRoy Meyers. And then after that we're going to have Commissioner John Barr of Washington County who is the President of MACo. So I see standing at the podium already Senator Serafini. Thank you for joining us.

SENATOR SERAFINI: No problem. Thank you, Mr. Governor.

GOVERNOR HOGAN: Good morning.

SENATOR SERAFINI: Good to be here. Good to see you, Treasurer Kopp and Comptroller Franchot. It's our privilege to be here. And I did hear you say brief, because I know there's people behind us.

So this presentation, if we can go to the next slide, is just to highlight some of the things that we all know. You have a packet in front of you, so you are welcome to look at it or this is the slide we're going to go through presentation.

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We know what you did as far as funding in the capital budget, an extraordinary amount, and your commitment to continue that. This is not about cutting back funding, it's to be more efficient, I believe. Debt service is going to exceed the total amount that we pay for school construction and that's a grave concern to a lot of us. And we're concerned about some of the incentives. Do they really incent us to be as efficient as possible?

So if you go to the next slide, we know what is coming in the future. Disruptive technology is going to really change how we teach. It's already happening at the higher levels and we think it's going to continue. We also appreciate what you just talked about with P-TECH and using apprenticeship programs. And we think blended schools or flipped classes are things that as they impact us in the future education is going to look very, very different.

Next slide, please. So we asked the question, which do we want to do? Do we want to build very, very nice schools? Or do we want to build, as was described the other day, bells and whistles and luxury? And this is no criticism of what has happened in the past, it is just an issue that we want to start asking ourselves. I drive a Buick. I'm very happy to do that. I know I could have bought two Lexuses for that. But I just chose not to. Yeah, two Buicks for one Lexus. So that is what we're asking for. So let's go through and say can it be done?

So this is the issue. Do we consider changing it to a per pupil?

Next slide, please. This is looking at some different programs. And these for the most part, other than the Florida program, are in our State. These are existing. Grace Academy was built by the two gentlemen behind me, and they are going to talk about that in a second. Barbara Ingram School is an initiative that happened in Washington County as well, very collaborative public-private partnership. Everybody in this room probably has been to Monarch at least twice. We know that Florida does a frugal high school program. And then you can see Frederick and Allegany. And the issue is what are we paying per pupil?

If we go to the next slide, how can we do this? What are some things to consider? Standard building design, these guys are going to talk to that about you. Delegate Myers when he was here before he was a county commissioner spoke about this. How do we look at per pupil versus square foot? How do we look at life expectancy? How do we understand flexibility of corporate buildings, of any buildings, and understand that as things change how can we create flexibility? We think alternative financing is something that can be done.

So if we look at the next slide, this is Monarch. Monarch was built and the per student cost was about \$12,000. If you've had a chance, a beautiful school, wonderful school, functioning quite well.

If we go to the next slide, this is Barbara Ingram. This is a public-private partnership. And this had the extra benefit of economic development to downtown Hagerstown, very powerful, very unique. Our school system will be up here in a couple and they can talk if you have questions on that. That one is at \$58,000.

This is Grace Academy built in 2001, full size gym, classrooms, built for what would today be \$6 million, houses 350 students at a cost of about \$17,000. Slide, the next slide, this is Florida's program. Florida program says it should be between \$20,000 and \$30,000 per pupil when they do that. If local jurisdictions decide to go over, that's their choice. But that's the system that Florida has been using very successfully for about six or seven years ago.

If we go to the next slide this is unfortunately what happens with the way things are built today. And once again, not trying to be critical, it's the reality. And you see here that this is going to cost us about \$75,000 per student. These gentlemen will talk about that.

And finally Frederick High School is the next one --

GOVERNOR HOGAN: You can build three schools instead.

SENATOR SERAFINI: Well that's the whole, sir, and that's why we're here. The next one is Frederick High School. And you can see there that's going to cost about \$82,000 per student.

If we flip to the next slide, this is the point I want to make, this is not a new conversation. This is a presentation from a MACo conference in 2009 and they were asking then why are we costing so much more to build schools? They compared themselves to Virginia at about one-third for a fully comparable school. So it's not a new conversation. It's something that's time has come.

So finally we want to say standard building design we think is something to consider. It happens in West Virginia, California, and otherwise. There are standard building designs. You can flip them, you can change the color of the brick, but they are pretty standard.

Per pupil versus square foot, we need to consider how long we are going to need these buildings and look at alternatives. With that, I will turn this over to my colleagues here and they can speak further.

GOVERNOR HOGAN: Thank you, Senator.

MR. MYERS: Good morning.

GOVERNOR HOGAN: Commissioner?

MR. MYERS: Thank you all for having us in the hearing. As you all know, I'm a general contractor. I have done this all my life. Probably my niche is not in school construction but it's in building car dealerships. And I say that because I daresay that anyone in this room who has recently bought a car would go into whether it's a Lexus dealer, Mercedes, Buick, GM, Honda, and they are all starting to look the same. And the reason for that is that the private

sector has finally got it. They know how, they have standardized the construction of these buildings. Some are small, medium, and large, which kind of relates to the fact of how, you know, we don't need maybe a 2,000-seat high school in Allegany County. But of course they are proposing about 1,000 seats. But they have taken the thought process out of something and standardized it. Where I daresay that when my people go in to build these car dealerships now, they know where the right, where the left, what's coming up, what should be done first, last, and so forth, and it's not always a new adventure.

Whenever we go into, we look at a school construction, I think that if we were taking this serious, a friend of mine, which is one of my subcontractors, he just got finished his 20th school in Loudoun County. And they were elementary schools. And back when he started these they told him they are going to have 20 of the same school built. Like Senator Serafini said the brick color changed, maybe the roof is a different color, nothing that is going to cost more money. But what they did, he said on about the fourth or fifth school his people could look at the glass, the windows coming off the truck and knew where they were going to go on that job site. And as a result as they progressed through the build out of these contracts he was not only able to get the contract every time but able to do it for a lesser price.

Other things that come into factors is the large items like the HVAC, the switch gear, things that are large cost. We have people like Sam's

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Club, the Walmart group, whether it be Staples and whatever, they buy these items direct. I daresay that the State of Maryland could do the same thing. They could purchase this and deliver it to the site. And what does that do when it comes to the efficiencies of the HVAC? Not only does Walmart know that they have one type system in all their stores, but they know where to go get the parts and pieces to repair them very quickly because they are not scrambling around to see which one was used on which job. And you know, this can be done I believe in the school construction as well.

Now we go up to Allegany County. We built a school there for forty, a couple million dollars, about seven years ago, maybe eight. And what would be wrong with taking that footprint, which works very well up there at Mountain Ridge, I might say, and they are very proud of the school. But no, we try to redevelop, reengineer, re, the architecture is brand new because we are going out here trying to give them something that they want to see that best suits the application.

If you remember, and I remember with my dad who just passed away this past fall, whenever I was young we were out on jobs in Thurmont, Hagerstown, Frederick, and different places in Western Maryland. And every one of the footprints on those schools, I don't know if you remember this or not, Dr. Lever, way back we had the same footprint of a lot of the elementary schools in

the State. And by the way, the State paid for all of it, too. You didn't have to probably have these meetings.

So why can't we be using the same architectural plans? And yes, you have to, you know, I know there's laws. You have to redraw them. You have to fit the applications for the location they are at, with snow loads and different, you know, the areas that you are in in the State of Maryland. But why don't we go and pull one off the shelf and redo that? Why don't we as a State look forward and say we can build eight, ten schools for the cost of eight, or maybe more? I believe it can be done if we take a serious look at it. Thank you.

GOVERNOR HOGAN: Thank you.

MR. BARR: Good morning. Thank you. Thank you for this opportunity.

GOVERNOR HOGAN: Good morning. The President of MACo, thank you for joining us, Commissioner Barr.

MR. BARR: Thank you, sir. It's an honor and a privilege to serve as President of MACo.

As a subcontractor I can give you an even more specific and detailed overview of what I see as an electrical contractor. My company is based in Hagerstown. We have 150 employees and we do bid on a lot of school projects. We have worked in Loudoun County schools, as has been previously mentioned here, where two of the elementary schools that we worked on, they

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were just mirror images of each other. Once again, our employees knew exactly what, where, and how. And we didn't argue and fight with lighting reps and other components because it was, they took all that venue out of it. Whereas a recent school in our community, an elementary school, the electrical specs I daresay are probably that thick. I think I met with the Board of Public Works back in early December and brought that book with me to show them.

Even further in that, the light, some of the light fixtures are just horribly expensive. You know, there is little opportunity to question or get competitive bids on them because the light reps specifically to that job have done their homework with the designers and you just can't deal with them. Even further in that particular specification what I found was the data and computer wiring was almost 30 percent of the overall electrical, which included the switch gear, the lights, the power to all the HVAC. And in my mind as an electrical contractor that was just out of line. And one of the reasons for that it had a 25-year written guarantee to the computer wiring that was specific and germane at that time for that school. And I'm sure many in this room realize that we don't wire schools in the data world today like we did five years ago. And I daresay that five years from now with wireless technology and all the things that are coming before us so quickly, I doubt that even five years from now the wiring that was installed most recently so why have a 25-year written guarantee. And I can

assure you the cost factor for that that was set aside or anticipated was absolutely horrible and very expensive, and in my mind even sinful. So.

GOVERNOR HOGAN: Thank you. Any questions of any of the presenters this morning? I thank you all very much for taking the time. I appreciate you being here. You know, I can't stress enough how important it is that we find more cost efficient ways to build our schools. I think there is not a person in this room that wouldn't want to see us build 150 schools instead of 100 schools. And if we can do it with the same amount of money, it certainly makes a lot of sense to me. And there's things that we have to take a look at, cost crunching and figuring how to do it more cost effectively, as other states have. It makes no sense that Virginia can build schools for one-third less than we can. I'm sorry. Good morning.

MS. CLARK: Thank you so much, Governor. My name is Robin Clark and I'm the research director with MACo. And we just wanted to say on behalf of the organization thank you for the opportunity to bring this discussion up today. We are deeply committed to this issue and we will sit at any table where you are having this as a topic of discussion.

GOVERNOR HOGAN: Great. Well thank you very much. We appreciate MACo's involvement. And I want to thank the commissioner and the senator, and both commissioners. Thank you all very much. Thank MACo for their efforts.

COMPTROLLER FRANCHOT: Could I just thank the Governor also for doing this? I think it's going to be a well trodden path. And I will just add that the schools that are going to be built for less money per square foot in the future are going to be much more beautiful. They are not going to be the same old brick structures that, you know, just don't appeal to anybody. You can build a beautiful school for a lot less per square foot cost. And I'm looking forward to Maryland doing that. And I really thank MACo for its capability of pushing this issue forward. What, Mr. Barr, is in your opinion the chief impediment to the State moving forward?

MR. BARR: I think there's a lot of issues. Adding uniformity to the bid specifications and the design, working with the individual counties to collaborate together and use more efficient building standards.

MR. MYERS: Well, exactly. I mean, you have, what we have is, the standardization does not mean cheap. Standardization in our eyes looks to something like Mr. Barr was saying, that we go into the next school and the next school. It doesn't give anybody more of an unfair, but when we spec out things that, by the way, like he was talking about the cabling, that was 30 percent of what was the contract?

MR. BARR: A million five.

MR. MYERS: So \$300,000 or \$400,000. That adds up very fast if you do it times a lot of schools. And the thing is we are having to put warranties

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and standards that we will never see at the school. You know, they don't last that long. Something happens that we're out here in 50-, 60-, 70-year specs, and guarantees and warranties that are not needed. And that adds cost. It adds a lot of cost.

COMPTROLLER FRANCHOT: Well I want to thank Delegate Myers, former Delegate Myers. I know that he, we worked together and Senator Serafini, and Commissioner Barr. And I just want to tell you in the Democratic Party there's a thirst for this. How can we do better? How can we improve things? And --

SENATOR SERAFINI: Let me speak to that real quick. Senator Rosapepe has really been leading the charge on this a lot, too. And we know that the President of MABE, Donna Brightman, is a Democrat. So this is not a partisan issue. This is both sides saying how can we help our kids? How can we replace these schools? So definitely this is not a partisan issue.

And one other thing I would say is some of this is not just the construction side of it. It is the curricula. It is what's required to teach and certain things like that. We've got to step back and look and say are there different ways to incorporate technology and other things. I had a gentleman say he could double the population of a school without adding a brick just by using technology and doing different things, using the apprenticeship program. So that

innovative side on the curricula is just as important as what we are talking about doing with the construction side as well.

COMPTROLLER FRANCHOT: Mm-hmm.

TREASURER KOPP: Could I just add as somebody who chaired a commission on which the executive sat about 15 years ago, that those goals are the same as that commission's goals. The world has changed around us. Technology has changed around us. And personally I think it makes great common sense to look at the issue again of how best to construct the schools and what, and how to organize the school construction program most efficiently for our State.

SENATOR SERAFINI: We don't care how we got here, it's just how we're going to go from here, that's the --

GOVERNOR HOGAN: Exactly.

MR. MYERS: Could I add one more thing? The standard we have is, and we have many schools behind us, they come here asking for funding for their next project. The next thing they do is go out and hire an architect. The school boards, they never, ever include someone from the construction side as they travel through, and as I call it the three-legged story. One thing in design build construction, which I mostly do, is when the owner, the architect, and the builder all are at the same table. And we move forward together because we have the practical experience. We know what works and what doesn't, what's

expensive. Maybe there might be a better way, which by the way the architects are flooded with ideas. But like my dad said, every time that building makes a corner or does a little different twisting bend it's architecturally appealing but it's very costly when it comes to the bottom line, very costly.

GOVERNOR HOGAN: Okay. Well thank you all very much for your presentations. Thanks for taking the time. I guess, Madam Secretary, we are going to get started with the school appeals. I believe first up is Frederick County.

SECRETARY MCDONALD: We have Frederick County ready to go.

MR. YOUNG: Good morning, and thanks. I feel like I got a great welcome there since Frederick is up first here, and we got to make the screen there on our costs. As you know, my name is Brad Young. I'm President of the Board of Education for Frederick County. Today I'm accompanied by Ray Barnes, who is our Chief Executive, Chief Operating Officer for Frederick County; Jan Gardner, who is our County Executive. I did want to acknowledge also Ms. Sarah Perez, our student member of the Board of Education is here as well with us.

GOVERNOR HOGAN: Welcome, Sarah.

MR. YOUNG: We are here today to appeal for the additional funding for school construction projects, the highest priority of which is what you just saw there, Frederick High School.

I do want to state that in Frederick County we have been using prototype designs. The last three high schools that we built were the same design. The last elementary school that we built will be the same school that we'll build the next several schools of. Frederick High was a little bit unique because of the property that it was on. The prototype design that we had would not fit or work on that particular property because of the amount of ground that we had, flood issues, flood plain issues and other issues, we could not build it there. So that's certainly why. It is our intention to use prototype buildings. And I think statewide that makes a lot of sense to look at.

So right now that project is on schedule. It's scheduled to open up in August of 2017. And I can tell you that community is extremely excited. It's a long overdue project. If you have been in the old Frederick High, it is not only unsafe in many ways but it's certainly woefully neglectful of having the technology that it should have and many of the other things that we have in our newer schools. So we are happy to see that Frederick High is going to get their new building.

We're also working hard to balance the need of new space in other parts of the county as well as renovate many other old schools in our county that

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are in desperate need of renovation. We recently completed the renovation of Lincoln Elementary, West Frederick Middle, and rebuilt the North Frederick Elementary School, and currently rebuilding Frederick High School. These were all schools that target some of our most needy students that we have, some of the highest poverty areas in our county.

As part of our appeal we are also requesting the additional funding to address our need for more elementary school space. The new Sugarloaf Elementary School will address overcrowding of schools in the Urbana area, and the Butterfly Ridge School will address the overcrowding in the west end of Frederick. We have several schools in both of these areas that are at 140 percent of capacity. One school at one point had 27 portables at that particular site.

In both systems, again, there is an enormous challenge to these communities trying to handle all those students with facilities, cafeterias that were built not to handle those kinds of populations. We have looked at redistricting. Again, the way unfortunately a lot of times things happen you have extra space but it may be in a different part of the county that it's not easy to redistrict. The Urbana area is obviously a fast growing area and will continue to be, and we know that space is needed there as well as on the west end of Frederick.

We do want to acknowledge and thank our local government support for the Frederick High School project and their willingness to forward fund the money needed to begin construction of it.

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We understand the burden of rising costs for construction and we appreciate that, but in the face of this challenge our students have to be given top priority. We feel strongly that our ability to provide a proper academic environment and instructional programs is incumbent upon having decent facilities. In Frederick County we are doing our part, the State has done its part, and we hope to continue to be an active partner with you in achieving the goal of making sure that we have adequate school space for our students and that we go back and address the space that needs to be renovated.

I know Comptroller Franchot has been very complimentary in the past of our maintenance of our facilities. We try to do a good job. We know that again putting money into keeping your facilities up makes them last longer. Again, we have many facilities that are 40, 50, 60 years and older that have been in operation so we are trying to do our best to maintain and make our facilities last as long as they can.

With that, I'm going to turn it over to the Chief Operating Officer of Frederick County Public Schools Mr. Ray Barnes.

GOVERNOR HOGAN: Thank you. Good morning.

MR. BARNES: Good morning, Governor Hogan, Treasurer Kopp, Comptroller Franchot, I'm here speaking on behalf of Superintendent Alban who is under the weather and couldn't make it today. But we appreciate the opportunity to appear before the Board of Public Works to request additional

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State construction funding for the new Frederick High School; for Sugarloaf Elementary School in the Urbana area; and for Butterfly Ridge Elementary School on the west side of Frederick City.

First on behalf of Superintendent Alban we want to take the opportunity to thank the Board for past funding approvals. We have been able to complete many needed projects with your support. And we also appreciate the FY '17 funding recommendation that the IAC has presented for your consideration.

However, we ask that the level of State funding for Frederick High School be increased for FY '17 closer to the amount that was requested by the Board of Education. This is our top priority request. The funding, with the funding provided from the State of Maryland last year, or the current year, FY '16, as well as with the funding provided by Frederick County, we have initiated the construction of the new Frederick High School. The existing Frederick High School building is the oldest high school building in our system. Major sections of this building date to its original construction in 1939, 76 years ago. Other sections were completed in the 1970s, however there have been no major renovations since that time. Frederick High has the highest FARM percentage of any high school in the county. It is also the high school with our largest number of students receiving ELL instruction. The school has strong traditions and a dedicated school community eager to take on the challenges that this community

faces. We are on track to open for students in August of 2017. And the entire community is looking forward to completion of this new school.

Our needs go beyond Frederick High School. We want to bring to your attention two elementary school projects that we requested funding for. The first is Sugarloaf Elementary School in the Urbana area. This is along the I-270 corridor, one of the fastest growing areas of Frederick County. Enrollment growth in this area has outpaced our ability to provide space. The other elementary schools serving this area are both overcrowded.

In addition to this new elementary school in Urbana we have the substantial need for additional space on the west side of Frederick City. This area of Frederick City is challenged by language barriers and poverty that are exacerbated by overcrowding at the schools that serve this community.

I just want to say that both these projects, elementary school projects, are completing the design, nearly complete. I also want to say that both these sites were donated. The Urbana elementary school, the new Sugarloaf Elementary School site was donated by a developer, so there were no land costs involved in the purchase of the site for this project. The Butterfly Ridge site was dedicated by the City of Frederick. So we appreciate the City of Frederick providing this land for this school. And there were no costs to the FCPS for this particular site.

Finally I just want to note there are several systemic renovation projects that we have requested funding for. These are itemized in our testimony that we prepared and presented for your consideration today.

In conclusion we understand that the cost of new school construction has increased in recent years. We certainly look forward to working with the State and the other LEAs in evaluating how best to respond to this important challenge. We appreciate the comments that were made by the folks from Washington County just before us. Frederick County has assumed a substantial financial burden and they have forward funded many of our new school construction projects. We recognize the importance of Frederick County's efforts to help us cope with growth in students and with our aging schools and we urge your support of the projects we have submitted today. Thanks for your time and consideration, and I want to introduce our County Executive Jan Gardner, who has a few remarks that she would like to make as well.

GOVERNOR HOGAN: Let me welcome County Executive Gardner, and thank you for coming, and we want to hear brief remarks from you. But I would just remind you that if you were in the classroom the bell rang a long time ago. We have to keep these presentations to ten minutes, otherwise the other counties won't get their chance. We have a hard stop on this day. So keep an eye on the Secretary here. She keeps flashing time's up, stop please, and people keep talking. So County Executive, we are going to give you a chance. We want to

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tell the rest of you keep your presentation to ten minutes or we will cut you off. So plan your presentations accordingly. We can't have three different people give long speeches.

MS. GARDNER: All right. Thank you. I'll try to make my portion as quick and direct as possible.

First, I do want to thank you for having us today and for the funding commitment to education on the operating side as well as to our school construction side.

I do want to say as the County Executive that I am committed to the projects that were presented by the Board of Ed and I am committed to funding the county financial share, which is easier said than done.

I do want to make two other points. The cost share for Frederick High School, we were cost shared at a lower cost per square foot from State funding because of a timing issue. Because we received our first round of funding in fiscal year '16 for Frederick High School it locked our square footage cost share at a much lower rate than what it would be today. So that has cost us, in my opinion, about \$8 million in State cost share. And I would really love to see some consideration of an exception made for that.

I also want to talk about the challenges of our overcrowded schools in terms of kids. In Urbana we have over 500 students attending school outside of a classroom building. And that is significant. I am very concerned before we

build that school we will have schools at 160 or 170 percent of capacity, which is a public health safety and welfare issue.

On the west side of the City of Frederick at Hillcrest Elementary we have over 300 students attending school outside of a school building. And we do have a high degree of poverty there. And you know, I am a granddaughter of three immigrants to this country and public education lifted my family. And I want to make sure particularly in these schools that public education remains the promise to our future generations so that they have equal access to the opportunities that public education can provide.

So we are certainly concerned with costs, and I'm happy to volunteer to serve on any kind of work group you put together to study the cost control of school construction. I was a member of the task force that was chaired by Treasurer Kopp and I do have a lot of ideas on that.

GOVERNOR HOGAN: Great.

MS. GARDNER: So thank you very much.

GOVERNOR HOGAN: Well thank you very much for joining us.

SECRETARY MCDONALD: Okay. Now we're ready for Baltimore City.

COMPTROLLER FRANCHOT: Could I ask a question?

SECRETARY MCDONALD: Oh, sorry.

COMPTROLLER FRANCHOT: Yeah. Of Frederick, I just wanted to ask a question. Apparently Dr. Lever is informing us that the cost of school construction in one year has gone up \$75 per square foot. It's now a whopping \$336 per square foot. How much is the new Frederick High School going to cost per square foot? I think you mentioned that you are under construction?

MR. BARNES: Right. Well the, on a cost per square foot basis --

COMPTROLLER FRANCHOT: With the site, with site included.

MR. BARNES: With site included?

COMPTROLLER FRANCHOT: Mm-hmm.

MR. BARNES: We're at about \$330 a square foot. So we're pretty much in line with what is being recommended. Now this --

COMPTROLLER FRANCHOT: So what have you done to mitigate that?

MR. BARNES: Well we have been in discussions recently with all of the contractors who have been awarded bids. And we have been going through a process of value engineering specific changes to the specifications of the project which is going to help lower the costs. And we're in that process now and we're hopeful that we can bear some fruit based on those discussions and negotiations.

COMPTROLLER FRANCHOT: Has your team visited the much commented on Monarch Academy?

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MR. BARNES: Yes, I have. I've been there.

COMPTROLLER FRANCHOT: And what was your assessment there? Because that was probably half the cost of the new Frederick High School per square foot.

MR. BARNES: You know, there were some advantages to the Monarch site. I mean, from my standpoint I think the pre-engineered approach to building construction has some value and we should be investigating it, particularly at the elementary school level. I think there is more of an opportunity there to do that than maybe at the high school level. I think as an organization locally and at the State, they have made some compromises that we will have to decide whether or not this is something that we also want to compromise on.

I also want to say that the Monarch project was bid more or less privately, so some of the procurement regulatory requirements that a local government, an LEA would have to abide by were not present at the time that they put out bids for this project. So that assisted enormously I think in reducing some of the costs.

MR. BARNES: We have a few other unique costs with the school, like we're demolishing the old school which, you know, we do have to pay for. And we do have a stream, Carroll Creek, that runs through the property that needs a stream restoration. So there are some unique things that have added to the cost there.

COMPTROLLER FRANCHOT: Well I want to compliment Frederick on its maintenance program because you have schools that are just as old as schools in other parts of the State that have been superbly maintained and they are still viable. They may need to be replaced, because of their old age, I mean, 80, 90 years old. I understand that. But compared to other jurisdictions, you guys get a lot of superior ratings and a lot of good ratings as far as maintenance because you take care of what you have.

MS. GARDNER: We do. And thank you for that. We will continue to do that.

MR. BARNES: Thank you.

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR HOGAN: Thank you.

SECRETARY MCDONALD: Baltimore City?

GOVERNOR HOGAN: Baltimore City. Good afternoon.

DR. THORNTON: Good afternoon.

GOVERNOR HOGAN: Or morning. I don't know what time it is.

DR. THORNTON: It's a good day.

GOVERNOR HOGAN: It's a good day.

DR. THORNTON: It's a good day. Governor Hogan, certainly Madam Treasurer Kopp, Comptroller Franchot, certainly our State Superintendent Dr. Smith, Dr. Lever, and also members of the IAC, this is really a pleasure to be

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with you today. I'm joined on my right with Mignon Anthony, who has the responsibility of the 21st Century plan. I want you to know, Governor, we are on time. We are meeting the deadlines and we think you are going to be very proud to have one of the largest I think construction programs in the nation moving in a really great direction. And on my left certainly is Keith Scroggins.

I'd like to begin by certainly thanking the IAC for the recommendation for certainly the 12 approved projects. The total allocation is \$25.6 million based on 75 percent of the Governor's budget. I respectfully certainly would like to submit an appeal for the IAC for the second round of funding and recommendations to the district for fiscal year 2017.

This appeal addresses 28 deferred opportunities that we think we have for certainly our children. I understanding two major renovation projects are pending review, and we are certainly optimistic about that.

In the past I want to certainly express my gratitude and bring you some really good news. Governor, the last time we were in this position I think you were in the job about a month and I was in the job about three months. And we were relatively new, and I made some promises to you with respect to certainly how maintenance and I think Mr. Franchot has certainly, has certainly spoken to that with respect to Frederick County and what we have we have to certainly be good stewards. So I promised our operations team would certainly work very hard and I'm pleased to say that's in place. I'm pleased to say the

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support and management structures are certainly in place and maintenance of ongoing CIP projects are there. And we have really begun a really strong focus around prioritization and sequence of projects and coordination. And as a result I think it has certainly positioned us certainly for our children to have wonderful opportunities to go to school.

I'd like to thank the IAC for supporting the work to address the prioritization. I've crunched the data and I think you will be very pleased with the bandwidth in which we certainly have, how we have minimized bandwidth certainly with many of our projects and supports to allow really great work.

Just to give you an example, this resulted in the reduction of square footage of 177,000 FY '14 to 127,000 in FY '16. And what you are able to do is actually create a greater degree of concentration and certainly support as we continue to move forward.

The Board is committed to the infusion of \$3 million additional each year. One of the challenges we had that our office was not funded at an appropriate level. I'm pleased to say not only did we commit to the three last year, but three is in the budget next year and will continue to be added till we get to \$27 million after doing benchmarks of comparable districts of our size. It resulted in a 53-school decrease with respect to how we support schools on teams. We are now down to 16. I think we are going to be positioned hopefully to continue to do the work that we know we are capable of doing.

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I'm pleased to say we didn't have a management system. Governor, you asked me do you have one last year, and you recall, and I said we don't. I'm pleased to say we're working with certainly our IAC partners, the Maryland Stadium Authority who has been a great partner to us. We have selected a vendor called SchoolDude. I thought they made the name up but it's a great name, but it's working for us and to implement a computerized maintenance system, management system. Because it's not often what you build, it's what you take care of. And I think the comments that were made, and we have to do a really great job with that.

The CMMS will be a key component for us as we continue to move forward. We can look at key performance indicators and we can judge our progress and we can make certainly mid-course corrections as we continue certainly to move on.

So as we continue to move forward I'm really concerned about facilities management, and we actually, our team is working tirelessly to address all the areas. And I'm pleased to say our ratings went up, however they are not up far enough. The ratings were over all adequate in all reports. But I want you to know I disaggregated those results, I looked at areas that were not at adequate, and we have done a really strategic intervention just to be certain that those overall ratings will continue to move forward. I was very envious to hear Frederick County, that they were superior. That's the place we want to be as an

organization, and having the oldest facilities I think in the State which is very, very important. And we do have the oldest. I remember, Governor, we talked about this building being one of the oldest. I think you beat us by a few years with respect to Poly as we continue to move forward.

Prioritizing fire and safety is very important to us, the safety of our young people. And as we continue to move forward those are things that we inculcated in the work that we certainly will continue to do. We are working to address those challenges with the IAC. You know, as a result I'm really pleased to say that progress is being made.

I would be remiss if I didn't talk about air conditioning. I'm really encouraged by what took place. You know, I've been in several districts and this is the first district I've been in that we didn't have central air conditioning in all our schools. So it certainly positions us to really do some things. Schools are no longer 180 days, they are year round. And I have a very comprehensive summer program. I am really interested in looking at year round opportunities certainly for our youngsters. And as a result of that we think we will be positioned to move forward. We have taken a look at several platforms, certainly an HVAC platform. I'm pleased to say five projects have been actually approved through the IAC. But we also have taken a look at potentially alternative strategies that we would certainly utilize a consultant to do.

I'm here to tell you that there are 1,940 classrooms that do not have air conditioning and I'm here also to say that as we continue to close space we will certainly make good utilization and we have done some work with respect to trying to cost out what those opportunities would be as we continue certainly to move forward.

Lastly, but certainly the 21st Century building, which I have mentioned that initiative is on task, on budget, and certainly moving forward. And hopefully I can get you back on time as we continue to move forward by answering any questions that you might have. And I would kindly extend my respect certainly to Lieutenant Governor Rutherford. I didn't see you sitting over there. Good morning, sir.

GOVERNOR HOGAN: Well Dr. Thornton, thank you for giving us that speed read.

DR. THORNTON: All right.

GOVERNOR HOGAN: That was keeping us on time and you covered a lot of ground there. I appreciate you mentioning the 21st Century Schools.

DR. THORNTON: Yes.

GOVERNOR HOGAN: You know, last month this Board approved the Stadium Authority to issue \$320 million in revenue bonds to support renovation and construction for Baltimore City Public Schools. This program

authorizes the Stadium Authority to issue up to \$1.1 billion in debt to support school construction and renovation in Baltimore City. And I appreciate you mentioning it and I'm happy to hear that you feel like, you think you are making progress and things are on track.

DR. THORNTON: It has been tremendous progress. I think the work and partnership we have been able to do with the Maryland Stadium Authority has certainly increased our bandwidth as an organization. And I'm very optimistic of the opportunities that lie in front us. I'm on schedule. We're looking to actually have shovels in the ground. We're doing demolition now on two sites. And as a result of that I think you will be very, very proud of the fact, the State will be very, very proud of the fact that we are looking at 23 to 28.

I'm also encouraged with some of the conversations we have had this morning. We have visited the Monarch site. We want more opportunities for our children. So as that continues to unfold we will be watching that very closely to look at ways in which we can certainly increase savings. Because the more facilities that I am able to build, I think we are in a better position to really attract young people, attract families, and begin to really bring life into communities. Sometimes the school is the only thing in the community, Governor. When we rode around we talked about that. And when the school goes away it certainly takes away, it creates a sense of hopelessness that I think communities deserve.

GOVERNOR HOGAN: Thank you.

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COMPTROLLER FRANCHOT: Yeah, no, I appreciate your testimony. I wonder if I could ask Mr. Scroggins a question.

MR. SCROGGINS: Good morning.

COMPTROLLER FRANCHOT: Welcome, a pleasure to see you. On October 16th, 2013 at a Board of Public Works meeting I called on you to put a box unit in every one of apparently the 1,940 classrooms, is that the figure I heard?

MR. SCROGGINS: Yes, sir.

COMPTROLLER FRANCHOT: And provide relief within six months. You said you would certainly look at every opportunity to put in air conditioning. So when I read this summer about Senator Bill Ferguson's outrage at the deplorable conditions at the newly merged Maritime Academy-New Era Academy in Cherry Hill on July 24th, 2015, I was delighted to read that you had ordered 30 new window air conditioning units. And by Senator Ferguson's return visit in less than two weeks, thank God somebody is outraged, okay, within two weeks later on August 5th, 2015, you had put in 27 new air conditioners, the moldy carpet had been removed, replaced with tile, and the school was being painted and cleaned.

MR. SCROGGINS: Well I would say that Senator Ferguson visited the site prior to our beginning any work. And we did actually install about 32 window air conditioners to make the school better.

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COMPTROLLER FRANCHOT: Fabulous. Congrats. What about the 1,940 classrooms that currently lack --

MR. SCROGGINS: We are studying, we are studying that. We have a consultant who is working with us. We're looking at, that building was actually equipped to handle the air conditioners that we installed. But we're looking at all of our buildings because many of them will require some energy, some power upgrades. We have to look at just all of the different things that are needed. And we're doing that right now. We expect to have an indication within 30 days of what we will be able to do. But we're studying this issue. Also we're looking at funding, where we will be able to get funding.

COMPTROLLER FRANCHOT: But that's what you said three years ago.

MR. SCROGGINS: Actually three years ago I said we were moving forward with central air for many of our buildings. In our CIP this year we had five projects that were approved out of the 13 that we submitted. The remaining eight will certainly be in the CIP next year, as they were B rated, and some were C rated. But we will certainly meet with the IAC to see what is needed in order to get those eight --

COMPTROLLER FRANCHOT: Well you know, Mr. Scroggins, I have a lot of respect for you. There are many challenges in Baltimore City. The maintenance program frankly is in chaos. I would describe it as that. I just, you

know, I'm happy to be here. But to have you say again that frankly you prefer central air conditioning, I take it is the response?

MR. SCROGGINS: I prefer central air conditioning, but because it is a lot more efficient.

COMPTROLLER FRANCHOT: Okay. But do you know how invasive the installation of central air conditioning is? How long it takes? How much it costs? How many years and decades?

MR. SCROGGINS: It's longer lasting and, I mean if, we're still moving forward with the air conditioning units. You know, we're meeting regularly. And if that is what we have to do in order to speed up the process we're certainly moving forward.

COMPTROLLER FRANCHOT: Okay. Let me just urge you, that is what you have to do. And I'd like to have every Board of Public Works meeting an email from your staff as to how many of those 1,940 classrooms now have air conditioning units. You just corrected me and said you put in 32 box units within two weeks.

MR. SCROGGINS: Yes.

COMPTROLLER FRANCHOT: Seriously. Let's move forward. Every two weeks I'm going to ask somebody from Baltimore City to tell me how many, 1,940, how many have a box unit in it, just like New Era Academy-

Maritime Academy. So it's a new day. Let's just move. Do it. The people want it.

MR. SCROGGINS: Okay.

TREASURER KOPP: Okay, meaning --

MR. SCROGGINS: I'll certainly confer with my boss, who will --

TREASURER KOPP: Okay.

DR. THORNTON: He has conferred. We certainly understand the urgency. We will move in an expeditious way. The reality of it is that certainly it's more ideal certainly to have total units. But the reality, it just takes too long. And the period in which we would get them the children would suffer. You know, I'm struggling certainly with air conditioning. I'm also struggling with heat. So at the end of the day we will move very expeditiously. We will set aside a platform to certainly get us to about 2020 and I will basically interval move them up forward. And that's a 48-month, I should be there. That was my original thinking.

COMPTROLLER FRANCHOT: Yeah, but that's for the central air you're talking about.

DR. THORNTON: No. The 2020 was based, the central air HVAC was the 2024. I want to accelerate that. I want to utilize the 21st Century initiative actually to build in the HVAC units that we move forward. Every time we do a renovation we get there. We're looking at in the next 36 months, which

would be FY 2020, hopefully to be in a really good place with respect to our air conditioners.

COMPTROLLER FRANCHOT: Well that, yeah, but that's three years from now.

DR. THORNTON: That's \$17.9 million.

COMPTROLLER FRANCHOT: That's three years from now.

DR. THORNTON: Right. But it's \$17.9 million as well. And certainly if I depleted the, if I depleted my CIP dollars I certainly could advance that. So what I would certainly do --

COMPTROLLER FRANCHOT: Okay, okay, could I just interrupt for a second?

DR. THORNTON: Sure.

COMPTROLLER FRANCHOT: I hate to be frustrated here. But we have just dealt with this issue. You need to put box air conditioning units in these classrooms. If you don't do it, it's a dereliction of duty. Come on. You have just put, you just told me you put 32 in one school in two weeks. Get going.

DR. THORNTON: We will. We believe it's needed. We believe we will move as quickly as possible. The only challenge, it's more technical, and it's having the wires to go to the units to actually drive them.

COMPTROLLER FRANCHOT: Great. Get Anne Arundel to come up. They had the same problem. They took the line right from the outside.

They didn't go in and try to overload the current system. They put an additional line in. Where the electricity came into the school they put it up, they did it, and it took weeks, not years.

DR. THORNTON: We hear the urgency. And we will move quickly.

COMPTROLLER FRANCHOT: Thank you.

TREASURER KOPP: Governor, could I just say I said when I voted for the item that I hoped it was not going the beginning of a slippery slope of this Board becoming the State School Board. And I reiterate that. I think to make the process open and allow all alternatives is fine. I think to take over the function of the local school boards, the local governments, and the IAC is moving in the wrong direction.

GOVERNOR HOGAN: But I don't think the Comptroller is suggesting taking over the local school system. I think the Comptroller is saying if we are going to allocate hundreds of millions, in fact billions of dollars, to local governments that we ought to be able to tell them how to spend it. And the fact that we have 30,000 kids in two different jurisdictions, Baltimore City and Baltimore County, without air conditioning is simply unacceptable to this Board. And we have all decided that it's a priority that needs to get fixed.

TREASURER KOPP: No, we decided that it ought to be part of the process.

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GOVERNOR HOGAN: And waiting seven to ten years for central air is not the solution. And we're not going to wait. The kids are not going to wait ten years. We're going to get it done now. We've already decided that. So it has nothing to do with taking over the function of the local board. It's a directive from the Board of Public Works that will be answered and will be listened to.

TREASURER KOPP: I'm sorry, Governor --

GOVERNOR HOGAN: That's a fact.

TREASURER KOPP: -- that may be, that may be an interpretation of the facts. We'll see how it plays out.

GOVERNOR HOGAN: No, that's a fact. That's what the motion was for.

TREASURER KOPP: Governor, this year --

GOVERNOR HOGAN: That's what the decisions that were made.

TREASURER KOPP: No. Let me just say, I voted for a motion to allow the IAC to consider room air conditioning.

GOVERNOR HOGAN: I can tell you that the Comptroller is not going to allocate more money to jurisdictions that don't solve this problem, and neither will I.

TREASURER KOPP: That is exactly what I fear. Could I just ask one question on another subject? You said, Mr. Superintendent, that the rating of

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the maintenance was going up. That actually is not the numbers that we have before us and we have a large proportion of non-adequate maintenance. I don't want to go into this right now --

DR. THORNTON: Yes.

TREASURER KOPP: -- but I'd like you to address that. There are a lot of problems, air conditioning is one of them but hardly the only one.

DR. THORNTON: Ma'am, yes. When I looked at the overall aggregate it had improved. However, I acknowledged or attempted to acknowledge the fact that we need some improvement in other areas. And those are the areas that we are working on individually now. And I think a lot of the mechanisms that are necessary to do that type of review are in place.

TREASURER KOPP: That's great. Could I see your response to this particular chart? Not now.

DR. THORNTON: Okay, sure. We'll be glad to.

TREASURER KOPP: Focusing particular on the non-adequate.

DR. THORNTON: No problem. No problem.

TREASURER KOPP: Thanks.

GOVERNOR HOGAN: Any other questions of Baltimore City?

COMPTROLLER FRANCHOT: Yeah, no, I just want to suggest that what we're talking about here is putting your kids in front of your process. We're not suggesting taking something over or ordering you to do something.

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We're just incredibly frustrated when we read things like I just read to you several times. So please, go get the job done. Put these units in. Figure it out. Bring Anne Arundel up if you need help. And you know, we're talking weeks. And it's cold now. It snowed a lot. It's going to get warm very quickly. Thank you.

DR. THORNTON: Thank you.

GOVERNOR HOGAN: Thank you.

SECRETARY MCDONALD: Baltimore County?

DR. DANCE: So good afternoon.

GOVERNOR HOGAN: Good afternoon.

DR. DANCE: Mr. Governor, Madam Treasurer, Mr. Comptroller, and Lieutenant Governor I want to recognize you as well, thank you for the opportunity to be here today following my colleague in Baltimore City. I would be remiss if I didn't recognize a couple members of our delegation who have joined us today. We have Delegate Steve Lafferty, who is Chair of the Baltimore County delegation here with us today; and Delegate Charles Sydnor, who is here with us as well.

GOVERNOR HOGAN: Good afternoon.

DR. DANCE: We also have a member of our Board of Education, Kathleen Causey, who has joined us today, too. So thank you, Ms. Causey, for being here.

I welcome the opportunity to speak to the Board --

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GOVERNOR HOGAN: Before you get started could you please tell us about the, give us an update on the Parkville roof collapse?

DR. DANCE: Yes, sir. Thank you for asking about that.

GOVERNOR HOGAN: We're all concerned about that and I know you're working on hard on taking a look at that issue.

DR. DANCE: We are. And I appreciate you asking, Mr. Governor. I got an update this morning about Parkville Middle School. It's not as bad as it seems but it is a roof collapse. With the historic snowfall that we received to only have one school that was impacted is a tremendous help for us. But we have crews there. We have actually brought an on site engineer there as well, too. So we are hoping that whenever we can get students back in school, I'm hoping we can get them back in school ASAP, that the cafeteria will be functioning for our kids. So thank you for asking, Mr. Governor.

But I do welcome this opportunity to appear and to share some of the progress that is happening in Baltimore County Public Schools around our facilities and to thank you to the IAC for funds that have already been allocated to us. As all of you know, the IAC has allocated roughly nearly \$29 million already to the school construction program for Baltimore County. And this allows us to complete the renovation and addition at Dumbarton Middle School that includes central air conditioning; and complete the construction of two replacement schools that allows us seats and central air conditioning at Relay Elementary

School and Westowne Elementary School. And it also provides us partial funding for air conditioning at eight elementary schools and one middle school.

So we appreciate this generous support but our initial request of \$59.3 million which realizes the cash flow amount needed for fiscal year '17 projects to address additional seats and air conditioning falls a little bit short. So we're asking for you to look at giving us additional dollars for that.

In Baltimore County Public Schools we are facing the fact that we are having roughly 8,000 students over the next ten years enrolling within our school system. And so as we build out our school construction program we're looking at three things. How do we add seats so that we can get our students into comfortable facilities? How do we make sure that we modernize our schools. so that actually consists with air conditioning and technology upgrades? But also how do we look at trading efficiencies, such as what was discussed earlier today?

In Baltimore County we have a \$1.3 billion Schools for Our Future program that will look at addressing all three of those. And so the fiscal year '17 request for us, for our county and state, includes central air for 18 schools. Local funding has actually allocated money to complete all central air projects by 2021 but we recognize the urgency to complete that sooner.

Our unfunded projects with the highest priority include Padonia Elementary School. This is a unique partnership where we partnered with county government to where we have created a community center, which is a

gymnasium. We will then use that gymnasium as our school gymnasium and create classroom space out of the current gymnasium. So that is our biggest unfunded priority.

The next two highest priorities includes the consideration and replacement of Victory Villa Elementary School and Lansdowne Elementary School, again getting seats and getting air conditioning for our students. Both schools are over capacity by 266 students but by building replacement schools we will increase our capacity by 831, and alleviate overcrowding issues that we're having in our northeast and our southwest areas of our county.

In addition funding is also requested for four limited renovation high school projects that includes air conditioning, looking at Patapsco High School and Center for the Arts, Lansdowne High School, Woodlawn High School, and Dulaney High School. We worked with our county funding authority and we actually have \$80 million that was allocated in fiscal year '16 to begin that work.

On the subject of air conditioning, and I appeared before this Board three years ago having this conversation. And Mr. Comptroller, I appreciate the one on one meeting you and I had where you expressed your sense of urgency around this issue as I have it as well too. When I became Superintendent 71 schools lacked air conditioning within our school system.

Over the last three years that number has been reduced to 48 schools that lack

central air conditioning. At the start of next school year we will have 37 schools that lack central air conditioning, but that is still too many. With the current funding request that's in front of you that matches our county capital request, at the '17-'18 school year we will have 16 schools that lack the funding for central air conditioning, and that's where we need to spend the 16 schools, thinking about how we might solve that dilemma. I do have in my initial plans to include in my FY '18 and my FY '19 capital budgets, for not just the State but also the county as well too, to complete those air conditioning projects for those 16 remaining schools.

On the area of maintenance, and this is where Mr. Comptroller you and I have made conversations as well along with you, Madam Treasurer, around it. Baltimore County Public Schools continues to address our aging infrastructure as well. And so the budget request that is in front of our Board of Education right now includes additional dollars to actually take care of our older facilities as well too.

In my January 5th letter that I sent to Dr. Lever, and thank you for your support, that I know was shared with the Board of Public Works, we want to make sure we address air conditioning as soon as possible. And I know we have several members of our community who are here with us today who have been working with me around revising our policy and our rule in terms of when we have to close when we actually have heat that actually necessitates us actually

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closing schools for the day. But we recognize, Mr. Comptroller, that with the Board of Public Works taking action this morning that a conversation should be had. Because I know as I shared with you, my initial position was I didn't want the county to divert money from other projects to take care of portable units. With the vote that was had today I think that we need to have a further conversation. But I truly do appreciate the support of the Board of Public Works around our public school construction program in Baltimore County. Dr. Lever, you have been phenomenal with us in terms of how we look at creating efficiencies for our buildings. We do have prototypes that we use in Baltimore County Public Schools for all of our projects. But we also look at value engineering and working with the county government as well, too.

So with that, I would take any questions from the Board of Public Works. Thank you for your consideration of our appeal.

GOVERNOR HOGAN: Thank you. Any questions?

COMPTROLLER FRANCHOT: I have some questions. Yeah, sure. I just want to start by recognizing my good friend, Lily Rowe, who is in the back, along with a member of the School Board Kathleen Causey. Welcome. And I think Mr. Melia is there. He's a tech teacher at Lansdowne High School and he testified at the last public forum that we held up in Baltimore County.

So I was delighted to see the request for funding to renovate Dulaney, Patapsco, Lansdowne, and Woodlawn High Schools in your request.

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Many of us, including Lieutenant Governor Rutherford sitting over there, visited Dulaney High School at the invitation of parent advocate Jennifer Tarr. So we've witnessed brown murky water flowing from drinking fountains and bathroom faucets. We have experienced the stifling heat students and teachers are subjected to for weeks on end. I have also heard directly from teachers and students at the other three high schools who are dealing with the same deplorable conditions. So as satisfying as it is to see these four high schools in your state funding request, I must express a few concerns.

First, especially after reading Dr. Lever's fiscal year '14 maintenance report, I am apprehensive about the limited scopes of these renovation projects. Woodlawn's Middle School 2010 renovation was determined to be excessively limited despite costing \$20 million because inspectors noted deficiencies in the electrical system, the water distribution system, the windows, and the ceilings in January of 2014. So Dr. Dance, have you carefully weighed the long term costs and benefits to determine if the scopes of these four high schools that I'm just, renovation projects that I just praised you for, are truly a sound investment of the taxpayer dollars?

DR. DANCE: Sure. And Mr. Comptroller, I appreciate you bringing that up. And this actually came up with our IAC meeting as well with Dr. Lever when he expressed that same concern.

At the end of this month I will get the feasibility studies back from all four of those schools. I personally am involved in those. Particularly when those feasibility studies come back we will have a further conversation not just with the IAC but also with our county government as well, too, to figure out what the feasibility study is saying versus what the budget amount is to figure out our way forward. But I know that Dr. Lever did express concern, Dr. Smith did as well, at the IAC meeting that we may have to go back and look at those projects particularly because of the scope of work that we know will need to happen.

COMPTROLLER FRANCHOT: Yeah, let me just mention one of them because I had mentioned Mr. Melia is here, who I believe he teaches at Lansdowne High School, one of the schools that you are asking I think it's \$30 million, \$29 million, \$30 million for for a partial renovation. I've been told by the PTA that they are going to get a new HVAC system. That's the mythical central air conditioning, you know, that's the goal, right? A renovated office, and an elevator. But here's the problem, the school apparently is taking on water because it is sinking into a pond which it sits beside. So the county apparently is asking for \$30 million to put into a school whose foundation is sinking into a pond. Are you really serious that there is not a shoring up of the foundation that's included in this \$30 million request?

DR. DANCE: And Mr. Comptroller I think what I'm going to be looking at is the feasibility studies that come back at the end of this month.

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Again, once that feasibility study comes back that says everything the school needs then it's my job as Superintendent to advocate not just with this body but also with the county government, to make sure the school gets exactly what it needs based on that feasibility study.

COMPTROLLER FRANCHOT: Okay. Well all four of the schools apparently don't even qualify for a very meager \$1 million requested because they all have C classifications which indicate that the technical issues I guess you are alluding to have caused the IAC to recommend deferral of funding due to, and I quote, lack of planning approval and lack of design process. And I guess what I'm concerned about is what is the lack of design progress? And why are we moving forward before these projects are properly outlined? And will the documents submitted to the IAC, isn't it going to be too late to secure the fiscal year '17 funding without those documents?

DR. DANCE: Sure. And to the Comptroller's point, we don't believe it's going to be too late at all. Again with the timing of having the feasibility studies back by the end of this month, we believe that we will be able to position ourselves to get the needed documentation to the IAC. But we wanted to make sure the feasibility studies were in hand before we submitted anything to the IAC.

COMPTROLLER FRANCHOT: Okay. And how are you going to provide clean drinking water for each of these schools?

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DR. DANCE: We work directly with our building operating supervisors to make sure that we work and address any type of flushing issues with our plumbing. However we have been very clear that those four schools definitely need renovations that will include looking at the plumbing systems in those schools as well, too.

COMPTROLLER FRANCHOT: Okay. So in your letter to Dr. Lever that you mentioned you claim credit for several capital projects which provide 21st Century learning environments for students which include air conditioning. That's a direct quote from your letter. And on this list are new schools for Victory Villa Elementary, Lansdowne Elementary, even though both of these projects have not even been given planning approval due to a lack of design process.

Just to be clear, I count schools as air conditioned when air conditioning has actually been installed and cool air is flowing through the classroom. For the record can you tell us how many Baltimore County classrooms have actually had air conditioning installed over the past year, and how many more will have installation completed before the 2016-17 school year? I'm not talking about funding in place, that's a quote from your letter, or anything like that. I want to know how many more classrooms will actually provide safe, healthy environments for your students and teachers by the time the next school year begins?

DR. DANCE: Sure. And Mr. Comptroller I can get you the actual number of classrooms but we will have 37 schools that will not have air conditioning at the start of the next school year. But I will follow up with the Board of Public Works and get you the number of classrooms.

COMPTROLLER FRANCHOT: Okay. So three years ago you were here to ask for your fair share of the \$25 million in additional State funds set aside for the fiscal year '14 air conditioning initiative. As you know, these funds were, and I'm quoting here, intended to be used rapidly and effectively in order to install air conditioning in schools by the end of the summer. Your County Executive, I haven't seen him recently, but your County Executive came prepared with statistics to indicate how many Baltimore County schools were un-air conditioned compared with other districts. And he even accounted for the 26 schools slated for closure in Baltimore City when he asked for, as I recall, 45 percent of that \$25 million pie. And that was going to knock the school, the percentage of schools without air conditioning down into the twenties.

Well Baltimore County was awarded \$15.7 million, or about 63 percent. You certainly got your share of State support. But unfortunately three years later I'm still calculating 30 percent of your schools do not have air conditioning. In addition that money was earmarked to install air conditioning by the end of the summer of 2014, and I'm utterly disappointed that several schools funded by that specific program remain un-air conditioned as we begin 2016.

And that's specifically Hawthorne Elementary, Scotts Branch Elementary, I mean what is the, what's going on?

DR. DANCE: So Mr. Comptroller, I'll follow back up with you on those particular schools. I do know we were able to get about five schools air conditioned with those dollars back in fiscal year '14. But I will follow up with you personally on those. I believe those are actually completed with central air. And if they are not they will be complete at the end of this summer for the '16-'17 school year. They are included within that 37 that we still have.

COMPTROLLER FRANCHOT: Okay. Well every single time you come down I ask how long the plan is going to take, and then I continue to hear from students and parents and teachers who are sick and tired of getting sick and tired from going to school. At least they have some magnificent Board members. I mentioned Kathleen Causey. Thank goodness that you and your fellow Board members made some motions to try to move this along. Thank you for your, you know, being a breath of fresh air. Okay.

So I'm sure you recall standing here three years ago claiming it would cost \$5 million to upgrade electricity and install window units in Westowne Elementary School. You described that as a band aid and that you could completely renovate the school for only \$5 million more. That just wasn't true.

DR. DANCE: So I don't particularly remember those comments from my very first year, Mr. Comptroller. And if I, I would love to see that but I don't necessarily remember saying that. What I've always said and my position has been is that I don't want us to redirect money from renovation and construction projects because I know that in some cases when that happens those schools may not necessarily get a renovation at all.

GOVERNOR HOGAN: Well let me just tag onto the Comptroller's comments here. Because somehow there seems to be a disconnect in communication, and I just want to make it really clear. Waiting seven years to fix the air conditioners with central air is not acceptable. We can't have 30,000 kids sitting in hot classrooms. So we understand that you don't feel that the window air conditioners are a good idea, and you don't want to divert funds. But you know kids sitting in the hot classrooms until 2021 is not acceptable. That's what we're telling you.

We had some kind of communication out of the county, I don't see it in the request today, but they said we can't fix the air conditioners for seven years unless you give us nearly half of all the school construction dollars in the entire State and they want to tell everybody else in this room you are not going to get any money. That's not going to happen either. So since you are not going to get half the school construction for the whole State, and since we are not going to wait seven years for central air, you are going to have to listen to this Board to

figure out a way to get the classrooms air conditioned like 22 other jurisdictions have done. It's only your county and Baltimore City that have failed. So you know, it's a lot of double talk going on. We want you to come back with a plan to get the kids out of the hot classrooms and not wait till 2021. That's the whole purpose of this whole debate today.

DR. DANCE: Yes, sir.

GOVERNOR HOGAN: And the answers that we have gotten out of your county so far have been completely unacceptable. Ludicrous, actually. Give us half the money in the whole State and we'll fix it. Otherwise, they are just going to have to wait until 2021. Nobody is going to accept that answer. You've got to come back with a new plan.

DR. DANCE: Yes, sir.

COMPTROLLER FRANCHOT: In deference to the Governor I'm just going to fold my tent because I'm sick of bringing this subject up and receiving the kind of obfuscation and just plain flat out stubborn refusal to do the common sense idea. Go and get the units and put them in, please. I mean, you just heard that Baltimore City, really with all their challenges, went and bought 32 air conditioning units and put them in 32 classrooms in two weeks.

GOVERNOR HOGAN: And Anne Arundel County, you know, a school system of similar size. Not exactly, but similar, a pretty large county,

solved the entire problem. They didn't wait seven years. They got air conditioning in all the classrooms.

DR. DANCE: And we've talked to our colleagues in Anne Arundel. Yes, sir.

GOVERNOR HOGAN: Yes, well we want you to do exactly what they have done.

COMPTROLLER FRANCHOT: Haven't you met recently with Anne Arundel?

DR. DANCE: Yes. We talked to our colleagues in Anne Arundel. I know my Chief Operating Officer has met with Alex. I've talked to Superintendent Maxwell when he was there, of course, and then Dr. Arlotto as well.

COMPTROLLER FRANCHOT: Well, I'm going to wrap up. I have all sorts of other questions to ask you but I'm going to just wrap it up because this is the issue that you need to take away. And please, go get the job done. Don't be like what went on out there in Flint, Michigan where somebody drinks a glass of, the mayor drinks a glass of water to show it's safe when he knows it isn't. Don't come down and tell us things that aren't true. Go back and put those units in. And, you know, go to the head of the parade. We'll praise you and the parents will praise you and the teachers will praise you and the administrators will praise you and everyone.

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DR. DANCE: Yes, sir.

TREASURER KOPP: And do report where the money is coming from.

DR. DANCE: Say one more time, Madam Treasurer?

TREASURER KOPP: Where the money is coming from.

DR. DANCE: Absolutely. In the plan that you want back?

TREASURER KOPP: I would like to know where this money is coming from.

DR. DANCE: Yes, ma'am.

GOVERNOR HOGAN: Thank you.

DR. DANCE: Thank you.

SECRETARY MCDONALD: All right. Governor, would you like to take our lunch break now? It's about that time. We could suspend for a half an hour and come back at 1:10 and start with Washington County at 1:10.

GOVERNOR HOGAN: Sounds good. Everybody be back at 1:10, Washington County.

(Recess.)

SECRETARY MCDONALD: Washington County? Are you here? You are.

DR. WILCOX: Governor Hogan, Ms. Kopp, Mr. Franchot, Mr. Smith, and I don't know where Dr. Lever went, but Dr. Lever it's good to see you as well.

TREASURER KOPP: Thank you. He's right there.

DR. WILCOX: I actually saw him out in the hallway earlier. So as the Superintendent of Washington County it's my privilege to be here today. I first want to say thank you, Governor, for your leadership, for your vision and for your passion around these issues.

Today I think you will find that we will get you back on schedule with our request. We are specifically requesting from the Board of Public Works that you fully fund three requests that we have, two for heating, ventilation, and air conditioning systems at Hancock Middle Senior High School and at Boonsboro Elementary School, and one roof replacement at Funkstown Elementary School.

I would also be remiss if I didn't thank the Board of Public Works for your support on Jonathan Hager Elementary School, which will open on April, early April of this year. We're very excited. It came in within budget and it is on schedule to be completed.

GOVERNOR HOGAN: Great. Congratulations on that.

DR. WILCOX: Thank you very much. We have really only the three systemic projects that I mentioned earlier. Hancock Middle Senior High

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School, the HVAC replacement, the appeal is for the remaining funding of \$459,000 that will fully fund this project. Boonsboro Elementary School's HVAC replacement project, we are appealing for \$282,000. And finally the Funkstown Elementary School, which is our pre-kindergarten center, we are appealing the final funding of \$148,000. And with that, I will make myself available to any questions that you might have.

GOVERNOR HOGAN: Any questions?

COMPTROLLER FRANCHOT: Just quickly, Dr. Wilcox, your county does so well on this maintenance ratings which is very rigorous, the 35 engineering criteria they use to rate the schools. Out of eight schools that were inspected in September of 2012, three earned superior ratings. That's more than Montgomery County got. And so what exactly is it that you are doing? And why are the rural areas so much more impressive as far as the maintenance than some of the big suburban counties?

DR. WILCOX: Well first and foremost, I'm blessed with a great staff of lead custodians, head custodians, people who actually care every day about their facility. They attend to the small details so they don't have to become big details. But we also have a great project staff led by Dr. Michael, who is in the audience with me, and Rob Rollins, who is our facility manager. They are probably second to none in the State in terms of their care of our facilities and their constant intervention into smaller systems so they don't turn into larger

problems for us. So I think it's that constant attention that we pay to our facilities on a daily basis.

COMPTROLLER FRANCHOT: Excellent. Thank you.

TREASURER KOPP: Do you think it's size? I mean, if the larger jurisdictions were broken down, in terms of maintenance, not, into small sizes, is there any reason why they wouldn't become --

DR. WILCOX: I think scale plays a part. I was a Superintendent in Pinellas County, Florida. We were a school district of 115,000 kids with 200 facilities. I would not be able to stand in front of then Governor Bush and say that we had that level of attention to detail. So I do think scale plays a part in it.

TREASURER KOPP: Even if you did break it down into --

DR. WILCOX: Well, you know, my district was, in Pinellas County we were broken down into five subdistricts with assistant superintendents, deputy superintendents for each area. It was still a difficult thing. Because all of a sudden at some point your funding all came together and then the funding had to be reallocated to manage projects. And it just, it involves a level of increase of the bureaucracy that really just didn't bode well for us.

I also have spent time in St. Johns County, Florida. I have spent time in Baton Rouge, Louisiana. Scale does come into play on these things. It's not perhaps as easy to lead a large school district as some might think it is.

TREASURER KOPP: Thank you.

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DR. WILCOX: Thank you.

GOVERNOR HOGAN: Thank you, doctor.

DR. WILCOX: Thank you all.

SECRETARY MCDONALD: All right. Allegany?

DR. COX: Good afternoon.

GOVERNOR HOGAN: Good afternoon.

DR. COX: Governor Hogan, Comptroller Franchot, Treasurer Kopp.

GOVERNOR HOGAN: Well you guys brought the whole team.

DR. COX: We have a team here. And so we bring you greetings from beautiful Allegany County. And so we're very happy to be here today. And I'm joined by Dr. Ed Root, who is President of our Board. This is Laurie Marchini, who is our Board Vice President. Sarah-Beth Bittinger, who is a Board member. And Mr. Vince Montana who is our Director of Facilities. And so earlier we were joined by the Allegany delegation, Senator George Edwards, Delegates Jason Buckel and Delegate Wendell Beitzel. And they had committee hearings so they couldn't be here with us today. But we would like to express our appreciation to them for their constant support of our projects. And Commissioner President Shade, Jake Shade, was to be here with us today but he was called away as well to a meeting in Pennsylvania.

So we're very happy to be here. We thank you for the opportunity to be here to talk to you about the needs of Allegany County. And so we do bring you greetings from the entire board and my staff. And we're also very appreciative of your past and continued support of all of our projects. And that I want you to know that you can always know that when you entrust us with the resources that you have so generously provided that we are good stewards of that. We have consistently had very good maintenance ratings with our inspections. We have several Silver Hammer Awards.

Today we are asking for your approval, full funding for a couple of projects. The first one is the roof replacement project for Mount Savage School. That replaces a roof project that was locally funded back in 1993 and it has exceeded its useful life and so we need to replace that. And the second project, and the one that I guess is our big project, is the Allegany High School replacement project.

GOVERNOR HOGAN: The Senator just arrived, by the way.

DR. COX: Okay.

GOVERNOR HOGAN: We just were talking about you.

DR. COX: Senator George Edwards, okay. We're glad that he could be here with us. The project was first approved for planning in 2013 and the project was bid in September of 2015. And the bids at that time did exceed our available funding. And you may recall from previous discussions that the site

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is the former hospital in Western Maryland. So the hospital and the City partnered with us to acquire that site to reclaim it and repurpose it for our high school. So the demolition is now complete. About 95 percent, or exceeding 90 percent of the materials have been recycled and we have a lot of crushed concrete that will serve as fill for the project. So it's a good recycling project as well.

We have worked very hard to control the costs of this project through design and now again in working continuously with the architects and engineers have identified an additional \$2 million worth of savings. And so we're, we will hear back from the five original bidders at the end of February. But we, as we request the funding for this new Allegany High School, we want you to know that this is a high school that's been in continuous operation since 1925. We believe it's the oldest continuously operating high school in the State.

So these projects have received favorable recommendations from our IAC staff and approved for funding by our county commissioners. And we just respectfully request today that you would approve our request today. So I'm going turn it over to Mr. Vince Montana. He's going to bring you a few more specifics. And then Dr. Ed Root has a couple --

GOVERNOR HOGAN: If it's okay with you, we have Senator Edwards and Delegate Beitzel now joining us and they have got a busy legislative schedule. Can we let them jump in in case they can't stay?

DR. COX: Absolutely, sir. Absolutely.

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SENATOR EDWARDS: Thank you, Governor, and members of the Board of Public Works.

GOVERNOR HOGAN: Good afternoon.

SENATOR EDWARDS: We're pleased to be here, and we're here just to say the delegation supports this project. It's a long, long, long project. The school is in terrible shape. I went to a basketball game there the other week. It definitely needs replaced. I think it's the oldest school in the State in continuous use.

GOVERNOR HOGAN: How did they do in the game?

SENATOR EDWARDS: My granddaughter played and they didn't win. So I'll leave it at that.

(Laughter.)

SENATOR EDWARDS: Although she did pretty good. So Delegate McKay and Delegate Buckel are in committee. I don't know if they will get over here or not. But we just wanted to show up to tell you we do support this project. It's much needed. The new bids come in in February. It would be nice if we didn't need any extra but we might be looking for a little at that time, we don't know that. But thank you for your support.

GOVERNOR HOGAN: Thank you, Senator.

SENATOR EDWARDS: I'll be, we'll be back when Garrett County comes up, whatever time that is.

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DELEGATE BEITZEL: Me, too. And just fully support it and respectfully request your approval of this project.

GOVERNOR HOGAN: Thank you very much, Delegate.

DELEGATE BEITZEL: I appreciate it.

GOVERNOR HOGAN: Thank you.

DR. COX: Mr. Montana?

MR. MONTANA: Well as we have already discussed many times, speaking of basketball games, Governor, it was great to see you at the Ohio State game.

GOVERNOR HOGAN: The Senate President and I had a good time.

MR. MONTANA: Court side, I didn't rank that kind of ticket. I will keep this, anyone who knows me knows that I am the king of brevity so I will keep this short. Allegany High School was built in 1925. We all know that. Now in its 91st year of continuous operation. I would be happy to answer any questions you may have. I won't waste your time with regurgitation what you've heard for the past three years.

GOVERNOR HOGAN: Great. Anybody else on the team want to say anything?

DR. COX: Dr. Root?

GOVERNOR HOGAN: Before we get to the questions?

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DR. ROOT: I will be very brief. My name is Ed Root. I'm President of the Allegany County Board right now and we do want to let you know that we deeply appreciate the support and consideration we have received in the past, and urge you to support these two projects. The Allegany High School is a very old building, kept together only by dint of a good custodial and maintenance staff. And it has reached the end of its useful life. We have done everything we can to save money, including having multiple contractors look at the specs and make recommendations. And we would appreciate your support on this project.

GOVERNOR HOGAN: Thank you. Ladies, do you want to add anything?

TREASURER KOPP: Could I just, could I ask a question about Mount Savage? About I think you are the gentleman to ask.

MR. MONTANA: Yes, ma'am. Yes,

TREASURER KOPP: You are going to replace it with another flat roof? Are you?

MR. MONTANA: Yes, ma'am. Only the roofing material will be replaced.

TREASURER KOPP: Okay. Are there ways now to have flat roofs that don't incur all the problems that the older flat roofs had in terms of leakage?

MR. MONTANA: Oh, absolutely.

TREASURER KOPP: And we've several instances with mold, and --

MR. MONTANA: Absolutely. The first and most important is installing tapered insulation so that there, although it appears from the ground to be a flat roof there's a quarter inch --

TREASURER KOPP: So you make it not flat?

MR. MONTANA: -- slope to the drains. And we do that, I believe that's a State requirement. So it may appear flat from the ground but it is sloped to the drains. So that prevents a lot of the problems.

And then maintenance. We have a contractor inspect our roofs twice a year, a consultant I should say. So every six months there is a consultant, and before and after every major snow or rain storm our custodians inspect the roofs. So we do our best to stay on top of that.

TREASURER KOPP: Well, good work. I wish everyone did that. Thank you.

MR. MONTANA: Yes, ma'am.

DR. COX: Just for Dr. Cox, there was a, on the maintenance reports there were some things that raised my concern about fire safety. Apparently Cash Valley Elementary School was noted as having a great deal of clutter in the teaching areas and the fire exits were partially blocked with

furniture. That was 2014. Washington Middle School and George Creek were cited in 2013 for excessive use of multiple electrical power strips and extension cords, which present obviously fire hazards. Are you, everybody aware of the national fire prevention standards? And taking some action in response to those audits?

MR. MONTANA: I can tell you that those problems are addressed immediately. It's very hard to control what a teacher moves into a classroom or a staff member moves into an office. But as soon as those problems are identified, discovered by our staff, they are taken care of.

As far as any elementary school, you are going to have a lot of flammable instructional material hanging on the wall. And we go through this every year. The fire marshal says no more than 25 percent coverage on the walls. They, in an elementary school the teachers can't possibly post all of their instructional material on the wall for the students and use less than 25 percent of the space. It's one of those conflicts between NFPA and modern instruction.

DR. COX: And I would just add additionally that specifically with Cash Valley, that is an open space school. And a lot of the equipment is for ambulatory purposes of students. And so I think I understand where the area is, but they do have a lot of equipment to use for special needs students. And so if you can imagine the configuration, they are not as clearly defined hallways and areas like that. So I think that's what the report is referring to.

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COMPTROLLER FRANCHOT: Okay. And just the construction bids that are coming in for Allegany High School, what is the square foot bid? And what do you think the new bid will be per square foot?

MR. MONTANA: The cost of the original bid, let's say roughly 145,000 square feet. And we were looking at well over \$320 a square foot, actually higher than that. We are hopeful that we're going to get down to that number again. So in the \$300 to \$320 range this time of, we involved, I know that someone was up here earlier today and said we need to involve a contractor throughout design. We did that. That's nothing new for us. We did that. There was a contractor on our committee, an experienced contractor. Someone with experience in building schools and commercial buildings.

When we first saw the cost estimate at the construction drawing stage, we met with our team and immediately began a value engineering process before we went out to bids. After we received bids, we did more value engineering. So we have been cost conscious on this project from its very inception. We don't have a lot of money to spend. And we're good stewards of the county and State money.

GOVERNOR HOGAN: Didn't the, there was a huge difference between the estimated cost and where you ended up. I mean, can you explain what most of that, what was the reason that the cost went up so dramatically?

Given all your hard work to bring in the contractors and looked at value engineering?

MR. MONTANA: Not just our school. I mean, it was a victim of the times. The cost of construction, not only school construction, went up significantly in the last three years. Dr. Lever has been on the cutting edge and has been consulting with districts, the LEAs, about that. And we know there are a lot of things that added cost to all school design. I brought with me today --

GOVERNOR HOGAN: We have seen a lot of schools built for about half the cost per square foot.

MR. MONTANA: But are -- if we want to talk about the Monarch school, give me a call. It's going to take a good, I read Dr. Lever's very well done report. I toured that school, the Monarch school. It's apples and oranges. So you have to decide what you want. We have one elementary school that was built in 1911 still in use, another one in 1923 still in use. If you put up a pre-fabbed steel building, 20 years from now that facility is not going to be a school I will guarantee you. You are putting metal siding on the outside instead of brick. That's fine. It looks good, bright and shiny when it goes up. You're not going to see that 20 years from now. So it's, what do you want to pay for? A --

COMPTROLLER FRANCHOT: Yeah, if I could interrupt. That is just the type of mindset which is so troubling. I mean, why not take a different mindset and say, look, instead of building it for 100 years, why don't we build it

for 40 years? And why don't we do something to try to bridge this gap and not fall into this same old no can do, we don't like it, it's not our idea. I mean, just look at this with an open mind.

MR. MONTANA: Absolutely. Absolutely.

COMPTROLLER FRANCHOT: I toured Monarch. You mentioned apples and oranges. If the apple is half the price of the orange, I might, and it's fairly fulfilling, I might take the apple. But let's not kill things before they --

MR. MONTANA: And I am not doing that, Mr. Comptroller. Honestly. I entered that with an open mind. And there are some features of that school that could carry over to State school construction. I firmly believe there are things there that we could learn from. But --

COMPTROLLER FRANCHOT: Which are they?

MR. MONTANA: -- a 40-year investment versus a, we have buildings over 100 years old now. So the, and then the program is different. Look at the program that we have, that we teach. Occupational therapy, OTPT. There are a lot of differences, as I said, well detailed in Dr. Lever's report.

COMPTROLLER FRANCHOT: I read Dr. Lever's report. But we're never going to change anything with that kind of approach. So why don't we go back and maybe think about some best practices. I don't know what you're

saving all this money for with the new high school, but I assume that's not going to impact the education at all. Am I right?

MR. MONTANA: No, absolutely not.

COMPTROLLER FRANCHOT: Of course. So there we're saving money and we're not impacting the education. Can't we --

MR. MONTANA: Sure. And I mentioned the metal siding. If you go to 2007, we opened Mountain Ridge. That was the first new high school built in Allegany County since 1957. So we had 50 years. But we made some changes throughout design on that building. There is steel siding on that building, on the penthouses, on the roof. But there is brick there that will last 50 years. So I'm not totally discounting that approach. I think that there is lessons to be learned there.

I just wanted to tell you, Mr. Comptroller, I have here a copy of the Annual Report of the State Board of Education of Maryland, 1905.

COMPTROLLER FRANCHOT: Wow.

MR. MONTANA: And there's a whole section in this book about prototype design for schools. They are talking about one-room, two-room, four-room schoolhouses. There are a lot of changes. It's not a new idea, and it does work.

COMPTROLLER FRANCHOT: Did they have a Board of Public Works back then?

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(Laughter.)

COMPTROLLER FRANCHOT: They had to ask someone for money.

MR. MONTANA: Thank you very much. I'm sorry I took up so much of your time.

GOVERNOR HOGAN: Thank you. Thank you. Thanks.

SECRETARY MCDONALD: We can have Carroll come up, now. Madam Treasurer talking about those flat roofs, I thought you were channeling Mr. Louis Goldstein. And when he was talking about the State specification that makes you have that quarter inch slope, that was because the Board of Public Works required that after Mr. Goldstein year after year talked about those flat roofs at schools.

TREASURER KOPP: Good for Mr. Goldstein, and the Board of Public Works.

SECRETARY MCDONALD: Right. Then, and so that, what he's talking about is something that you all did many years ago. Carroll County?

MR. GUTHRIE: Good afternoon. My name is Steve Guthrie. I'm the Superintendent of Schools of Carroll County. Thank you for allowing me to appear before you again. Governor Hogan, good to see you. Comptroller Franchot, good to see you again, and Treasurer Kopp.

I'm really here to thank you for the almost \$3 million you gave us in support of our three roofing projects. We only have \$447,000 missing from Piney Ridge, which is a single ply roof. We'd like to get the rest of the money to replace that roof. Our total request is about \$3.4 million, and that's all I'm really here to do. Although I would like to take the time to thank you personally, Governor Hogan, for the attempt to try to give us more State money through your budget. We really do appreciate that.

We have lost, our State revenue has been down \$11.5 million since 2009 because of the State funding formula. With wealth remaining relatively stable and our constantly decreasing student population, in fact the student population has been decreasing since 2005. We have capacity for about 31,000 students. We're down to a little over 25,000 students, and the next enrollment projections for the next ten years show that same trend. So we believe we will be bottoming out at about 22,000. So we are going through really difficult conversations and --

GOVERNOR HOGAN: Well my understanding is that the Carroll County School System decided that they wanted to turn down our decision to give \$4 million to keep the schools open and went in a different direction.

MR. GUTHRIE: No that's --

GOVERNOR HOGAN: So my question is, you know, why should Carroll County keep the money that we put in to keep schools open if you are

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going to close the schools anyway, and you are already getting a \$2 million increase for K-12 education. And these additional funds we put in were to allow you more time for consideration for other options and a better long term solution. It was rejected. So my concern is why wouldn't we give that \$4 million to Kent or Garrett or Baltimore City, who are all facing declining enrollments? Or why not give it to Montgomery County, which is, you know, struggling to meet rapidly increasing numbers of students and enrollment demand?

MR. GUTHRIE: Well that's --

GOVERNOR HOGAN: What is the money being used for? It's not being used for what we sent it there for.

MR. GUTHRIE: Well that --

GOVERNOR HOGAN: What we agreed to give it to you for.

MR. GUTHRIE: That's, when you sent Mr. Mitchell to our joint meeting that's not the message he brought to us. He said that the money was not contingent on keeping schools open.

GOVERNOR HOGAN: I don't know how they delivered that message. I was pretty clear about it.

MR. GUTHRIE: But the other result is that because it has to go through the legislative process we have to make certain decisions before State deadlines, which contrast. The board did not make the decision not to accept the money. But what I will say that in my statement about closing schools that if we

can get the revenue we need to offset inflationary increases and at this point the State has us down a little over \$1.5 million with their preliminary estimates which don't include the Governor's money, at the end of the legislative session with the Governor's funds, if that gets through the Legislative Service and our local government gives us the money, I said publicly at the time that I would reconsider the decision to close schools. So I'm not sure what you are hearing, but that is not what I said at the public meeting to close schools. I said with the combination of increased money from the State, and increased money from the county, if we don't need to close schools I would reconsider my decision, Governor.

COMPTROLLER FRANCHOT: Can I ask a question?

GOVERNOR HOGAN: Sure.

COMPTROLLER FRANCHOT: Because I have been inundated with messages from families up in Carroll County. And obviously it's a very emotional --

MR. GUTHRIE: It is.

COMPTROLLER FRANCHOT: -- situation. And it is not their fault. They didn't make the decision. Somebody made the decision in Carroll County to overbuild capacity. How did that happen?

MR. GUTHRIE: Well that's not a difficult question to answer. It's a very easy question to answer. At the time one of our schools was over capacity. I personally presented enrollment projections to the community, the

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public officials at the time, to show them that the school wasn't needed. There was a great political outcry from the local citizens to our county government. Some current public officials led that discussion. It's all on tape. We have it online. And a political decision was made to build a school that was unnecessary. But also you will have to remember from 1985 to 2005, we were gaining about 500 students a year. In 2005, it didn't level off, it just changed and we started losing on the average of about 400 students a year. And it continued to drop until this day. And again, based on the State funding formula if you take out the Thornton funds and looking at real money coming in in 2009 that's contingent on funding formulas, we lost \$11.5 million in State revenue.

So it was, so Mr. Comptroller, I agree with you. It was a political decision. It was a wrong decision at the time. And now I have two high schools, four miles away from each other, each approaching 50 percent capacity.

COMPTROLLER FRANCHOT: Okay. I can see that dilemma for you. But what I don't get is walking away from \$4 million when the only ask is can we keep the schools open and reconsider and think about this?

MR. GUTHRIE: Again --

COMPTROLLER FRANCHOT: \$4 million is a lot of money.

MR. GUTHRIE: I haven't walked away from it. I have to wait until the end of the legislative session to make sure it remains in the Governor's budget, or remains, you know, we have heard lots of opinions on the \$4 million,

whether it will make it through the legislation or not. There's a lot of consternation. But I --

GOVERNOR HOGAN: Well I think that was primarily after the county basically said we're not going to change our position, the money is not going to change our decision. So if I were the Legislature, why would I want to give you the money?

MR. GUTHRIE: And I will --

GOVERNOR HOGAN: It probably won't make it through the legislative session --

MR. GUTHRIE: I will state --

GOVERNOR HOGAN: -- thanks to your decisions and actions.

MR. GUTHRIE: I will state it as strongly as I can, Governor, that is not the statement that I made. I made --

GOVERNOR HOGAN: Well that is certainly the way it has been portrayed in the media.

MR. GUTHRIE: The media was wrong. I, we have my statement online. I can send you the link to it. I made a very strong statement in saying should we receive the revenue that can pay for the inflationary increases and give our employees an adequate competitive raise, I will reconsider any need to close schools. That's what I said in public and that's what I mean, saying here today.

COMPTROLLER FRANCHOT: What about saying right now, just I will keep these schools open temporarily. I can't guarantee that they are going to be open for years and years to come. But yeah, thank you for the \$4 million. We're going to use it for, can they use it for teacher raises or something? Keep the schools open --

GOVERNOR HOGAN: No.

COMPTROLLER FRANCHOT: -- and move forward.

MR. GUTHRIE: I will say what I said then. If I get the revenue from the State and the local commissioners to support my need to pay the bills, then certainly that can be the decision. But unfortunately I don't have, the timing of the announcement of closing schools and the receipt of any money from the legislative process don't jive together.

GOVERNOR HOGAN: At this point I wouldn't count on the money, if I were you. Any other questions? Thank you.

MR. GUTHRIE: Thank you.

TREASURER KOPP: Could I just ask --

MR. GUTHRIE: Sure.

TREASURER KOPP: -- one question? You, I don't know if you were here with the prior, you were?

MR. GUTHRIE: Mm-hmm.

TREASURER KOPP: Roof. Now, Carroll County seems to have consistent problems year after year with the roofs.

MR. GUTHRIE: Yes. During the rapid growth that we experienced in those 20 years, we built 14 schools in that 20-year period just to accommodate the overwhelming growth that we have gotten. The standard of that time was single ply roofs. We found that they were not, you know, that was the standard of the State designers and we adhered to that standard. So we have all these single ply roofs that were built at the same time. And they were all 20-year roofs, and even though we are extending beyond that 20-year period, for instance the Piney Ridge roof was built in '91, they are all failing at about the same time. And so that's why we have this perennial roof problem.

TREASURER KOPP: But the maintenance inspection did draw your attention to those particular problems?

MR. GUTHRIE: Yeah, we didn't need the maintenance inspection to do that. We have been, we have roofers up there, we are patching leaks, we just need new roofing systems. We need a built up roof or we need multiple ply roofs. But we have a backlog of roofs. And the other piece is we can only bring to you what our county government has considered for concurrent funding.

TREASURER KOPP: So the roofs will continue to leak. And do you have a mold problem because of them? I can't imagine --

MR. GUTHRIE: No. Not at this point.

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TREASURER KOPP: How do you know, if they haven't been inspected?

MR. GUTHRIE: We do have, we do inspections on our roofs. I mean, we do inspections. We are not aware of any mold problems as a result of water infiltrations.

TREASURER KOPP: Okay. And --

GOVERNOR HOGAN: Any other questions, Howard County? I mean, Carroll County? I'm jumping ahead. Thank you.

MR. GUTHRIE: Thank you.

SECRETARY MCDONALD: St. Mary's?

GOVERNOR HOGAN: Good afternoon.

MR. SMITH: Good afternoon. Thank you for the time this afternoon. Governor Hogan, Comptroller Franchot, Treasurer Kopp, I'm Scott Smith, Superintendent for St. Mary's County Public Schools. Joining me today are our Delegate Deb Rey.

GOVERNOR HOGAN: Delegate, good afternoon.

MR. SMITH: Dr. Jeff Walker, Assistant Superintendent of Supporting Services; Ms. Kimberly Howe, Director of Capital Planning; and Ms. Mary Hayden, Capital Planning Programmer Analyst.

GOVERNOR HOGAN: Thank you all for coming.

MR. SMITH: I want to begin by thanking the Board of Public Works, the Interagency Committee on School Construction, and the Public School Construction Program for your continued support of our facilities and the opportunity to provide testimony in support of our capital improvement program.

We believe strongly that safe, orderly, and inviting, well maintained school facilities are a cornerstone to learning. Through your prior efforts we have been able to completely modernize all of our high schools. We are completing the modernization of our last middle school and almost half of our elementary schools. During that same time we replaced two elementary schools and have built two elementary schools, the most recent being Captain Walter Francis Duke which opened this year.

As a result of these projects and an aggressive systemic renovation program, all of our schools are air conditioned and we will have removed all pod classrooms by the end of this year.

We have used Aging School Qualified Zone Academy Bonds, security initiative, and energy conservation fundings to improve safety of our exterior grounds, improving our aging infrastructure, reduce our consumption, and address safe schools through interior door lock retrofits and technology upgrades.

To summarize, St. Mary's County Public Schools has utilized the capital funds provided to ensure that we are meeting our capacity needs while protecting our infrastructure investments.

As we look to the future we will need additional capacity and we are very grateful for the planning approval recommendation for our next elementary school. In addition we will need to invest resources in systemic renovation of roof and HVAC systems on facilities that were modernized in the 1990s and are now beginning to reach the end of their useful life expectancy.

Our Department of Capital Planning and Maintenance work collaboratively to ensure that all of our facilities are maintained, monitored, tracked, and incorporated into comprehensive replacement plans outlined in our Comprehensive Maintenance Plan for Educational Facilities and our Educational Facilities Master Plan.

As a result of this coordination and planning, our request this year was for four projects. Based on the IAC recommendation to fully endorse three of these projects we will be appealing the remaining funding on the fourth request.

We great appreciate the recommendation to fund the remaining \$88,200 State construction allocation of Spring Ridge Middle School for that limited renovation project, and that gets rid of our last pod classrooms. So long to the seventies. \$283,000 to relocate two four-room classroom relocatables from

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that construction site to Fairlead Academy II. Planning approval for a third elementary school and 75 percent funding for the partial roof replacement at Piney Point Elementary School.

We thank the IAC and PSCP for the \$1,037,000 in funding that has been recommended this time. We are appealing the last \$236,200 in construction funding to complete the balance of State funding for the Piney Point partial roof replacement. The balance of that project funding is required this fiscal year in order to meet cash flow requirements to complete the project by November, 2016. Based on the current recommendation design will begin immediately so the project can be bid this spring and completed this summer.

The project includes replacement of 55,000 square feet of existing roof. During the 1997 addition and renovation project the entire roof was not replaced because about half of it still had a ten-year life left on its section. Today the roof is beginning to fail. Based on the roof material it has reached its end of life expectancy and we are experiencing leaks. Maintenance staff monitors the roof and provides repairs as needed pending the roof replacement. The roof is inspected semi-annually by the maintenance department and the last three inspections indicated progression in the deterioration of the roof. And so it's ready to be fully repaired. Fully funding of this project at an early stage in the funding process will assist us with planned construction this summer to minimize the impact on instructional areas when school opens in August of 2016.

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On behalf of the students, staff, and community of St. Mary's County, we appreciate the continued support of the IAC and PSCP in meeting our facilities needs, and we'll be happy to address any questions you may have regarding our request for the additional \$236,000.

GOVERNOR HOGAN: Thank you. I appreciate all the success the mother county has had so far.

MR. SMITH: Absolutely.

TREASURER KOPP: Governor, could I --

GOVERNOR HOGAN: That's a good report.

TREASURER KOPP: -- I think the, St. Mary's schools do us proud, and have for some time. And I appreciate it. I was just looking at the maintenance reports, however, and this recurrent roof problem seems to extend to St. Mary's County also. Including problems with relatively new roofs. First question, did the counties, Dr. Lever, respond specifically, Dr. Lever, did the LEAs respond specifically to these findings?

DR. LEVER: Yes, they do.

TREASURER KOPP: School by school?

DR. LEVER: On the school based report, which is very detailed --

TREASURER KOPP: Yes.

DR. LEVER: -- each of the 35 items will have a comment, and many will have an X that shows they need to respond to that comment. And our

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staff reviews the comments and then we have discussion if the response is not satisfactory.

TREASURER KOPP: Great. So the answer I think is yes. So you know which of these specific ones I am referring to?

MR. SMITH: Yes. Yes, ma'am.

TREASURER KOPP: Where immediate. And they are not the ones you've mentioned, which is why I wonder what's going on, first of all, in terms of holding the contractors and builders accountable when possible.

MR. SMITH: Right.

TREASURER KOPP: And secondly, making sure that maintenance, now here are some where they say, in fact contrary to Allegany, that, or Carroll, that it has impacted the walls, the ceilings. You might not have mold in St. Mary's County, but I find that difficult to believe you are on the same latitude as Montgomery when we have these problems. What are you doing about it?

MR. SMITH: Well I mean I can certainly call up Dr. Jeff Walker.

TREASURER KOPP: Well I don't want to --

MR. SMITH: Right.

TREASURER KOPP: Very briefly. And then if you want afterwards in greater detail, I would appreciate it.

MR. SMITH: Yes.

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MR. WALKER: I think, thank you for the question, we are concerned about roof leaks and damage. We do our semi-annual inspections and we respond to issues that we find. We do also respond to the issues that are identified in the State maintenance inspections. And as we have seen the pattern of things, we are looking at our procedures and processes, possibly calling in some support from contractors, to identify where the issues are. But you have heard from other, other jurisdictions today, too, about certain types of roofs having more trouble over time.

TREASURER KOPP: Yeah.

MR. WALKER: And we are seeing the same pattern.

TREASURER KOPP: So you have solved the problem at Hollywood Elementary?

MR. WALKER: We haven't solved the problem, but we have addressed, we have minimized the issues that were identified in that report.

TREASURER KOPP: The electrical? The impact on the electrical system? The leaks?

MR. WALKER: We have addressed all the issues in there. I just went over that report with our Director of Maintenance a couple of weeks ago. But Hollywood Elementary is also in our CIP for a future improvement, in the near future.

TREASURER KOPP: Well that's great. But we don't want the boiler and the electric --

MR. WALKER: Yes, ma'am.

GOVERNOR HOGAN: Thank you. Delegate Deb Rey is here. Do you have anything you want to add, Delegate?

DELEGATE REY: I would really appreciate your support on this. Thank you for the support you have given us so far and a little bit more support would be great to help solve this problem. I think our new superintendent and his staff do a wonderful job keeping our schools up and they work really hard. And if we could get this problem solved that's just one more thing behind us and we can go on to other things.

GOVERNOR HOGAN: Thank you. Thank you all for being here. Any questions?

COMPTROLLER FRANCHOT: Yeah, I don't have any questions for St. Mary's. I know that will surprise everybody. But I wanted to compliment Delegate Deb Rey.

DELEGATE REY: Thank you.

COMPTROLLER FRANCHOT: Thank you for the work and leadership you provide St. Mary's, frankly all of Southern Maryland. And thank you for helping me out from time to time when I needed, you know, tax issues communicated to people. And I appreciate the good leadership that you show.

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DELEGATE REY: Thank you, sir. I appreciate that.

GOVERNOR HOGAN: Okay, very nice. Thank you.

TREASURER KOPP: Can I ask one more question of Dr. Lever?

I assume, do the legislators get copies of these reports?

DR. LEVER: The, not of the detailed reports. But the copies that you have are available to the legislators. Do we send out to the legislators, Joan? We send to the joint chairmen's committee and we send copies to presiding officers as well.

TREASURER KOPP: And the answer is I don't know if you have seen all this information. I think you would be interested.

DELEGATE REY: Okay.

TREASURER KOPP: We'll get it to you.

DELEGATE REY: Great. Thank you.

TREASURER KOPP: Thank you.

SECRETARY MCDONALD: It is on their website.

DR. LEVER: We do announce that they are available on the website.

DELEGATE REY: Great. Thank you.

SECRETARY MCDONALD: It says public school construction, it comes right out from the top of their website. All the maintenance reports by year are right there.

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TREASURER KOPP: Just to make it clear, you do a great educational job. No issues. Thank you.

GOVERNOR HOGAN: Great. Thank you all very much.

DELEGATE REY: Thank you.

GOVERNOR HOGAN: Before we get to the next one the Comptroller wants to take 30 seconds for a point of personal privilege?

COMPTROLLER FRANCHOT: Yeah. I just want to thank you, Governor. And as you know, the tax seasons has started and my office is announcing today that four tax providers in the Baltimore region, Liberty Tax offices, that we are temporarily stopping all processing of electronic returns because we are seeing a deluge of fraudulent tax returns, where people are claiming business exemptions when they don't own any businesses and when they have got wildly inflated expenses. And we have seen enough of them coming out of these four different tax offices that we have decided to basically stop processing any of their returns until we understand what's going on. Last year we had over 20,000 fraudulent tax returns that we intercepted and stopped payment of. My first year in office we had 300. So this is an ongoing situation. And unfortunately it's getting bigger but we are not going to obviously just sit silent. Because the State unfortunately has to pay, when we pay out a fraudulent tax return, and the real person for example hasn't filed it, we have to go and pay double there. We pay the refund then and we pay the victim. This is a case where

we are really taking a look at the preparers because it really looks completely out of line. So I just wanted to interrupt for a moment, Governor. I appreciate it. I know it's off script. But we wanted to make sure folks that are listening to this at home take the necessary protections and make sure that if they are relying on a preparer that they look at that before it goes in. Because well this action we don't take lightly. And so thank you for letting me mention that and we'll be putting out more information on that to make sure people are protected. But if you wonder why all these hacks that you read about where data is stolen from corporations and public agencies? A lot of it ends up in these fraudulent tax returns. That's why it's a big deal. Thank you.

GOVERNOR HOGAN: Thank you.

SECRETARY MCDONALD: All right. We have Calvert. Or Calvert.

MS. COUSINS: Good afternoon, Governor Hogan, Mr. Franchot, Ms. Kopp. I am Pamela Cousins, President of Calvert County Public Schools. Today I bring you greetings from the Calvert County Board of Education, our Superintendent, our faculty, our student population that we serve.

Thank you for the opportunity to appear before you to discuss Calvert County's CIP for fiscal year 2017. The level of support you have given Calvert County in the past is to be commended.

We are before you today to request your continued support for Northern High School's replacement project and to assure you that Calvert County is in position to support our share of the endeavor.

Superintendent Daniel Curry will speak with you shortly about our CIP request for 2017 in a moment. But let me thank you in advance for your continued support of our school's construction project. Calvert County Schools' success in the area of student achievement is in part due to the IAC's consistent and responsive funding of school facilities and improvements that meet the needs in today's instructional programs. So I'll turn it over to Superintendent Curry. Thank you.

GOVERNOR HOGAN: Thank you, Madam President

TREASURER KOPP: Madam President, before you, could I just say --

MS. COUSINS: Yes, ma'am?

TREASURER KOPP: I don't know if you've heard us talking about maintenance and repair of all of the different jurisdictions. Calvert County stands up for its superiority.

MS. COUSINS: Thank you, ma'am.

TREASURER KOPP: I commend you. I've been reading the remarks. Let me just, Governor, just from this last year, the pride that communities and school officials have in their schools shows the superior

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cleanliness and appeal of the interior. Schools show consistently good and responsible maintenance -- and it goes on like that. And I congratulate and thank you.

MS. COUSINS: Thank you so much.

DR. CURRY: Thank you. Governor, Comptroller, Treasurer Kopp, we want to thank you for the support you've given us in the past in regard to our CIP. I want to acknowledge George Leah, who is behind me, who is our Director of Construction; and Shuchita Warner, who is back there, who is Supervisor. They both have a lot to do with our successes.

Our appeal today concerns the first year of funding for the replacement for Northern High School. It's been requested in the 2017 cycle. Now as you may recall we weren't able to build last year because of the bids and we weren't able to commence on schedule as we had hoped. The bids we received last February were, had to be rejected. Construction costs beyond our budget, and since the bid opening we have reevaluated the project scope and the building systems to align better with the available dollars that we have, both State and local. We plan to bid the project to general contractors in May or June and commence construction in August.

Construction will occur in three phases over a 40-month period. The first phase will be the construction and the subsequent occupancy of the new high school by 2018. The second phase will consist of the demolition of the old

high school and the construction of the administrative wing and be completed in 2019. The third and final phase would be the construction of additional instructional spaces at the existing high school auditorium and the site improvements, all to be completed by 2020.

Our appeal for Northern High School replacement project is for \$4 million, the balance of the requested \$9.9 million in State funds. To date the recommendations total \$5.9 million. Total project, \$82 million, combined State money of \$39 million and local of \$42.5 million. Of the total project, \$74 million is for construction.

The funding requests are being spread over a four-year cycle. We think that helps add to our efficiency. We are asking for \$4.038 million to commence with construction this summer. Any questions?

GOVERNOR HOGAN: Any questions?

COMPTROLLER FRANCHOT: I just want to, I thought the Treasurer hit the nail on the head. Calvert County, we need to get you folks in touch with every other system. And it may be true that small systems have a smaller scale. But you have a 95 percent score on taking care of your schools. And the one I'm referring to was built I think in 1958. It had a minor renovation 25 years later. I can't remember the name of it. I think it's the -- and for the last 30 years was operating and it got, get this, it got the top rating under maintenance.

I think the Treasurer read some of the result of that. How do you guys, I know

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scale matters. But don't you, you must have some special potion down there in the water or something. I don't know, what is it that --

DR. CURRY: We just have to give credit to our employees. They see our school, our school facilities, like in any community but maybe in a rural community, are a matter of pride for a community. They are a business center, everyone loves coming to their schools, there are a lot of school activities and non-school activities around those schools. And our maintenance building service workers own those buildings. That's their house. They take good care of their house.

COMPTROLLER FRANCHOT: Yeah. Well that's excellent. And I've got a school exactly identical to this in another jurisdiction that's coming up the stairs after you where you wouldn't step foot in that school without something, being afraid that something is going to fall on you. Same age, same renovation history. Just I think, you're right, it's bigger. The Treasurer is right there. But there's a mind set issue, too.

Thank you for doing what Calvert does. That is just a fabulous job.

DR. CURRY: Thank you very much. We appreciate that and appreciate the support.

GOVERNOR HOGAN: Congratulations. Thank you.

MS. COUSINS: Thank you.

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DR. CURRY: And Governor, good to see you back to health again.

GOVERNOR HOGAN: Thank you.

SECRETARY MCDONALD: All right. Charles County.

GOVERNOR HOGAN: Charles County. We've got all of Southern Maryland getting knocked out here. Good afternoon.

MS. MCGRAW: Good afternoon, Governor. Good afternoon, Comptroller Franchot, and good afternoon, Treasurer Kopp. I am Virginia McGraw and I am the Chairman of the Charles County Board of Education. And before I begin I would like to introduce our Superintendent of Schools Dr. Kimberly Hill; and also with us today are staff members from our Office of Supporting Services, Mr. Steve Andritz and Mr. Dave Clements as well.

GOVERNOR HOGAN: Welcome.

MS. MCGRAW: Charles County Public Schools with the support of our County Commissioners contracted a comprehensive study two years ago. The survey allowed our Board of Education to develop some long range plans for renovations while also programming for new capacity. The report confirmed what we already knew: after so many years of building new schools for growth our older buildings need upgrades of all types, mechanical, electrical, and most importantly for redesigned space to accommodate 21st Century educational advances.

The IAC and the Board of Public Works have been very supportive of our efforts in Charles County and we appreciate all that you do to help us maintain our quality facilities. Already the IAC has recommended \$2.2 million for Charles County Public Schools projects, including rooftop units at Benjamin Stoddert Middle School; kindergarten additions and renovations at Mary H. Matula Elementary School and Daniel of St. Thomas Jenifer Elementary School; and final funding for our St. Charles High School.

Our capital improvement plans blend new construction needs with renovations, which often include adding capacity for students. For example, the Dr. Mudd Elementary School renovation, which the IAC approved last year for local planning, includes the opportunity to provide additional seats for students. We are also being very judicious in our planning of renovations, preserving as much of the original structures as possible during our renovation and value engineering prior to submitting plans without compromising quality.

We use our buildings a long time. Some of our buildings have been serving as schools for more than half a century so we know we have to build and renovate structures that will last.

On behalf of the Board of Education we thank you for consideration of our appeal and our pledged commitment to working with you and our local and State officials. Further we applaud your support of education and

recognition of the quality public school system which is the key to both our civic and economic vitality, not just in Charles County but also in our State.

Now our Superintendent Dr. Hill will outline our specific appeal.

GOVERNOR HOGAN: Thank you.

TREASURER KOPP: And Madam Chairman, let me congratulate you too on the maintenance reports and the quality.

MS. MCGRAW: Thank you. We appreciate that.

TREASURER KOPP: You guys do --

GOVERNOR HOGAN: Thank you.

TREASURER KOPP: -- very well.

DR. HILL: Thank you, Ms. McGraw. Good afternoon. Charles County Public Schools' request today combines an appeal for two major projects: funding for a systemic renovation of an aging school and construction of a new elementary school. We have requested nearly \$13.4 million for these two projects.

First we are asking for \$6.4 million in State construction funding for a renovation and addition at Dr. Mudd Elementary School. Treasurer Kopp you probably will see that mentioned in our maintenance report, the poor facility that is at Dr. Mudd. Built in 1967 the school's major mechanical systems, heating, cooling, electrical and plumbing, are failing. They have reached the end of their useful life. Dr. Mudd provides little natural daylight and has building

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problems including leaks. The renovation will upgrade and modernize the existing spaces to meet educational program needs and bring this 49-year-old building into the 21st Century. Expansion and renovation at Dr. Mudd will include a modern media center, a gymnasium, and all day additional kindergarten classroom space, and it will bring the same level of educational opportunity to Dr. Mudd as is found in our newest schools.

We believe there are many benefits for renovating and reusing our older neighborhood schools. We are preserving as much of the building's original structure and character as possible while transforming it into a modern state of the art facility in a fiscally responsible way.

For many years Charles County was one of the fastest growing systems in the State causing us to focus solely on new construction, and we're paying the price for that now, honestly. Since 2005 we've built five new schools. The last complete renovation of any of our schools was more than a decade ago in 2001 as we finished renovations at Henry E. Lackey High School and J.P. Ryon Elementary School. While we saw slight declines in student population during the recession, we experienced an increase in students this year. Most of our growth occurs in the Waldorf area, which is the population center for Charles County.

While our future plans focus heavily on renovation, enrollment projections predict continued growth and the need for an additional elementary

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school to supplement the space created through our renovations. So that brings us to our second request, which is a total of \$7 million in initial construction funding for a new elementary school to reduce crowding in six neighborhood schools in the Waldorf area. The new school is designed for 766 students and is expected to be near capacity when it opens.

Our goal is to build the new school and renovate Dr. Mudd concurrently so that we can conduct a comprehensive elementary school rezoning in the Waldorf area. Redistricting, as you can imagine, is a difficult and disruptive process for children, parents, the school system, and our communities. So a comprehensive redistricting that creates an attendance zone for a new school as well as redistributing student population at neighborhood schools causes less disruption than a piecemeal type of process would.

So on behalf of the children of Charles County we ask that you grant our appeal and help us build a new elementary school and renovate Dr. Mudd Elementary concurrently. Doing so will enable us to relieve elementary school overcrowding and deliver two 21st Century educational facilities to our community.

Thank you again for all the support you have provided to Charles County Public Schools. And Comptroller, it is always nice to see you. You visit us quite often and we are looking forward to seeing you I think on Monday at Matula Elementary.

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COMPTROLLER FRANCHOT: Thank you, Dr. Hill, for your leadership. And Board Chair McGraw, both of you help me out on my business advisory council. I really appreciate the participation and what you are doing in Charles County.

DR. HILL: It's our pleasure. Thank you.

TREASURER KOPP: Could I ask one specific question --

DR. HILL: Sure.

TREASURER KOPP: -- that came up about the emergency preparedness program, which sounds more administrative really than maintenance.

DR. HILL: Mm-hmm.

TREASURER KOPP: You've read the reports, I assume?

DR. HILL: Yes.

TREASURER KOPP: And has that been addressed?

DR. HILL: Yes. We are addressing that as we speak.

TREASURER KOPP: And the question of the warranty on roofs.

DR. HILL: Mm-hmm.

TREASURER KOPP: Do you go after the warranty when --

DR. HILL: Absolutely we do. And that's why we are looking as a system at bringing in solar. And we are doing that now solely as solar fields

rather than solar panels on roofs because we don't want to compromise that warranty.

COMPTROLLER FRANCHOT: Excellent.

TREASURER KOPP: Thank you.

DR. HILL: Okay? Thank you all.

GOVERNOR HOGAN: Thank you very much.

SECRETARY MCDONALD: I was remiss to say before Charles that Cecil was scheduled and they wrote this morning and said they would not be able to be here because of the circumstances and getting their schools cleared out. But your assistants each have their written appeal in their email box. So now we have Garrett County.

GOVERNOR HOGAN: Back to Western Maryland. Again, we have the Senator and the Delegate joining us. And the Commissioner --

DR. WILSON: Honorable Governor -- excuse me.

GOVERNOR HOGAN: Lots of folks, you've got the whole team.

DR. WILSON: Honorable Governor Hogan, Mr. Franchot, Ms. Kopp, Jack Smith, and the Interagency Commission, thank you for this opportunity to really appeal for full funding for a project that has been in the works for several years, which is the renovation of Southern Middle School. We are requesting the full funding of \$4,414,000.

On behalf of the elected School Board in Garrett County, the members of whom could not be here today, I extend sincere greetings and appreciation for the many construction projects that you've approved and funded on our behalf. And in each and every case the support for the request has directly or indirectly impacted the delivery of instruction.

What I'd like to do is introduce our team. I have with me of course Senator Edwards and Delegate Beitzel. I have Mr. Bill Swift, who is our Director of Maintenance and Facilities. I also have Mr. Larry McKenzie, who is our Finance Director; and also Honorable Chair of our Commissioners Mr. Paul Edwards.

I would like to at this time turn it over to Mr. Swift who will give you a brief project description, and then I'd like to follow up with a connective piece of the story. So --

GOVERNOR HOGAN: Great.

MR. SWIFT: Thank you, Dr. Wilson. Good afternoon.

GOVERNOR HOGAN: Good afternoon.

MR. SWIFT: Just to give you a brief description of the project for the Southern Middle School renovation, Southern Middle School serves 544 students and 40 staff members in a six through eight grade band configuration, and it was built in the southern part of Garrett County in 1977.

The existing building systems have exceeded their life expectancy and the building configuration does not lend itself to the current curriculum standards. The original layout of the school utilized an open space design, creating random, large classroom spaces throughout the facility. This design soon became outdated and non-functional, requiring the erection and reconfiguration of walls over the years to create self-contained classrooms.

The building has been well maintained over the years. We believe the ratings of good over the last 20 years in the Educational Facilities Master Plan demonstrates the excellent standards and care provided by our maintenance and custodial staffs.

Currently student movement throughout the school is disrupted with this open space design. There is an inefficient use of the HVAC systems and controls, classroom lighting is inadequate, and most importantly emergency response planning is difficult to administer.

The renovation of the Southern Middle School facility is a basic renovation. The design does not include expensive fits and finishes. There are no three-story atriums. There are no terrazzo floors. The design will be built as a complete gutting and renovation of the educational spaces. The heating and cooling systems at the school were upgraded in 2007 and 2011, respectively. And in 2012 the HVAC controls were upgraded using local funds. The existing plant

will remain intact and operational throughout the renovation to support the needs of Broad Ford Elementary School, which is adjacent to Southern Middle School.

The renovation will include 15 add alternates, one of which is a performing arts center addition. Currently no school in Garrett County has a dedicated auditorium or performing arts center.

That's a brief description, now I'll turn it back over to Dr. Wilson.

Thank you.

GOVERNOR HOGAN: Thank you.

DR. WILSON: This project is extremely important to us and I'd like to connect it, if you don't mind, to the wealth formula. Garrett County Public Schools remains very enthusiastic about this renovation with the potential of a performing arts center. As Mr. Swift said, we do not have an auditorium, a dedicated auditorium of any kind, in our school system.

Unfortunately we face the likelihood, with the increased costs in the school construction, that this may lead to the inability to fund this project. If the construction and the renovation bid amounts reflect current estimates, the basic renovation of this middle school will be the most expensive project the Garrett County government has ever undertaken.

The wealth formula, of course, creates a requirement that Garrett have a 50-50 cost share in the construction that in reality becomes a 74-26 cost share, with the State paying the 26 percent. We're already in mid-range with

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property tax and we also know that many of our residents basically reside below the poverty line. So I'd like to offer up a couple of relevant facts.

The Board of Education now maintains 12 schools, two high schools, two middle schools, and eight elementary schools serving 3,856 students in the geographic area of 650 square miles. Some of our students ride the bus upward of an hour and a half one way to school, and I know this because I have taken the bus with them. And there are 63 buses that travel 6,000 miles a day transporting our students to and from school. And you know, to put that in perspective that's traveling the circumference of the globe every 4.2 days. Our buses transport six students per square mile, as compared to more densely populated areas of say, Montgomery, which has 300 students per square mile.

As you know as a result of declining enrollment and increased wealth the school system has endured large percentages of loss of State funding for five of the last six years, and we've also lost a great deal of student enrollment. Three of our schools had to close, which caused overcrowding in two of the remaining elementary schools on the southern end. Overcrowding was relieved in one of the schools by adding an eight-classroom portable addition.

Without changes to the current funding formula, and with the projections of continued enrollment decline, additional school closures may be necessary and extremely difficult. So this Southern Middle School renovation

and making closed classrooms is very critical to us moving forward because it provides options for us to realign grade bands.

We are a school system that has schools that are 63 years or older. Our high schools, in fact Delegate Beitzel and Senator Edwards graduated from those high schools that are still in operation. And we are very proud of our maintenance --

GOVERNOR HOGAN: Wow, those are really old schools.

(Laughter.)

GOVERNOR HOGAN: They turned out pretty good, though.

DR. WILSON: We're, we're very proud of their continuous operation with the condition ratings that we do have in terms of our inspections, our State inspections.

So we are just, in conclusion, this project is very important to our future and we know that we have to go out to bid in order to be able to know whether or not our local government can secure the funding to make this possible.

GOVERNOR HOGAN: Great. Any questions?

COMPTROLLER FRANCHOT: I see Senator Edwards back there, and Delegate Beitzel, and --

GOVERNOR HOGAN: Do you guys want to weigh in?

COMPTROLLER FRANCHOT: You guys look terrific. But I'll tell you, my hope for the future is standing off on the side there, Senator Edwards' son. Yeah, he's coming along. So reinforcements.

DELEGATE BEITZEL: Thank you so much, Governor Hogan, Comptroller Franchot, and Treasurer Kopp. I certainly want to weigh in in supporting this project. And we just want to mention real quick that Garrett County has received zero dollars for new school construction for more than 25 years. Garrett County is not slated to receive any dollars in the foreseeable future for new schools. We are closing down schools. That means we've got to maintain our existing schools. And so if you look at the results that we're getting from our Board of Education and all of our students that are working in education in Garrett, you can see the results. We are right up there at the top of the list in achievement with our students.

And the other thing is that I don't know how many people know it but Garrett County fully funds all of the tuition cost for every student that graduates from our two high schools at Garrett Community College, and has been for a number of years. So any kid that graduates from our two high schools in Garrett County can go to Garrett Community College and have their tuition paid in full by the county without asking for State assistance.

In addition to that they can go to trade schools, for the ones that don't want to go to college, and the county funds that. And what made that

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possible, Senator Edwards and I put a bill in to allow for a one percent increase in the accommodation tax that's used for economic development purposes to educate our kids. Thank you.

GOVERNOR HOGAN: Thank you, Delegate. Senator?

SENATOR EDWARDS: Governor, Comptroller, Treasurer, thank you for the opportunity again to be here. I'm getting a lot of exercise today running back and forth. It's a good workout day. And I'm here because my son texted me and said I'd better get over here. So, I listened to him. And thank you, Comptroller, for your kind comments there.

Again, this is a much needed project, as is every one that comes before you. We don't usually ask for a whole lot. We do have, I think it has stabilized now, our student population anyway. We're looking forward to the new wealth calculation formula, which we've proven in the past, it really puts the, am I allowed to, it puts the screws to us in Garrett County. I think we've convinced the hierarchy that that is the case the way it's computed. So hopefully when that comes in it will benefit us a little bit more in how we receive money from the State.

So I would just ask your support of this project and look forward to working with you on it. Thank you very much.

GOVERNOR HOGAN: Thank you.

TREASURER KOPP: Governor, could I just --

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GOVERNOR HOGAN: Do you want to say anything, Mr. Chairman?

TREASURER KOPP: -- thank you all. This is very dramatic, what you've given us, and really helpful, I think.

DR. WILSON: Thank you. I have to give my, all my credit to Mr. Larry McKenzie. That's the picture story --

TREASURER KOPP: Yes.

DR. WILSON: -- of what Garrett County has endured over the last several years.

TREASURER KOPP: It really brings it home. And the question of the impact to Deep Creek and the folks there.

DR. WILSON: And I do want to say that the last project that we came here for was ten years ago. So with the renovation of Northern Middle School on our northern end. So I do appreciate your time and your attention. Thank you very much.

GOVERNOR HOGAN: Thank you. Thank you all very much.

SECRETARY MCDONALD: Okay, we have Harford County. And everybody is doing a good job with keeping up with the ten minutes, so far. So we remind everybody.

COMPTROLLER FRANCHOT: How many more do we have? How many are left?

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SECRETARY MCDONALD: That was, this is 11. So we have, we're halfway through. We have 19 all together.

GOVERNOR HOGAN: Harford County, I see my good friend the County Executive Barry Glassman has joined us, along with a big team. Thank you all for being here.

MS. CANAVAN: Would you like me to begin?

GOVERNOR HOGAN: Sure.

MS. CANAVAN: Good afternoon, Governor Hogan, Comptroller Franchot, and Treasurer Kopp. I'd also like to acknowledge Dr. Jack Smith and Dr. Lever, and thank you so much for the opportunity to speak with you today. I am Barbara Canavan, Superintendent of Schools of Harford County. And I am here before you today to appeal the IAC recommendations to the Board of Public Works for the Harford County Public Schools FY 2017 Capital Improvement Program.

Before I deliver my comments I would like to acknowledge and thank the various leaders within the Harford County government for all they have done in support of our school system. Today we have with us County Exec Barry Glassman; Delegate Andrew Cassilly; and I anticipate that Delegate Rick Impallaria, Chair of the Harford County delegation, Delegate Mary Ann Lisanti, and Delegate Terry Reilly will be joining us shortly.

Without the support of our Board of Education, our County Executive Mr. Barry Glassman, our County Council, and our delegation, Harford County Public Schools would not be able to deliver the quality of educational programs or maintain the school facilities for the students and staff of Harford County. Joining me today are members of the Harford County School Board and my leadership team. I'd like to acknowledge Ms. Nancy Reynolds, the President of the Board of Education, and ask those people to stand please. I'd also like to acknowledge Mr. Joseph Licata, the Chief of Administration; Mr. Cornell Brown, the Assistant Superintendent of Facilities and Operations; Ms. Deborah Judd, the Assistant Superintendent for Business Services; and also Mr. Chris Morton, who is the Supervisor of Facilities.

It's been a productive year in Harford County since last year's appeal hearing. We are in the second year of construction of a new Youth's Benefit Elementary School. The new two-story portion of the facility will be ready for students at the beginning of the 2016-2017 school year. When completed the Fallston community will have a new single building elementary school facility in lieu of the three buildings and seven relocatable classrooms that currently house the Youth's Benefit students.

We are in the process of completing design efforts to bid and award a roof replacement project at Churchville Elementary; an air conditioning upgrade at our alternative education program; and an HVAC open space

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conversion at Prospect Mill Elementary. Once the air conditioning project is completed at the alternative education center, all of our schools will be fully air conditioned. Once Youth's Benefit Elementary and Prospect Mill Elementary School projects have been completed there will only be three open space schools that will need to be addressed, two of which are currently included in the FY '17 capital budget request.

Additional accomplishments include the completion of Harford County's Countywide Facilities Master Plan. This effort, as we approach this effort we continue to work collaboratively with our county government as we evaluate the comprehensive needs of our school system. We believe that with your financial assistance and our focus on long term master planning, Harford County will continue to successfully identify and address long term deferred maintenance and the needs of an aging infrastructure. Please know that your assistance over the years has had everything to do with that.

With this in mind we are here today to seek your continued financial support of our efforts. During this year's capital budget process the ISC has graciously recommended the approval of our request for State funding for the following: complete funding for the Darlington ES HVAC systemic project, \$1.5 million; complete funding for the roof replacement at Joppatowne, \$1.2 million; complete funding in the amount of \$709,000 and \$1.1 million for the open space conversion projects at William S. James and Old Post Elementary Schools,

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respectively; and finally the partial funding of \$2.8 million for the HVAC systemic project at Riverside Elementary. We appreciate the IAC recommendation of \$7.4 million for these much needed projects and we thank you for your support.

Governor Hogan, Harford County Public Schools is appealing the IAC recommendation to partially fund the HVAC systemic project at Riverside Elementary School. \$1,260,000 represents the balance of the funding required to address HVAC, window, and door improvements that are sorely needed at Riverside Elementary School.

In closing I would like to thank you and express our sincere appreciation for your continued support. It is our hope that you will be able to endorse our efforts by upholding our appeal to fully fund the Riverside project. Thank you.

GOVERNOR HOGAN: Thank you very much. Would County Executive Glassman or any of the legislators want to come up and talk, or anybody else?

MR. GLASSMAN: Just real quick, it's been a long four days so bear with me if I don't string my sentences along too well.

GOVERNOR HOGAN: I understand. It's been a long four days for us too.

MR. GLASSMAN: But I did want to get down here from Harford County today. We've gotten all our roads at least one pass so we're getting there. We've got a few more days to dig out.

Governor, it's good to see my old House colleagues. I shouldn't say old, but the Comptroller and Delegate Kopp, the Treasurer.

TREASURER KOPP: Former.

MR. GLASSMAN: It's good to see you both. Real quick, we, the local Harford County government, we do stand ready to provide our local funds to support the Board of Education. Just a couple of areas that I wanted to bring up real quickly, we do long term, Harford County is one of five counties to be granted the AAA bond rating from our bond rating agencies. They support our borrowing plan going forward. Part of that is a community school, Havre de Grace High School/Middle School that's been in the works that we did have to defer to get our capital borrowing in line. We've been working with the Comptroller and I think we're going to take a dual avenue and look, we're encouraged about the possibilities for commercial building standards and alternate financing for a large project.

We would ask the Board to look at the rule that when a community school that is a combined high/middle school, that in fact on \$100 million project the reimbursement of \$20 million does not take into account that we're combining two schools. And we would ask in your deliberations if that percentage could be

looked at if we decide to go the traditional route to finance that school. And finally we look forward to the wealth formula changes. Harford County for its success has remained, because of the stagnant enrollment and our lack of wealth lost, we still fall in the bottom quartile of State support for our activities. So we look forward to both of those changes. But thank you all for everything you do for Harford County.

GOVERNOR HOGAN: Thank you, Mr. County Exec. Delegate?

DELEGATE CASSILLY: Governor, Comptroller, committee members, I stand before you as a representative to our delegation in support of these projects. They are ones that we have looked long and hard at and we really tried to crunch to only extreme needs. And it's only because of our efforts to look for alternative financing methods and things of that nature that we have been able to keep our system up and running to the level that it's running. And these projects are of critical need to us. So we sincerely hope you will give great consideration to them. Thank you very much.

GOVERNOR HOGAN: Thank you. Any questions?

COMPTROLLER FRANCHOT: I just want to applaud the County Executive. He has been very innovative in his thinking and his approach as to how to build something and also keep the costs down. And I guess I have a question for Dr. Lever, why don't we make a poster child out of Harford County? The County Executive is all on board. They are building a new school, I guess.

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MR. GLASSMAN: It's planned.

COMPTROLLER FRANCHOT: It's planned. Why don't we make this a Monarch Academy type poster child, where we take what we can and drop the per square foot cost way down? Not identical to Monarch. But let's, they are willing, if you think there are some good ideas in this why don't we single them out and say let's try to do something innovative with Harford County?

DR. LEVER: If they wish to submit it showing an alternative building technology, we would consider that. We would certainly take a look at that. We'd ask the same kinds of questions that we ask about any project that's submitted, how, what is the life span? How will it be maintained? Are they really taking into account the life cycle analysis? Those are the kinds of questions which I think are responsible to ask. We would certainly be open and receptive to any alternatives that are presented.

We have two jurisdictions that may be considering pre-engineering buildings for smaller buildings. They are not in this year's cycle but they may be coming up in the next year's cycle. And we are all ears to see those submitted and to see what's involved.

GOVERNOR HOGAN: Thank you.

MS. CANAVAN: Thank you so much.

COMPTROLLER FRANCHOT: How do we begin a pilot program? That's the question. Because it didn't sound like it was a very receptive, you sounded like your ears were open but it didn't sound like there was going to be a lot of approval. If all the standards have to be met, I mean, who is to say the standards are right?

DR. LEVER: We don't have design, construction standards. There are no State construction standards, except the DGS roofing policy. That is quite true. Any jurisdiction is free to submit modular building, tilt up construction, pre-engineering building, and we will look at it. And one of our recommendations in the Monarch study that we submitted in October was to conduct a pilot study to have a jurisdiction which is rolling out, say, two projects at the same time, have one of those projects follow commercial building standards, the other follow more traditional standards, and then see how they compare to one another in terms of first cost and in terms of life cycle cost. We think that would be a fair test to see what the real implications are. So a pilot study would be a very good thing to do.

COMPTROLLER FRANCHOT: Good. I think you should do it. Yes, Mr. County Executive?

MR. GLASSMAN: Mr. Comptroller, if we, you know, I may just do a pilot. We may, we may RFP this project and use commercial building standards and move ahead and see if that's possible, if the IAC will cooperate

with us. Because based on the current formula on a \$120 million project, if we're only going to get \$20 million, it may be cheaper to go ahead for the county to do it. If we're freed up from all of the red tape and formulas that the IAC puts on us.

GOVERNOR HOGAN: Okay.

COMPTROLLER FRANCHOT: Yeah. No.

MR. GLASSMAN: But, so maybe next year I'll come back here and tell you it works.

DR. LEVER: I really have to correct the impression that the IAC has building standards that are holding up the submission of any innovative project. We are not. We are not requiring masonry walls. It's a good practice, we think, for durability. But if a school system submitted alternatives and they could show us how they intend to maintain it and that's it right for the situation, we certainly would be interested. We have metal siding buildings. We have EIFS as building siding material in some situations. So I want to be clear about it.

TREASURER KOPP: Well the devil is in the details. I think till you see what the specifics are this is all wool gathering.

MR. GLASSMAN: Madam Treasurer, I have a point of, I do have a technical team appointed to study these alternate routes with the Board of Education. And when we get to a point, you know, what I'd like to see, why I mentioned the funding for a community school, I'd like the State to be able to tell me on a \$120 million project the traditional route what we would get for a

community school. And then I'm just going to evaluate it against doing it through the private sector. And if it's cheaper for me to go that way, I want to be able to do it. And if I'm paying the freight, I think we should be freed up to do it.

GOVERNOR HOGAN: Great. Thank you, Mr. County Exec. Now on Howard County, before your official presentation, I see Delegate Warren Miller is here. We want to address an issue here that we have received a lot of correspondence and input to the Board of Public Works on.

Over the last several years Howard County has seen mold issues in several schools. The most egregious instance is Glenwood Middle School in Western Howard County. Several Glenwood students and teachers became very ill and required hospitalization. News reports revealed that the school system's officials knew about these mold issues in the school but did not inform parents or the school community until much later. There is a palpable loss of trust between many parents and the county school system, and in particular with the Superintendent.

On January 5th a fire broke out at Glenwood Middle School during the school day requiring the evacuation of students. Due to the fire and mold issues, students have had to be relocated to three different nearby schools until these problems have been resolved.

The Board of Public Works has received numerous letters of concern about maintenance and mold issues. And from a school board member,

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from concerned parents, and from Delegate Warren Miller, who is here and signed up to speak today. So thank you, Delegate Miller.

DELEGATE MILLER: I will be brief, Mr. Governor. Thank you, the Comptroller, and the Treasurer to listen to any concerns of my constituents. It's unfortunate. We come from a wealthy county. There are concerns about the existing roofs over some of the schools, the conditions of those roofs. Glenwood Middle, the concerns go back to 2010. They have been expressed to the School Board and the school system but I think some parents and educators are still concerned that these concerns have not been addressed properly. So I appreciate you seeing the correspondence and anything you can do to supervise public dollars for these schools and make sure the money is being spent correctly would be much appreciated.

GOVERNOR HOGAN: So Delegate, it's the wealthiest county in the United States, right?

DELEGATE MILLER: I think it's like number four or five, per capita.

GOVERNOR HOGAN: And what do you think the problem is with these serious mold issues in Howard County that are worse than we are experiencing anywhere else in the State?

DELEGATE MILLER: Well it goes back to the conditions of the roofs. I can cite Bushy Park Elementary School, an eight-year-old school. The

roof leaked from day one. I'm not sure why the roofer wasn't forced to correct the issue. I can't speak to the policies of the school system. But as these roofs fail, now in the case of Glenwood, it's almost a 50-year-old school. And we all know the age of the school isn't the concern, it's the way it's maintained. I mean, I expect, when I was a kid the oldest elementary school was a 100-year-old school. It was fine. It had been well maintained. So what I ask is, you know, simply as you give the county these dollars, you put the oversight in to make sure.

The other concern I have heard there are as many as 20 no bid contracts awarded by Howard County Public Schools in the last two years. And sometimes they are paying double, triple the going rates for these services. That concerns me as a parent of two school-aged children and as a taxpayer. So I would appreciate anything you guys can do when you are dealing with the school system to make sure that the dollars are going where they are supposed to go and you are getting the results you are looking for.

GOVERNOR HOGAN: Well the IAC is recommending \$22 million in State funds, and we are certainly going to request that the school system and the Superintendent reports back to the Board of Public Works on the steps taken to address these maintenance and particularly mold issues.

DELEGATE MILLER: That's all I can ask for. I appreciate that.

GOVERNOR HOGAN: Great. Thank you.

DELEGATE MILLER: Thank you.

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GOVERNOR HOGAN: Anybody else want to talk about Howard County?

COMPTROLLER FRANCHOT: Is Dr. Foose here?

SECRETARY MCDONALD: Oh, here is Dr. Foose. Come up here. Jump right in, please.

MS. O'CONNOR: Good afternoon. Good afternoon, Governor Hogan, Comptroller Franchot, and Treasurer Kopp, and everyone else. I am Christine O'Connor, the Chairman of the Howard County Board of Education. I appreciate this opportunity to advocate for the county's 54,000 students in appealing the Interagency Committee on School Construction's recommendations for capital projects.

Our commitment is to ensure that our school system provides an educational environment that allows every Howard County student to achieve even in today's challenging economic climate. We are mindful of our fiduciary responsibilities to our community and want to ensure that every dollar invested brings a maximum return and value to the instructional process.

We must not only provide for our current students, but also prepare for the new student enrollment. Howard County has experienced significant enrollment growth over the past decade and is projected to continue with this growth in the next decade with the growth of more than 11,000 new students by

2016. Our capital budget request prioritizes capital capacity projects for this reason.

Maintenance of existing facilities is also important as we understand the importance of continuing to make capital investments that will reduce our life cycle operating costs. Our budget includes requests for this purpose as well. We have embraced building and operating our facilities for the most efficient use. Energy conservation measures have been implemented by students and staff throughout our system, with the result that most of our schools have been certified as green schools. Every new school construction and renovation project is designed to ensure LEED eligibility.

We are looking forward to the completion of the replacement Wilde Lake Middle School, which is on track to open in August, 2017. We are proud to build the first net zero school in Maryland. It will integrate seamlessly with our environmental educational curriculum, serve as a living example for students of the value and use of advanced energy resources, provide much needed additional student capacity, and contribute to the revitalization of downtown Columbia.

Receiving the balance of the FY 2017 State funding request for Waverly Elementary renovation addition, new elementary school number 42, Piney Branch Middle School HVAC, and Manor Woods Elementary HVAC, would allow us to move forward with our dual capital improvement goals of

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preparing for the arrival of new students while performing necessary, timely, and improved energy efficiency maintenance towards existing school facilities.

Our system is grateful for all of the support provided by our State government partners. Thank you for your careful consideration of our request for additional capital funding to support Howard County Schools and students. Now I introduce Dr. Renee Foose.

GOVERNOR HOGAN: Thank you.

DR. FOOSE: Good afternoon, Governor.

GOVERNOR HOGAN: Good afternoon.

DR. FOOSE: Mr. Franchot, Ms. Kopp, I'd like to introduce the other board members and staff that are here with me today. Our Vice Chairperson is Ellen Flynn Giles; board member Ann De Lacy; Cynthia Vaillancourt is here as well; and Dr. Janet Siddiqui. I have staff members with me as well, Bruce Gist, who is our Executive Director of Facilities and Operations; and our Director of Communications John White is in the back.

So it's a pleasure to be here today. Again, I'm Renee Foose, Superintendent of Howard County and we're here to appeal the Interagency Committee on School Construction --

GOVERNOR HOGAN: Before you get into your, reading your testimony, can you address the mold issue that I discussed?

DR. FOOSE: I can. Do you want me to start with that?

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GOVERNOR HOGAN: If you could.

DR. FOOSE: I would be delighted to. And I certainly appreciate that we have members of our political delegation that are here to advocate on behalf of increased funding.

We had a, at the specific school that the Delegate was talking about, in 2010 we had some issues with some roof issues as a result of the type of roof. This school is 50 years old. We do our best to keep our old facilities up and running. And the Comptroller has visited some of our oldest schools and applauded us publicly for the maintenance that we do. And this school is no exception. Being 50 years old, things are going to go wrong. So we replaced the roof.

There was a humidity issue in that building that led to some mold concerns. We had some indoor air quality engineers in. We remediated the problem by accelerating the replacement of the HVAC system to the tune of \$3 million. We have replaced that and we have been doing air monitoring in that building for the last six months and publicly report out on the environmental air quality conditions in that building. So we have been, the problem is behind us. We have solved the humidity problem that led to some mold issues that occurred last summer when the building was unoccupied.

The letter that you received from the Delegate, I have a letter to give to you today to clarify some of the information that's in there, that's factual

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and well supported by the work that we have done. We do not have a mold issue in our schools. In that particular school we had a humidity issue and we resolved that.

GOVERNOR HOGAN: But I guess the point is it's not just the letter from the Delegate.

DR. FOOSE: I understand.

GOVERNOR HOGAN: It's there is a huge concern in your county --

DR. FOOSE: I understand.

GOVERNOR HOGAN: -- from lots of places and it needs to be addressed. So --

DR. FOOSE: And we have addressed it.

GOVERNOR HOGAN: -- I wouldn't just dismiss it as if it's, there's not an issue.

DR. FOOSE: I'm not, I'm not dismissing it.

GOVERNOR HOGAN: Everyone is talking about it in your county. It's a big deal.

DR. FOOSE: No.

GOVERNOR HOGAN: A lot of people are very concerned. Not just the people that got sick, but other people that are paying taxpayers.

DR. FOOSE: And we have done, and we are doing --

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GOVERNOR HOGAN: Yes --

DR. FOOSE: -- regular air monitoring of the air quality in that building and we have not had a problem with the air monitoring in that school. The humidity levels and the mold spore counts are well within normal range.

GOVERNOR HOGAN: Well then you have a communication problem.

DR. FOOSE: I guess we do. And we have been communicating out the results routinely. And all those are publicly available.

TREASURER KOPP: In addition to that communication --

DR. FOOSE: I'm sorry?

TREASURER KOPP: -- you also had the inspection report which says, quote, various roof conditions at five of the schools received individual ratings of not adequate or poor. Although the leaks were noticed in the semi-annual roof inspection reports it appears that maintenance repairs were not made. Can you address that, too?

DR. FOOSE: Was that the 2014 report that was just recently released?

TREASURER KOPP: Yes. Yes.

DR. FOOSE: 2013 report?

TREASURER KOPP: No, it was '14.

DR. FOOSE: 2014?

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GOVERNOR HOGAN: The most recent report.

DR. LEVER: Excuse me, it was 2013 that has that quote in it.

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TREASURER KOPP: You're right.

DR. FOOSE: We have since made the repairs.

TREASURER KOPP: So that's what I'm asking.

DR. FOOSE: Yes.

TREASURER KOPP: When you respond to the other, can you give us a response --

DR. FOOSE: When they are brought to our attention, we respond to them. Our roof replacement cycle is on, it's on schedule with the regular cycle that we replace our roofs and we look at that. As a matter of fact a lot of our roof replacements have been, we have been incorporating the funding for that in our renovation projects. We inspect our roofs twice a year and when we find deficiencies we address them. The Delegate brought up an issue at one of our elementary schools and we are pursuing legal remedies because we are having issues with the contractor about replacing a roof that's only eight years old.

TREASURER KOPP: Right.

DR. FOOSE: It's not to the quality that we expect it to be and so we're pursuing that aggressively.

TREASURER KOPP: Well all I'm asking is when you respond factually to the other things would you include --

DR. FOOSE: Oh.

TREASURER KOPP: -- please a specific response?

DR. FOOSE: My apologies. Yes. Yes.

GOVERNOR HOGAN: Okay. Any other questions?

COMPTROLLER FRANCHOT: So are the kids back in the school, Glenwood?

DR. FOOSE: Well technically we are on a snow day today. But yes, we had a, on January 5th we had a fire in the building as a result of electrical lines that did not belong to us, that belonged to the Baltimore Gas and Electric Company, that started underground outside of the school that led into our boiler room. And we did an evacuation of that building and a thorough replacement of everything that was damaged, along with Baltimore Gas and Electric. And we could probably use your help recovering some of the fees that we have incurred from Baltimore Gas and Electric on that issue. When that, when we return to school beyond the inclement weather the children will be back in that building.

COMPTROLLER FRANCHOT: So it didn't have anything to do with the HVAC installation?

DR. FOOSE: Nothing. Nothing.

COMPTROLLER FRANCHOT: Okay. Well I understand that when the teachers went back four of them were, or staff members I guess, complained of feeling ill. This was something sent to the parents. Two were transported to the Carroll County Hospital. Both complained of dizziness. One of them was found to have elevated blood, the other two people, blah, blah, and then it's, the teachers came back again and they detected the odor of cleaning products, I guess. And then everybody went in and said there is nothing there. But if there is nothing there, what happened to those four staff members?

DR. FOOSE: Well the four staff members that you are referencing were sensitive to the cleaning products that were used in the building. Two of those staff members were, they asked to be transported to the hospital and they were released. The other two staff members went back to work in their classrooms and it was determined that it was the cleaning products that they were sensitive to. As a matter of fact, one of the folks transported is so sensitive that in her own home she acknowledged cleaning only with vinegar and water. So she has a heightened sensitivity to the cleaning products.

After the fire, we scrubbed the building top to bottom. And we laundered everything in the building that, right down to the gym clothes for the students. And so it did smell like a squeaky clean school. We had an open house for our community to come in before we were, before the blizzard came in, and

everybody was very happy with the state of the school at that point. The community was very pleased.

COMPTROLLER FRANCHOT: So was there mold in the building or not?

DR. FOOSE: We detected mold last summer. This time? No. We detected mold last summer.

COMPTROLLER FRANCHOT: Right.

DR. FOOSE: And we determined that the presence of mold was the result of the heating and air conditioning unit. So we accelerated the replacement of that to the tune of \$3 million. That solved the problem of the humidity that was leading to sporadic areas of mold growth.

COMPTROLLER FRANCHOT: Mm-hmm. Okay. And when did you inform the parents about the mold?

DR. FOOSE: We routinely don't, we didn't have like an epic mold outbreak. We were informing them, as we were responding to this as a maintenance issue because it was a humidity issue and a smell of odors. And we had contractors and different engineers in and out of the building. And we were trying to determine what exactly is the source of this problem. And when it escalated into we had a community meeting in August that we shared all of our information. And since then we have firms going in doing routine monitoring of spore counts and humidity and everything is well within the normal range. We

have not had, I know that the letters you are receiving are saying that students are sick, and we have not had that. We don't have students coming to the nurse's office higher in this school than in any of the other schools that we have in the school system. So I'm not certain that that's completely accurate.

GOVERNOR HOGAN: So when the several students and teachers were hospitalized for being ill, you think it was their imagination? You never had a mold problem? Is that what you are saying?

DR. FOOSE: I don't think it was an imagination.

GOVERNOR HOGAN: But you didn't have a problem? And you didn't think it was worth notifying parents that there could have been a problem?

DR. FOOSE: I'm not familiar with the hospitalization of a staff member or students.

GOVERNOR HOGAN: My understanding is students and teachers were hospitalized last summer.

DR. FOOSE: That is, that is not my knowledge.

GOVERNOR HOGAN: Maybe you ought to go back and check.

COMPTROLLER FRANCHOT: Could I just ask a question about the utility company? You said something about fees that are being charged to the school system?

DR. FOOSE: Well the fire that resulted on January 5th was determined by the fire department that it was an underground electrical wiring

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that belongs to the Baltimore Gas and Electric Company that feeds into the school. And so the fire started there with their lines. So the cost to get this school back on line I think Baltimore Gas and Electric needs to bear some of that responsibility.

COMPTROLLER FRANCHOT: Do you have that in writing from your folks --

DR. FOOSE: We do.

COMPTROLLER FRANCHOT: -- that this was caused by the utility company?

DR. FOOSE: Yes. Yes.

COMPTROLLER FRANCHOT: Well definitely send it to us. And but weren't there a lot of concerns that somehow the aging distribution panel boards or something, these were rushed during the HVAC replacement which was completed just two days before the teachers returned to the buildings? Isn't there some connection between the electrical malfunction and the rush to get the HVAC system operational?

DR. FOOSE: No. That's not what we have concluded. We have had, we had permits, you need permits before you do all this. All of the licensing and permits were in place. Everything was tested. The HVAC system runs on a 2,000-watt capacity. Our generators were, you know, up to, now I'd have to have one of our engineers speak directly to you but that's not our knowledge. No.

There was nothing rushed. We accelerated the timeline to put a new HVAC system in insofar as the renovation cycle, but we took our time to do the work and do it correctly.

COMPTROLLER FRANCHOT: So your, I just forget, you said that all the middle school kids will be back in?

DR. FOOSE: As soon as we open schools back up from the inclement weather.

COMPTROLLER FRANCHOT: And how many of the, how many are there, how many kids go back to school?

DR. FOOSE: Five hundred or 600 students.

COMPTROLLER FRANCHOT: And what do you anticipate as to the reaction from the kids, if any?

DR. FOOSE: Well we had an open house right before this blizzard came, and they were excited, you know, to be back in the building. They liked how it looked, how it felt. I mean, they are, of course they want to be back in their school. Everybody is excited about it.

COMPTROLLER FRANCHOT: Yeah, no, I think that is terrific. But the question is, what if anything are they going to react to that apparently these staff members who I take it the issue is that they are ultra, they are very, very sensitive to, or one of them is very sensitive to anything other than vinegar.

What about the kids? Are they, are you anticipating any difficulty?

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DR. FOOSE: I'm not. I'm not at all.

GOVERNOR HOGAN: So it's pretty much your testimony today you don't have any mold issues or problems in Howard County Schools?

DR. FOOSE: It's my testimony that the issues that we had at Glenwood Middle School --

GOVERNOR HOGAN: They are all taken care of?

DR. FOOSE: -- we have taken care of. And we are doing our best to make sure that the buildings, all of them, remain a healthy environment for students to learn and for teachers to work. We are committed to safety.

GOVERNOR HOGAN: So all the concerns are for nought?

DR. FOOSE: Those aren't my words, Governor. They are not for nought. But we are addressing the issues as they come up. This was an issue of humidity that came up that led to some mold growth, and we took care of it. And we continue to monitor the air quality in that building very closely. I mean, we have spent \$50,000 so far this school year, from, you know, August until now, just to make sure that we don't have a reoccurrence of this issue.

GOVERNOR HOGAN: Okay. Well we're recommending \$22 million in State funds and we would like you to stay on top of this issue and report back to us on any additional mold issues that you discover --

DR. FOOSE: Okay.

GOVERNOR HOGAN: -- and any ongoing maintenance steps that you are taking.

DR. FOOSE: All right.

GOVERNOR HOGAN: To address the problem. Thank you.

DR. FOOSE: Can we talk about that \$22 million?

GOVERNOR HOGAN: No, we're way past your time limit, unfortunately.

DR. FOOSE: Okay. Well I'm going to give you a letter, if that's okay, that addresses some of the issues that we've done, that outlines everything.

GOVERNOR HOGAN: Great. Thank you.

DR. FOOSE: Thank you.

SECRETARY MCDONALD: Okay. And next we have Montgomery.

LIEUTENANT GOVERNOR RUTHERFORD: Good afternoon.

MR. DURSO: Good afternoon. I'm Mike Durso, president of the Montgomery County Board of Education. I'm here today with Mr. Larry Bowers, Interim Superintendent of Schools, to thank you for your past support and ask that you fully fund our current request. We appreciate the State providing \$39.84 million in school construction funds in fiscal 2016 for Montgomery County through the State Public School Construction Program. We also appreciate the additional \$5.9 million in State aid for school construction projects due to the

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Capital Grant Program for Local School Systems with Significant Enrollment Growth or Relocatable Classrooms legislation approved by the Assembly in April, 2015.

Our burgeoning enrollment growth continues, increasing this year to 156,447 students, a one-year increase of 2,595. By 2021, we anticipate growth to exceed 166,000, which is a staggering increase of more than 28,000 students since 2007. Beginning in 2007, we have gained more than 18,000 students, mostly elementary. This is more than the combined growth in Anne Arundel, Howard, Frederick, and Baltimore Counties, and the equivalent of 24 elementary schools with a capacity of 740 students each. As the elementary students matriculate to the secondary schools, there will be a need for more than 10,000 middle and high school seats, the equivalent of four middle schools and three high schools. No other jurisdiction is seeing this unprecedented growth.

Who are our students? Between 1970 and 2015, our system has changed from one that was predominantly white non-Hispanic to one with a very diverse population, and where white non-Hispanic enrollment is now only a bit over 30 percent of the total. Thirty-five percent of our students qualify for free and reduced price meals. This is an increase of 24,000 students in 1994 to more than 54,000 students currently. We continue to enroll half of Maryland English for Speakers of Other Language students, providing services to more than 22,000

students, representing 158 countries and 127 languages. More than three-fourths of these students are born in the United States.

While the county has provided substantial financial support, for which we are most grateful, it has not been, nor will it ever be, enough. State aid, for which we are appreciative, has not kept pace with our clear and documented needs. If we are to have any hope of closing this capacity gap and addressing our aging facilities, it is crucial that our State aid request be approved, and imperative that we receive continued as well as additional state support to maintain our commitment to provide excellent facilities for our students and staff.

Thank you for your time and attention to our concerns, and for your continued consideration of our State aid request.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

MR. BOWERS: Good afternoon. I'm Larry Bowers. I'm the Interim Superintendent. I'd like to introduce Dr. Andrew Zuckerman, who's the Chief Operating Officer, Mr. James Song, who is the Director of Facilities Management.

The Interagency Committee on Public School Construction has recommended funding of \$25.7 million of our nearly \$150 million request, and we are here to appeal the balance of those funds. Before you is our written testimony and the list of projects included in our appeal, which only begins to identify the depth of the needs that we have.

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As we continue to grow by more than 10,000 students over the next six years, funding for these -- many more projects will be added to this list for additional seats to address this growth. And I want to emphasize that almost every project on that list provides additional seats for this student growth.

Since 2007, as you heard, we added 19,000 students, and over that period of time we added 14,000 seats. Mr. Durso has already shared with you that 10,000 more students are coming over the next six years, the equivalent of three more high schools, four more middle schools.

But rather than discussing the specific projects, I'm going to talk to you about two areas that I think you need to consider when looking at the Montgomery County Public Schools' request: our efforts to reduce construction and capital costs, and the uniqueness of our enrollment growth.

I know how important the issue of cost is to this body. It is an area that we have been addressing in Montgomery County for some time. I'm proud of the work that we have done to keep construction costs down and to be good stewards of the State's taxpayers' dollars. I agree with you that this is essential.

I take my fiscal responsibility very seriously. I have been responsible for the MCPS capital budget since 1993 when I became the Chief Financial Officer. We look at life cycle costs of a project, which includes all of the maintenance, all of the system replacements, all of the utility costs over time.

I believe that our approach results in lower costs over the life cycle and over --

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compared to different construction methods. And although it may be higher than initial costs over the life cycle of a building, we believe it's lower.

But first I want to thank Mr. Franchot for coming out to Montgomery County a few weeks ago. We visited together at Rock Creek Forest Elementary School. The school recently underwent a revitalization and expansion project. The original building was 43,000 square feet. It is now 98,000 square feet to address facility needs and the growing enrollment.

Rock Creek Forest Elementary School was originally built in 1950 at a time when MCPS was building five or six schools every year. Over a 20-year period, right after World War II until the baby bust in the early 1990s, we were building five or six schools every year. Schools were built quickly, and they were built as inexpensively as possible, and they were not meant to last.

When we finally replaced Rock Creek Forest after 55 years, it was time. The school also was originally built for 300 students. It's now serving over 700 students. And it was built at a time when environmental and safety requirements were very different. These features now add 12 to 15 percent to every one of our projects. The Rock Creek Forest Elementary School construction cost was \$199 a square foot. Site construction cost was \$50 a square foot, totaling \$249 a square foot. The building cost was below the State reimbursement rate of \$215 a square foot.

Some examples of the environmental regulatory standards that have contributed to the cost of our schools and schools throughout the State include stormwater management regulation, forest conservation law that has become increasingly difficult to meet, the Leadership in Energy in Environmental Design Silver rating requirement that also provides additional costs as we build these buildings, and stricter building requirements related to acoustics in classroom, energy performance, and the building envelope that have all resulted in increased construction costs.

Our revitalization expansion program was implemented in order to preserve much of the existing -- as much of the existing structure as possible, but it also results in the demolition of portions of the building that cannot be modified or renovated to meet the current standards.

As programmatic changes have occurred over the past decade, our school buildings have changed to meet both the new curriculum requirements as well as the student capacity requirements. Existing building elements such as mechanical and ventilation systems, foundations, and corridor widths do not meet the current demands, and single-story building sprawl is often not an option.

We have taken a number of steps to keep construction costs low. I have listed -- we have listed many of those in our testimony, so I'm not going to go through all of those. But as you can see, we take containing our costs very

seriously, and we put in place a number of strategies in order to keep our costs low. All of these best practices have been refined over the past 30 years.

Finally, we have been a leader in environmental sustainability, implementing a number of strategies that have protected the environment while at the same time reduced our longer-term costs. Perhaps no greater example is our commitment to the emphasis on solar energy. Currently, we have 12 roofs with solar panels, and we're scheduled to do four more this summer.

I am sharing all of this with you because I want you to know that when we come here, year after year, asking for the necessary dollars to complete our capital projects, we are doing everything we can to reduce our costs and to be the type of stewards of public dollars that we know you and our constituents expect of us.

Finally, I just want to share a little more information about our unique enrollment situation. Our construction program cannot simply keep up with our dramatic enrollment growth. You've heard that -- how quickly we have grown. Since 1985, more than 63,000 -- since 1985, more than a 63,500 student increase, larger than all but four school systems in the entire State.

Every year, we are setting new records of enrollment -- 156,000 this year, 2,500, 2,600 more students. We are by far the fastest growing school system. Given all of this, we respectfully ask for an increase in the share of state construction dollars. You have heard us talk during our testimony in years past.

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Montgomery County has 17.6 percent of the student enrollment in the State, yet we continually get about 12 to 13 percent of the construction dollars.

If we receive 17.6 percent of the construction dollars, we would get \$55 million. We need at least this amount in State construction funding to allow us to get closer to addressing the tremendous needs we have as a result of our growth, which is unlike anywhere else in the State. We will continue to do our part to keep construction costs down. I hope the Board of Public Works will seriously consider our request today. Thank you very much for your time.

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

TREASURER KOPP: No, except could you send us your responses to the maintenance inspection points? I'm sure you've done it already.

MR. BOWERS: Okay. Well, we just got the 2014 one.

TREASURER KOPP: Oh, you haven't done it already. Well, when you do it –

(Laughter.)

MR. BOWERS: We just got done it on Thursday, I think.

TREASURER KOPP: Part of it is the question of roofing, again. Which, I mean, I know the County school, this ongoing, especially, I assume, flat roof.

MR. BOWERS: We put -- we've increased our roof budget to \$12 million. We've gotten a little bit behind. We're probably at around 23- to 24-years replacements. So we need to bring that back down, and it's something we're taking a look at.

I'll emphasize that a lot of the other problems -- the HVAC is just as significant. We have about a \$300 million backlog in HVAC projects. So our request for the next two years is \$30 million a year each year. We're not sure we're going to be able to do that, but as our buildings get older, we need to replace these systems. There's a significant cost for roofs, HVAC, and certain other systems. So we will get that to you.

TREASURER KOPP: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Comptroller?

COMPTROLLER FRANCHOT: No, thank you very much for hosting my visit to Rock Creek. I was very impressed with the media center, with the geothermal heating and cooling system you put in there, and just the general look of the school and the fact that you eliminated six portable classrooms with that one new school alone.

MR. BOWERS: Thank you.

COMPTROLLER FRANCHOT: Impressive. Just a couple of quick questions. How many portable classrooms are there in Montgomery County?

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MR. BOWERS: Just a tad below 400, 380.

MR. SONG: Yes, we have about 405 total, but 341 is currently used for classrooms.

COMPTROLLER FRANCHOT: Got you. And at the end of the tour, Dr. Bowers, you arranged for six teachers to speak to us about testing. What was your takeaway from particularly the fourth grade teachers? Because I thought it was – well, it was unique. I've never heard directly from teachers what they were saying.

MR. BOWERS: I was so impressed with them, that, you know, you didn't throw them off. You didn't get them too excited. And they were, I think, honest and open.

COMPTROLLER FRANCHOT: Yeah.

MR. BOWERS: I think they shared their concerns. I think they shared the reasons why we test. I think that as the State Assessment Task Force takes a look at all of this information we're certainly going to listen to teachers and listen to others as we, I'm part of that task force, as we make our recommendations to the State Board of Education. But it was very enlightening for me, too. It was just very open and very honest and, you know, it's always helpful to hear directly from teachers like that. So I appreciate you --

COMPTROLLER FRANCHOT: No, thank you.

MR. BOWERS: -- talking about that instead of the building.

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COMPTROLLER FRANCHOT: And maybe you could just speak for a minute about your concept of solar panels. The Treasurer mentioned your roof maintenance issue. I believe you have an objective or a vision for putting solar panels on roofs of schools in Montgomery County and other areas around the school grounds that could not only defray electrical costs but actually produce some positive revenue.

MR. BOWERS: Yes. We're looking to put solar panels, quite honestly, wherever we can. But wherever, it has to make sense for the companies that are actually installing them, that it's worthwhile for them, and that we get benefits out of it. As you know, we have been putting green roofs on a lot of our buildings. My preference has always been solar panels. So, again, there's great environmental benefit from both of them, but right now, you know, we can actually generate a lot of revenue to reduce our utility costs. So long-term, it has some potential.

As we put new roofs on, we're hoping then -- because you can't put it on an older roof. You've got to put it on the new roof, because there's -- you can't be replacing solar panels if a roof has to be replaced in nine or ten years. So we're looking to do a lot more of it in the future. We're looking at other open space to put solar panels on if we can.

COMPTROLLER FRANCHOT: So maybe you can stick around for a few years.

(Laughter.)

TREASURER KOPP: That would be good. He's stuck around for a while, the question is the role. But --

COMPTROLLER FRANCHOT: But also thank you for the delicious bowl of matzo ball soup that you bought me afterwards. I rarely get someone treating me for lunch. So thank you.

MR. BOWERS: Thank you very much.

LIEUTENANT GOVERNOR RUTHERFORD: Less than \$25?

COMPTROLLER FRANCHOT: Oh, yeah. It was a big bowl, but it wasn't \$25.

(Laughter.)

TREASURER KOPP: A question has been raised and was raised in past maintenance inspection reports that things were inspected -- I'm thinking back on roofs -- things were inspected, but the maintenance didn't follow up. I'm sure you've seen this. Could you respond to that? Not at this moment. Respond to that.

MR. BOWERS: We will.

TREASURER KOPP: Secondly, I think it was St. Mary's County where they said they were putting up solar but not on the roofs in order to not initiate or --

LIEUTENANT GOVERNOR RUTHERFORD: The warranties?

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TREASURER KOPP: The warranties, or go against -- or create a problem. I assume you're looking at all that before you do the solar roofs?

MR. BOWERS: Absolutely.

TREASURER KOPP: And if you could address that in writing also, I'd appreciate it.

MR. BOWERS: Okay. We will.

TREASURER KOPP: As you know, I think solar is terrific. But you don't want to create problems --

MR. BOWERS: No.

TREASURER KOPP: -- when there is a record of expanding numbers of schools, roof problems, and now you put something else on top.

MR. BOWERS: Okay.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. And I have a quick question on your green roofs. You're putting those on new construction?

MR. BOWERS: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: Because on existing you can have collapse.

MR. BOWERS: No, just on new. Just -- yes.

LIEUTENANT GOVERNOR RUTHERFORD: Just verifying. Okay. It appears, though, that the IAC is -- they at least provided some funding for all your A projects, and you're appealing the rest on the A projects but many

of your other projects which are not at the A level. So we'll have to look at that, and I'm quite sure there will be a closer look. Your full request, you know, unfortunately is almost half of what is allocated for school construction. So just to disappoint you a little bit, I don't think you're going to get the whole amount.

MR. BOWERS: We appreciate anything you can do.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. And the Governor is well aware of the surge in enrollment in Montgomery County and understands that. Thank you.

MR. BOWERS: Thank you very much.

SECRETARY MCDONALD: Okay. Prince George's County.

TREASURER KOPP: Could I ask one more question before Mr. Bowers leaves?

LIEUTENANT GOVERNOR RUTHERFORD: Wait, before you go. Before you go.

TREASURER KOPP: One last -- my understanding -- I understand B being instead of A because of lack of funds. But my understanding is a couple of these other categories, the C and D, is because there's a disagreement between the county and the state policy on square foot for students in certain areas. Could you also follow up on that?

MR. BOWERS: Okay. We will. And one of the things we presented to the IAC and we discuss every year, we'd be happy to follow up, is

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that, you know, we do have some class size reduction schools in our focus -- our highly impacted schools, those that are most impacted by FARMs. Kindergarteners, grades one and two class sizes are 19 and 20. And we've asked for years to change the state guidelines to reflect those school systems that have a class size initiative to support our kids who need those lower class sizes, those additional supports.

TREASURER KOPP: And I assume you have some research to back up the positive impact?

MR. BOWERS: Yes.

TREASURER KOPP: Okay. Thank you.

MR. BOWERS: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

SECRETARY MCDONALD: All right. Now we have Prince George's.

LIEUTENANT GOVERNOR RUTHERFORD: Good afternoon.

DR. MAXWELL: Good afternoon. My name is Kevin Maxwell. I'm the Chief Executive Officer for Prince George's County Public Schools. Joining me today is Curtis Valentine, a member of our Board of Education, representing the Board today; our County Executive, Mr. Rushern Baker.

TREASURER KOPP: Former Delegate Baker.

DR. MAXWELL: Former Delegate Baker. That's correct. Our Chief of --

LIEUTENANT GOVERNOR RUTHERFORD: And Howard U. alumnus.

(Laughter.)

DR. MAXWELL: That's correct too. And our -- I'll have to put all that in my introductions next time.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

(Laughter.)

DR. MAXWELL: And our Chief of Operations, Monica Goldson, a couple other members of my exec team, and our support staff for the organization, representing the team of architects, planners, engineers, and educators who developed our Fiscal Year 2017 to '22 Capital Improvement Plan.

Prince George's County Public Schools appreciates the recommendations to date for \$24.7 million out of our total request of \$71.5 million and want to thank you for this initial commitment. However, our appeal today is to share the urgency of our request and to urge you to fully fund all our projects, including our very important requests for planning approval for upcoming projects.

We have begun a major change in Prince George's County Public Schools, turning from a program of primarily emergency projects towards a major

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renovation program, while also keeping up with the demand for new schools and expanded schools in the portion of the county that is exhibiting significant enrollment growth.

In order to make sure that we are acting on impartial information, we brought in a third party planning and assessment team to look at our inventory. The study, called the Master Plan Support Project, is ground-breaking in that it answers the following questions for each school and for our school system:

What will it take to bring this school into a state of good repair? What physical deficiencies are most critical to student well-being? What will it take to align this facility to support 21<sup>st</sup> Century learning? How well is this school utilized? Is this school sized currently for its projected enrollment? And how does this school and its set of issues and opportunities fit into its planning area with adjacent schools, taking into account program, grade alignment, and other factors?

The study showed a need for eight new schools, along with additions at many schools to address severe overcrowding. It also disclosed that our aging inventory requires more than just patchwork if we are to provide up-to-date educational programs, meet current building codes, and operate an inventory that is in a state of good repair. We must invest with a long-term vision, and invest in smart, comprehensive, and cost-effective projects in order to maximize the impact of limited capital dollars.

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The cost for this is significant. The consultants estimate the investment at over \$8 billion over 20 years. We've begun the conversations around how to fund such a need, and we recognize that the funding will not appear overnight, but we must embrace this holistic approach. Our approach is consistent with IAC-recommended best practices of matching systemic improvements with work that supports enhanced educational programming and practices. At the same time, we're working to identify prudent economies, and we are supportive of efforts to streamline delivery of construction projects.

The Fiscal Year 2017 to '22 CIP represents the first six-year cycle in this long-range plan. Most of the projects in the CIP are requesting planning approval at this stage. The planning approvals are a critical step in allowing us to address long-standing deficiencies and overcrowding. The State share for our proposed Fiscal Year 2017 Capital Investment Program, as I stated, is \$71.5 million. This includes:

\$3 million for a Special Education Initiative project at Stephen Decatur Middle School. That appeal is for construction funding;

\$14.6 million for limited renovations at two schools: C. Elizabeth Rieg and the Bowie Belair Annex. The appeal is for \$4 million in construction funding for C. Elizabeth Rieg Special Center and planning funding of \$10.576 million for the Bowie Belair Annex.

\$3 million for major renovation and addition to the aging William S. Schmidt Outdoor Environmental Center, which will serve as a home base for environmental education programs. That appeal is for planning and funding.

\$41.6 million for our most important systemic renovation projects, of which \$24.7 million has been approved. And that appeal is for the \$16.9 million balance.

And \$9.3 million of State funding for four school construction projects approved by the State that were fully funded by the county. These forward-funded projects remain a high priority for reimbursement. The reimbursement of these funds will enable the funding of other high-priority school projects.

Our six-year plan for modernizations includes 18 elementary schools, two special centers, and one new school; 14 middle schools, two of them new, one as a replacement; and six high schools, one new, two replacements, including Fairmont Heights that is in construction, and one international high school.

These projects will be requesting State planning and funding in the next six years. With these projects indicated above, plus our county initiative for other projects, our proposed funding for the next six years is \$2.4 billion with a State request of over \$832 million to support our needs.

In closing, I hope this testimony has provided you with a clear picture of our needs in Prince George's County Public Schools and a justification for the level of funding requested for our Fiscal Year 2017 CIP submission. I want to thank you for this opportunity to speak to you and appreciate your continued support in enabling us to provide Prince George's County's children the quality facilities they deserve. And I'd like to turn it over to Mr. Curtis Valentine, representing our Board of Education, at this time.

MR. VALENTINE: Thank you, Dr. Maxwell. My name is Curtis Valentine. I'm an at-large member of the Prince George's County Board of Education, and I am here to testify to appeal the recommendations made by the IAC.

While we acknowledge and thank the IAC for their approval for a number of projects, we are requesting the balance of funds for FY 2017 CIP to support the projects not yet recommended for approval.

We are appreciative of the funding that has been recommended by the IAC for projects to start or continue. However, this sum represents only 34.5 percent of the State funds requested and needed to address our backlog of deferred maintenance, our enrollment growth, and our need for functional upgrades.

Therefore, full funding of our CIP, beyond the \$24.7 million recommended for Prince George's County at this juncture, is critical to ensuring

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adequate educational facilities are provided to meet the needs of our students and teachers. We respectfully request your consideration of our appeal for the full funding of Prince George's County Public Schools' FY 2017 CIP request.

The Master Plan Support Project showed an urgent need for eight new schools, along with additions at many schools to address severe overcrowding. It also showed that our aging inventory requires more than just patchwork if we are to provide up-to-date educational programs, meet current building codes, and operate an inventory that is in a state of good repair. We must invest with a long-term vision, and invest in smart, comprehensive, and cost-effective projects in order to maximize the impact of limited dollars.

Dr. Maxwell stated the cost of needed improvements and new schools is significant. We are building our capability and capacity to manage this effort; we are looking for creative funding sources and program efficiencies. However, given that most of our inventory, our existing schools averaging 40 years old, a very substantial investment is long overdue.

In closing, I hope this testimony has provided the Board of Public Works with a clear picture of the needs of Prince George's County Public Schools and justification for the level of funding requested in our FY 2017 CIP submission. I also think this is important that you know the School Board and our local county government fully support this year's request. I want to thank you for this opportunity to speak to you today, and appreciate your continued support in

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enabling us to provide our students the quality facilities they deserve. We would be happy to answer your questions. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

DR. MAXWELL: Mr. Baker?

MR. BAKER: Thank you. I want to thank my colleagues for leaving me so much time. It's a good thing it's very quick. First of all, let me just do this. I want to thank the Lieutenant Governor for reaching out to me during the snowstorm. That was very helpful having the National Guard there, so thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

MR. BAKER: And I want to thank the Governor also, certainly, and the Board of Public Works, my old friends and colleagues.

We here at the county government -- I mean, the best I can say is that we've had a growing enrollment in our schools. That's the good news. People are starting to come back to our public schools. The bad news is we have old schools. The county is ready and willing to do its part. We need this additional funding from the State to help us move the County forward and to renovate and to build these new schools.

The last thing I'll say is, you know, we've been doing a lot of economic development throughout the County, but what we manage to do is to tie that to where our schools inside the Beltway areas -- the Comptroller visited one

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of our schools, at Suitland High School, which needs repairs that we're teaming with our economic development.

So we're putting our county dollars, matching where the State dollars are coming, but we're also building around there. And so we thank you for your support of the school system in the past, we thank you for the additional dollars that you've already given us, but we appeal to you for the balance of the funds. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

Questions, Madam Treasurer?

TREASURER KOPP: I don't know if you heard me ask Montgomery, but I'm asking you the same thing, Dr. Maxwell, and that is -- the maintenance inspection reports draw attention most particularly to the roof issues, particularly this year. I assume you will have a response to it --

DR. MAXWELL: We will.

TREASURER KOPP: Thank you.

DR. MAXWELL: And we're happy to send that to you.

TREASURER KOPP: Thank you.

COMPTROLLER FRANCHOT: Yeah, I say all over the State that Dr. Maxwell is the best Superintendent around.

MR. BAKER: We believe that also.

COMPTROLLER FRANCHOT: And, you know, hats off to the County Executive for poaching you away from wherever he got you.

DR. MAXWELL: Thank you, sir.

(Laughter.)

COMPTROLLER FRANCHOT: You know, that's quite a move.

LIEUTENANT GOVERNOR RUTHERFORD: Anne Arundel County is sitting right here.

COMPTROLLER FRANCHOT: Oh, okay. Sorry. But seriously

--

(Laughter.)

DR. MAXWELL: George is a great guy too. He really is, you know.

COMPTROLLER FRANCHOT: Seriously --

DR. MAXWELL: Thank you.

COMPTROLLER FRANCHOT: -- you know, you have an outstanding Superintendent. Mr. County Executive, my hat is off to you for the Junior Academy Finance Park that you and the school system with the school board, Mr. Valentine, pioneered.

This is an absolutely iconic facility. It is the only one in the State of Maryland. We need another 23 of them in every other jurisdiction. But I was delighted to be there in October when you cut the ribbon. And I guess, you know,

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as everyone knows, I believe financial literacy for young people is vital. Frankly, some of the older people could get it too. But maybe you could just give me -- us -- your brief thoughts on that program, how it's working in practice.

DR. MAXWELL: It's actually running very, very well. We missed a few days here with the weather, and we'll miss a day or two more, perhaps, but it's full every single day. We're really thrilled. And we've actually been hosting, you know, a couple of business groups and others there in some of the conference room space, so they can take a seat as well.

I think you know that, you know, we visited the one in Fairfax County when I first arrived back in Prince George's County and held an executive team meeting at that facility so that we could -- my whole team could see it and explore it.

So, you know, I see our relationship as strengthening. Our schools are responding well. Our Chief Operating Officer made sure to appropriate funding for transportation to and from the facility for all of our schools. So we're really just thrilled with the way it's opened up and the way it's running.

COMPTROLLER FRANCHOT: For sure. And this is really your leadership that allowed it.

MR. BAKER: This really has been a wonder for us in the county. And as I said at the ribbon cutting, that this has been a vision for the county for a while. Wayne Curry along with you have been, you know, pushed this issue, and

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thank you for your leadership. But where it's placed is significant -- right there inside the heart of the Beltway, in an area that has challenges. And to have this facility where these children, our children, are going to learn financial management is great, and it's a wonderful facility, and it speaks a lot to the growth. So it's been a dream come true for us. And, you know, it gives us a little bit to say, you know, when Montgomery County comes over, that we have something they don't have.

(Laughter.)

COMPTROLLER FRANCHOT: Good. Good. Yeah. In a good way. Thank you very much. And --

TREASURER KOPP: Rushern, could I just --

COMPTROLLER FRANCHOT: Yeah, sure.

TREASURER KOPP: Peter, one sad moment. You recall John Tidings who for so many years was the Director of the Greater Washington Board of Trade --

MR. BAKER: Oh, yes.

TREASURER KOPP: -- and was such a keen, keen supporter and a keen supporter of the Northern Virginia Center.

MR. BAKER: Yes.

TREASURER KOPP: And he's -- one of the last things he said -- and was talking about was his hopes for having exactly the sort of academy that

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you've got there right now. So the tradition and the strength from the entire Washington area is behind you and most appreciated.

MR. BAKER: Thank you. No, it's terrific.

COMPTROLLER FRANCHOT: I just had a quick question. On Tanglewood Regional School, I see that it's listed as needing roofing repairs and that it's on the -- I believe the list to replace the HVAC system. Is that -- but it's also listed on the schools recommended for closure. What's the status of that school?

DR. MAXWELL: So I think if the list that you're looking at from

--

COMPTROLLER FRANCHOT: I may have it wrong.

DR. MAXWELL: Well, again, we have to separate out the Master Plan Support Project, which has schools over the next 20 years that they're saying may need to be closed. But we certainly would never invest that kind of money in a school that was going to close in the short term. But we've been getting some calls -- because the Master Plan Project, again, spans 20 years. We've been getting calls from people where a school is in there for possible closure 15 years from now. So but we'll get you the exact year and make sure that you're aware of where it falls. Okay?

COMPTROLLER FRANCHOT: Thank you.

DR. MAXWELL: Great. Thank you.

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LIEUTENANT GOVERNOR RUTHERFORD: I have a question on the \$9.3 million that you said were forward-funded. Which schools are those?

DR. MAXWELL: I think David has them, but Rupert, do you have them?

MR. MCCAVE: Good afternoon, Governor. Rupert McCave, CIP Officer. The schools in question for the \$9.3 million are Rosa Parks Elementary, Mary Harris Mother Jones Elementary School, Lake Arbor Elementary School, and Suitland Elementary School, which was the former Homer Avenue School. And these are schools that was done several years ago based on the initiative for the MOU for enrollment. And kids are back to their neighborhood schools. And since then the county government's leadership at that time supported these schools 100 percent, and at that particular time when the State could not support the capital improvement. And since then, we have been requesting the balance of funding for the last ten years in the CIP. So this is the rest of the money that's due to the county government.

TREASURER KOPP: Is there a time limit, time constraint?

DR. LEVER: They can only, only PAYGO funds can be to reimburse these projects, because of the time factor.

TREASURER KOPP: It's already elapsed.

DR. LEVER: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, okay.

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TREASURER KOPP: So it would have to be PAYGO?

DR. MAXWELL: Correct.

MR. MCCAVE: That's correct.

LIEUTENANT GOVERNOR RUTHERFORD: What was the second school? Mary what? Was it Mary --

MR. MCCAVE: Mary Harris Mother Jones.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, Mother Jones. Okay.

MR. MCCAVE: Yeah. It's an Elementary School.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. MCCAVE: Okay.

LIEUTENANT GOVERNOR RUTHERFORD: All right.

TREASURER KOPP: You can only borrow money to pay back for a certain limited period of time, and then --

DR. MAXWELL: Yeah, I believe that's correct. You can only use the PAYGO money --

TREASURER KOPP: I mean, the County Executive --

DR. MAXWELL: -- after a certain time has elapsed.

MR. BAKER: Yes.

TREASURER KOPP: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

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MR. BAKER: -- shaking his head, going yes, you are correct. These are the schools when, if remember when we did the -- when we went into the bussing, in the segregation --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: Right. Neighborhood.

MR. BAKER: -- and during the County Executive, the Legislature allowed us to go ahead and build these neighborhood schools so they can, so the children could go back to neighborhoods. And we did that. But now we are asking for, you know --

TREASURER KOPP: Thank you.

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

DR. MAXWELL: Thank you all.

SECRETARY MCDONALD: All right. Anne Arundel.

LIEUTENANT GOVERNOR RUTHERFORD: Good afternoon.

DR. ARLOTTO: Good afternoon, Lieutenant Governor Rutherford, Treasure Kopp, and Comptroller Franchot. I'm George Arlotto, the very proud Superintendent of Anne Arundel County Public Schools, and I was glad I was here to learn I'm not the best Superintendent in the State.

LIEUTENANT GOVERNOR RUTHERFORD: That would be, right.

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(Laughter.)

DR. ARLOTTO: I certainly represent the best school system in the State. I'm pleased to be joined here today with our Chief Operating Officer, Mr. Alex Szachnowicz, members of our Board of Education, including our President Mrs. Stacy Korbela, our County Executive Steve Schuh, and other supporters from Anne Arundel County.

I'd like to thank this Board, the IAC, Dr. Lever, and the staff of the Public School Construction Program for your ongoing support of Anne Arundel County and our Fiscal Year 2017 request. Our district's commitment to providing a balanced capital improvement program and spending the public's funds prudently continues to be in the forefront of our plan.

Over the past year, with the support of Anne Arundel County Government, we have fine-tuned our Strategic Facilities Utilization Master Plan which has been our roadmap for the last decade. In September, we presented our Board and the county with an updated ten-year plan for capital improvements and building utilizations that reflects our educational mission, goals, and programs. This plan provides an inclusive and transparent process for planning through structured data-driven recommendations based on building condition, site condition, educational suitability, demography, and technology readiness. Our FY 2017 Capital Improvement Program is the beginning of a new but similar and exciting journey for renovation and construction projects over the coming decade.

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We have a well-thought-out and balanced plan. We know what the next steps are. We have our local government's support. We are clearly moving in the right direction, but we're not there yet. We intend to continue to grow our valuable partnerships with government, businesses, and community organizations in order to develop great future leaders. By prioritizing resources to enhance our educational programs, we can also better support the needs of our students and staff by providing safe, healthy, flexible, and sustainable facilities.

As I told my Board in my December budget address, funding to support our people and enhance our programs is but one part of a successful school system. Our facilities must be able to not just adequately serve today's generation of learners, but allow them to thrive.

Anne Arundel County has a well-organized plan for now and into the future. Therefore, we ask you for your support and funding approval for the following projects.

Our first request is for the balance of construction funding for the open space conversion project at Chesapeake High School. Our list of remaining open space schools is diminishing, and enclosing classrooms is a high priority when it comes to correcting the educational suitability for our schools with open spaces. This project will decrease the number of disruptions that students and staff must endure in their current classrooms, and enhance both safety and security levels.

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Next, we're asking for the remainder of the construction funding for Severna Park High School. The current schedule is to have the students and staff move into the new building in January, 2017, with demolition of the existing school and site work to follow. When completed, this project will provide a high-performance facility that will be the focal point of the Severna Park community for many years to come.

Our third request is construction funding for the gymnasium addition at Millersville Elementary School. We received local planning approval in FY 2016. The design is complete, and we have approval to bid. The existing multipurpose room at this school is currently tasked with serving as the collective gymnasium, cafeteria, auditorium, music room, and community gathering space. This addition will alleviate complex scheduling demands, support our physical fitness initiatives, and provide much-needed support for collaborative programs with the Anne Arundel County Department of Recreation and Parks.

We are also asking for first-year construction funding at Manor View and High Point Elementary Schools. We received local planning approval for both projects last year. Designs are moving forward with local funds, and we will be preparing bid packages in the new future.

The next priority in our request is funding for two electrical systemic projects at Crofton Woods and Brooklyn Park Elementary Schools. We

continue to reduce the backlog of our technology-related projects while balancing the resources that we have available.

Additionally, we are requesting first-year construction funding for Jessup Elementary School and local planning approval and first-year construction funding for Arnold Elementary School.

Finally, we are asking for local planning authority for George Cromwell Elementary School. The feasibility study demonstrating the need, rationale, methodology, and purpose for each project has been completed and previously approved by the IAC.

On behalf of our more than 80,000 students, their parents, our employees, the Board of Education, our County Government, and the community that we serve, I thank you for the opportunity today to discuss our FY 2017 Capital Improvement Program and how it supports Anne Arundel County and the State of Maryland. And certainly, we'd like to answer your questions and invite Mr. Schuh to the podium.

MR. SCHUH: Thank you, Mr. Superintendent, and good afternoon --

LIEUTENANT GOVERNOR RUTHERFORD: Good afternoon.

MR. SCHUH: -- to you, Lieutenant Governor, Madam Treasurer, Mr. Comptroller -- always a pleasure to see you guys, and thank you for the opportunity to share remarks in support of our wonderful school system.

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First, however, I wanted to express thanks to the State on behalf of the citizens of our county on the great job you did through this storm event. The state roads that come through Anne Arundel County were cleared incredibly quickly, provided much-needed material support, a lot of advice, and I very much appreciate your call, Lieutenant Governor, at a very important moment in all that.

The Strategic Facilities Utilization Master Plan that Superintendent Arlotto mentioned a moment ago was performed by MGT of America. It was a collaborative effort among the County Council, Dr. Arlotto and his staff, the Board of Education, and my office. The effort involved a data-driven prescriptive analysis of all the schools -- all the school system facilities. And our analysis of that data determined that the school priority list and the subsequent proposed School Construction Capital Budget Proposal would be as Dr. Arlotto has laid out for you.

The Master Plan is a critical roadmap that supports the school system's and the county's missions, goals, and programs. And what I am most excited about is the recommendation that came out of that Master Plan to construct three new high schools over the next ten years. As you probably know, up until now Anne Arundel County has not built an incrementally new high school since 1982. It's quite incredible, and that's why our high schools spiral ever-upward in terms of overall average enrollment.

Anne Arundel County Government is committed to supporting the results of the Master Plan and the priorities set forth by Dr. Arlotto to the best of our abilities. I am continually impressed by the leadership of Dr. Arlotto and his staff. We have an outstanding Superintendent too.

(Laughter.)

MR. SCHUH: And we're fortunate to have a great partnership and working relationship with the Superintendent, his staff, and the Board of Ed.

The county administration recognizes the need to support the School Board's goals and educational programs through continued and increased investment in their facilities, and we believe their plan to be well-thought-out and balanced. I'm very excited about it.

And again, I wanted to thank you for the opportunity to lend my support to the 2017 Capital Improvement Program for Anne Arundel County Public Schools. Thank you.

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

COMPTROLLER FRANCHOT: Yes. And that was the best presentation I've heard all day

DR. ARLOTTO: Your day is getting better.

COMPTROLLER FRANCHOT: My apologies. But I also want to just give another shout-out to Alex Szachnowicz who has been, frankly, pushed by this Board around the State to sit and meet with –

LIEUTENANT GOVERNOR RUTHERFORD: Sorry about that.

(Laughter.)

TREASURER KNOPP: Very good timing.

DR. ARLOTTO: It's all about Alex.

(Laughter.)

COMPTROLLER FRANCHOT: Yeah.

MR. SCHUH: We've got that.

COMPTROLLER FRANCHOT: Out comes the wizard. But we have expressed strong appreciation, Alex, to you before. But the Treasurer brought you up again today for your presentation last meeting or the meeting before, and I just want to salute you for improving the health and conditions for tens of thousands of Maryland students outside of Anne Arundel. Looks like the Governor got hold of it.

LIEUTENANT GOVERNOR RUTHERFORD: Yes, I think so.

COMPTROLLER FRANCHOT: But I do have a question about Severna Park High School, because I know the County Executive is very supportive of that, and -- when it was up in the air a little bit, and I just want to

make sure that the fact that it's number 19 on the priority list doesn't mean it's slipped down as far as importance.

DR. ARLOTTO: It's not at all, no. The project is -- I don't know if you've driven by the school. It's about the size of a shopping mall. It's a big facility. It's ahead of schedule and under budget at this time. Things are moving along beautifully.

COMPTROLLER FRANCHOT: Mr. Schuh, thank you for moving that along and for your general positive, great, moderate leadership over in Anne Arundel County.

MR. SCHUH: Well, and thank you for your personal attention on the Severna Park High School project. I very much appreciated your touring the facility with me. And you instantly recognized the need for that new school, and it's coming to fruition. It's almost done.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you very much.

TREASURER KOPP: Could I --

LIEUTENANT GOVERNOR RUTHERFORD: Oh, wait a minute. Oh, sorry.

TREASURER KOPP: No, Dr. Lever, just to drop down and tell us, thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, okay, thank you.

TREASURER KOPP: It's a pleasure to live in -- to work in your county, knowing you're the County Executive.

MR. SCHUH: Thank you.

TREASURER KOPP: Why Jessup Elementary is a C?

DR. LEVER: I think the feasibility study is under review. One second. I can ask my colleague about this.

TREASURER KOPP: Okay.

DR. LEVER: They have not yet submitted the design development documents, so it's a question of design progress.

TREASURER KOPP: And timing. Well, maybe you'll get together with them, because it is --

DR. LEVER: I understand.

TREASURER KOPP: Thank you.

DR. BINA: Good afternoon.

LIEUTENANT GOVERNOR RUTHERFORD: Good afternoon.

DR. BINA: Lieutenant Governor Rutherford, Comptroller Franchot, and Treasurer Kopp. My name is Mike Bina, President of Maryland's School for Blind Children. We are most grateful for the Autism-Blind Project funding and are very excited our students will begin the new school year in very

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suitable facilities. I can tell you, parents across the State are extremely grateful for these new facilities that we're getting.

We appreciate this opportunity to appeal for additional funding for our preschool facility. If additional funding is not provided, the project would be delayed, resulting in increased construction costs over time, and the preschool students would be continued to be educated in unsuitable and substandard facilities.

The IAC has established preschool as a high priority. And this is especially critical, I might point out, for students with multiple disabilities. Since MSB serves students from all 24 local school systems, this project would expand Maryland's statewide capacity to serve those whose needs cannot be met in our local school systems.

The current preschool space is insufficient. MSB's preschool enrollment has increased by 78 percent in the past five years, and we anticipate growth of another 25 students in the next few years. Unless the program can be allotted more square footage, referrals would need to be capped. The current facility was constructed in 1907. It has uncorrectable structural limitations, and it's currently located below ground level where the preschool program is.

COMAR requires preschool programs to have multiple on-grade exits. Newcomer reports two such exits, but they are not closely adjacent and require a long walk through connecting hallways to other buildings to exit. And

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for a preschool program, our students in wheelchairs and walkers, this can be very difficult. The current undergrade facility has serious water infiltration issues and requires our ongoing attention to that.

This renovation project by combining the preschool and the outreach program saves over \$1 million by eliminating the need for two new facilities. We are hopeful that we can be granted additional funding to keep this project on the established timeline, resulting in significant cost savings and not delaying Maryland students obtaining suitable facilities that they are entitled to.

We also appeal and urge reconsideration to include 2,700 square feet that were considered nonstudent space. The preschool library houses braille books, an essential for blind students, and the structural resource center areas which provides space for staff to produce braille and other critical learning materials for blind students statewide.

In conclusion, I, too, would like to appreciate -- or express appreciation of Dr. Lever and his staff for their assistance as we negotiate this process to obtain suitable facilities for Maryland students. I would thank the Board of Public Works for your consideration and this opportunity to appeal the current recommendation. Thank you, Lieutenant Governor.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

Questions, Madam Treasurer?

TREASURER KOPP: No, just a statement that I just wonder if the Maryland School for the Blind -- the Maryland School for the Blind is not a typical LEA school. If there doesn't have to be some special consideration, or non-school construction funding for these projects. I mean, these are statewide projects for all of our -- all of our children. And I understand why it has to meet some of the criteria in terms of education --

DR. BINA: Yes.

TREASURER KOPP: -- but, I mean, I would urge you or folks to look at potential other sources in capital funding as well as pursuing the school construction.

DR. BINA: Yes. We are authorized to have the ability to also access the Governor's capital funding in addition to the public school construction fund. We were granted access three years ago for a short window to be able to accelerate the improvement of our facilities. So we do look for additional funding, including private dollars to make our match, and also private donors, public-private partnerships, whatever we can.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Mr. Comptroller? Thank you very much.

DR. BINA: Thank you very much.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

SECRETARY MCDONALD: All right. Dorchester.

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DR. WAGNER: We have an entourage this afternoon.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, I see.

DR. WAGNER: Good afternoon, Lieutenant Governor Rutherford

--

LIEUTENANT GOVERNOR RUTHERFORD: Good afternoon.

DR. WAGNER: -- Comptroller Franchot, Treasurer Kopp, Dr. Smith, Dr. Lever. I am Henry Wagner, Superintendent of Dorchester County Public Schools, and I appreciate the opportunity to speak on behalf of the Board of Education, the County Council, and -- most especially -- the students of Dorchester County.

Today, we are seeking your support for the balance of first year construction funding in Fiscal Year 2017 for a critically important project: the replacement of the 62-year-old North Dorchester High School.

In attendance with me today are Mr. Glenn Bramble, Vice President of our Board of Education; Mr. Glen Payne, Board of Education member; Dorchester County Council President Ricky Travers; County Councilman Rick Price; Dr. Lorenzo Hughes, Assistant Superintendent for Instruction; Mr. Dwayne Abt, Assistant Superintendent for Administration; North Dorchester High School Principal Ms. Lynn Sorrells; Mr. Chris Hauge, School Facilities Engineer; Mr. Tim Brooke, Comptroller; and I think I spotted Delegate Sheree Sample-Hughes in the audience also to lend her support today.

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Dorchester County is a relatively small school system, as you know, but we have been fortunate to have been able to replace or renovate several facilities in recent years, thanks to the funding partnership between the State of Maryland and Dorchester County Council. And we continue to be grateful for this partnership.

Specifically in the last 14 years, we have replaced our two comprehensive middle schools, constructed an expanded Dorchester Career and Technology Center, and completely renovated our 57-year-old Judy Hoyer Center facility. I might add that these schools are Buicks and Camrys, not Escalades.

(Laughter.)

DR. WAGNER: The new Career and Technology Center has afforded our students nine new high-tech Career and Technology completer opportunities to go along with the 11 that had existed previously. We appreciate the combined efforts made by the State and our local County Council to provide these state-of-the-art facilities for our students.

However, we continue to have a great many needs at other schools in our County which require that we advance our long-range Capital Improvement Plan. Furthermore, as you are aware, Dorchester County faces a variety of economic challenges that rival those of more prominent school districts in Maryland. We continue to experience both a decline in our local tax base and a

high unemployment rate. Indeed, two of every three of our students are eligible for Free or Reduced Meals.

Nevertheless, we are poised to move forward on this exciting new project to replace North Dorchester High School. We have been struggling to maintain this 62-year-old five-building campus complex that has long ceased to be an efficient school from an educational adequacy, deferred maintenance, energy efficiency, and safety and security perspective.

This facility is no longer meeting the multi-faceted needs of our school community in that region of our county. The feasibility study determined that replacement was the only responsible option and, with the planning approval you granted us two years ago and the design funding we have received from Dorchester County, we are now moving forward through the pre-bid process that will lead to the start of construction in just five months. Also, there is a strong likelihood that our County Council will forward-fund initial construction costs in Fiscal Year 2017 in the event that our request to you is granted.

In conclusion, what we are seeking from the Board of Public Works is the final \$1,071,000 of the total Dorchester request of \$5,010,000, of which \$3,939,000 has already been recommended. It is our sincere belief that Dorchester County is most deserving of this funding due to our highly effective stewardship of both State and local resources with respect to this and past projects. Moreover, the students of North Dorchester High School, already

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performing at a high level -- for example, a 92.6 graduation rate -- will reach their full potential with this exciting new facility.

Let me close with a note of appreciation to Comptroller Franchot for your visit to the school this past June 12th, and to the Planning Secretary, David Craig, for his visit and handwritten letter of support in September. These gestures of support were exceptional and most encouraging to our community.

Thank you again for this opportunity and for your support on behalf of our children. Should you have any questions for me or any of my staff that are here, please advise. At this time, President Travers would like to offer a few comments.

MR. TRAVERS: Good afternoon Lieutenant Governor, Comptroller, Treasurer Kopp.

LIEUTENANT GOVERNOR RUTHERFORD: Good afternoon. Good to see you.

MR. TRAVERS: We thank you very much for this opportunity to be before you today. We really do. And it's nasty weather, and we thank you for all that you've done for us over on the Shore to get us through these winter issues -- and hopefully things we don't have to deal with again.

But we certainly want to also thank you for the visits that the Cabinet and the Governor and Lieutenant Governor have sent over. Your, we've seen more Cabinet secretaries this year since Governor Hogan's taken over than

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I've seen since I've been in the office the entire time. And I really appreciate that. That shows the commitment to the rest of Maryland and not just the big three or whatever you want to call them. But we really appreciate that, because that puts those people out there who can get out in the field, as Comptroller Franchot does sometimes, get out in the field and see the basics. And Lieutenant Governor, you've been there a number of times to see the problems that are out there. So we really appreciate that.

We are -- as I'm here representing Dorchester County Council -- and we are committed to moving forward with this project, this new school. Sixty-five years, it needs to happen. We need to move forward and put these kids in a facility that needs to be there. And I would ask you today to fully fund that request.

We are not a -- we don't have a lot of financial resources at our hands, and this is a key. We have stepped up to bat. We did say -- we put the money in there, the planning money. We are moving forward. We want to go. We're just waiting on some help from your side of the bridge to help us do that. And we thank you so much for the relationship that we have between the County and the State, and we look forward to it. Thank you very much.

GOVERNOR HOGAN: Thank you. Thank you.

TREASURER KOPP: I congratulate you on the accomplishments of the school district. It's really quite expansive.

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MR. TRAVERS: Thank you.

TREASURER KOPP: I have one question. Mason's Landing. What's, yeah, the story now with the geothermal?

DR. WAGNER: Mason's Landing?

TREASURER KOPP: Yeah.

DR. WAGNER: Unfortunately, we were not able to recoup any of that funding for the design flaws.

TREASURER KOPP: Okay. Well, thank you for trying.

DR. WAGNER: We tried mightily.

TREASURER KOPP: I know you did. I know you did.

DR. WAGNER: And expensively.

TREASURER KOPP: Thank you.

COMPTROLLER FRANCHOT: I want to thank Ricky Travers. I stopped by the Center Market months ago and bought some poinsettias. They're still alive. They look beautiful.

But seriously, your family and your contribution to Cambridge is just fabulous. Thank you for the County Council. And Rick Price, thank you for showing up when I come down and helping out. I really appreciate it. Brambles, thank you for your Board of Education membership. It's hard. It's not easy to be a county that has, you know, indicated not as much resources as the other counties, but you're doing a great job -- everybody. Dr. Wagner, kudos.

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DR. WAGNER: Thank you.

COMPTROLLER FRANCHOT: Keep up the good work.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you again.

SECRETARY MCDONALD: All right. Somerset. Is Somerset --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, they are coming up. They're here.

SECRETARY MCDONALD: There you go. There you are. How are you? I didn't see you.

DR. GADDIS: Good afternoon.

GOVERNOR HOGAN: Good afternoon.

DR. GADDIS: Lieutenant Governor Rutherford, Treasurer Kopp, and Comptroller Franchot. My name is John Gaddis. I'm Superintendent of Schools, and I am proud to bring you greetings from the small but mighty Somerset County Public School System. Several people I would like to introduce to you this afternoon. First, we have our Chairman of the Board and current President of the MABE Warner Sumpter.

LIEUTENANT GOVERNOR RUTHERFORD: General, good to see you.

MR. SUMPTER: Good to see you.

DR. GADDIS: Our Director of Schools, Mrs. Tracie Bartemy; our Deputy Superintendent of Schools, Mr. Tom Davis; and last but not least, our entire facilities and capital planning department, Mrs. Danielle Haley.

(Laughter.)

DR. GADDIS: We would -- before we begin, I want to thank Dr. David Lever. Dr. Lever and his department have been a tremendous asset to Somerset County as we move from being reactive to proactive in helping our county and helping our students. Dr. Lever's department has been tremendous in being there for us and helping us. So thank you, Dr. Lever.

We deeply appreciate your continued assistance and support. Due to the ongoing support of the Board of Public Works, Greenwood Elementary School recently finished a highly effective HVA system install as well as a new roof. Princess Anne Elementary School is currently in the final phases of receiving their new roof. And in 2011, our students at Washington High School received a renovated building.

Today, we are in front of you asking for \$341,000. And it's okay with me if it's okay with you, we can take a check home with us. We'd be glad to get this out of the way for you.

This is a unique project. As you're aware, 2014, the DHCD awarded a grant to the county of \$3 million. This is because of Hurricane Sandy, Superstorm Sandy, took the H. Dewayne Whittington Primary Building, which

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was an elementary school, and it damaged it so bad that the building has to be torn down. The Head Start building that is run by Shore Up was housed in that building. The County Commissioners came to us as a partner and asked us if we could go forward in a cooperative use agreement, much like what was done in Talbot County.

So we have moved forward, and the county has given us that grant money. It has been approved, and it must be spent by December of 2017. So we are here asking for the additional \$341,000 to complete this project to have the Head Start building put on the backside of Crisfield High School.

Again, I'm not going to belabor the point. We appreciate everything you've done for us. We're an extremely proud system. We are moving forward. This is a key project not only that will help the school system, but it will help the community of Crisfield as well. So at this point, if anybody has any questions?

TREASURER KOPP: Quick question of Dr. Lever. Can we assume we're going to see this?

DR. LEVER: I'm sorry, could you say that again?

TREASURER KOPP: Can we assume we're going to see this?

DR. LEVER: We're going to be able to take care of this project.

TREASURER KOPP: Thank you.

DR. LEVER: Yes. Very good project.

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DR. GADDIS: Thank you.

COMPTROLLER FRANCHOT: Can I just ask a quick question --

DR. GADDIS: Sure.

COMPTROLLER FRANCHOT: -- about Princess Anne Elementary? Apparently damages to the roof -- or there was a roof leak in September, 2009. Apparently some staff members reported the next year that it was fixed, but it hadn't been fixed. So it created quite a problem. Does that ring a bell?

DR. GADDIS: To be honest with you --

COMPTROLLER FRANCHOT: I know it was before your -- yes.

DR. GADDIS: -- there before all of us. But no, we just got -- we were talking about the latest report. The roofing project that's been done has corrected all of those deficiencies that were there, yes.

COMPTROLLER FRANCHOT: And the issue with, I guess, erroneously reporting that it had been fixed in 2010 --

DR. GADDIS: I can assure you that has been fixed as well.

COMPTROLLER FRANCHOT: Thank you.

DR. GADDIS: As far as we can fix from not being there at that time.

COMPTROLLER FRANCHOT: Got you. Thank you.

DR. GADDIS: Absolutely.

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LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you very much.

DR. GADDIS: All right. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Good to see you, gentlemen.

SECRETARY MCDONALD: All right. Last but certainly not least, Wicomico County.

LIEUTENANT GOVERNOR RUTHERFORD: Good afternoon.

DR. FREDERICKSEN: Good afternoon. Lieutenant Governor, thank you for the opportunity to address you. Treasurer Kopp, good to see you. Comptroller Franchot, we're waiting for our next arts activity with you.

COMPTROLLER FRANCHOT: Excellent.

DR. FREDERICKSEN: We also want to say thank you to Dr. Lever and Dr. Smith and their teams and their work with the Interagency Committee to help us fine-tune our proposals and projects and get them ready for you today.

We're delighted to be with you. With me are, to my left, our President of our Board of Education, Don Fitzgerald. On my right, your left, Leisl Ashby, our new Director of Facility, Construction, and Planning. I think I got the title right. And behind me are Matt Auchey -- and he is our Facilities Planner -- as well as Earnie Davis, one of our County Councilpersons, and Dr.

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Cathy Townsend, our Assistant Superintendent for Administration. Also with us today are Delegates Carl Anderton -- I think he's in the room.

LIEUTENANT GOVERNOR RUTHERFORD: He's over there. Other side.

DR. FREDERICKSEN: Oh, there he is, thank you, and Sheree Sample-Hughes who's over to the side here, as well as County Executive Bob Culver and County Administrator Wayne Strausburg. Thank you for the opportunity to address you. This is a very important three-part project and program for us.

Wicomico is before you for Capital Project Requirements for Fiscal Year 2017. And we're looking at project supporting profiles for your consideration. We're very proud to note that Wicomico is the only jurisdiction in the State to have two facilities with perfect maintenance inspection scores during the 2009 to 2014 period. That is something we're really, really proud of, and we hope and work to continue it. We believe this is a reflection of how seriously our Board upholds good stewardship of both State and local dollars to create and maintain successful learning spaces for our students, staff, and community members.

To that point, I want to briefly highlight how Wicomico prioritizes our capital needs. We conduct facility condition assessments. We did that between 2008 and 2010. And we created what we call a facility condition index.

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We then go through and say, “What are the programs that are offered in those buildings?” And we create a program condition index.

We merge those two together, and we create a facility quality index. And facilities are really complex things. There’s multiple systems in them, and oftentimes about the only thing people driving by in the community know is whether you trim the bushes and cut the lawn. This gives them kind of a handy one-page box score for them to know how the buildings are doing both physically and programmatically. We believe it’s a way to help our community join with us in these kinds of efforts.

We also used it with a major long-term facilities task force project. And this group was very, very appreciative and complimentary of our system to have it in one notebook, 26 pages, and easily looking at each page and with a green or a red or a gold color to know whether that facility was up to snuff or if that facility really needs to be prioritized.

It helps us also in the political arena when folks say, they only look at their building and they want this, that, and the other thing. They can see where they kind of fit and how they can help us work together to get everyone taken care of.

TREASURER KOPP: So when you meet with the other Superintendents, did they all know about this?

DR. FREDERICKSEN: I didn’t hear your question.

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TREASURER KOPP: Do the other counties, the other LEAs, know about what you're doing with --

DR. FREDERICKSEN: I can't speak to what happens in the other counties.

TREASURER KOPP: Well, you ought to let them know, because it sounds like a lot of good common sense.

DR. FREDERICKSEN: We'll see what we can --

TREASURER KOPP: Yeah.

DR. FREDERICKSEN: It's fairly colorful, and I think you see some of the materials that build up to those information pieces. Including, one of the things the parents like, is they like to have that page to look at where their kids will attend the next year in the little attendance map. And it's fairly small, but you can find yourself on it. So yes, thank you. We'll share that.

TREASURER KOPP: Sounds great.

DR. FREDERICKSEN: Of greatest importance, our number one issue is our priority to request construction funding for West Salisbury Elementary School, a school that was built in 1964. We want to start construction in Fiscal Year 2017. We are right now working hard to address any outstanding IAC and PSCP, Public School Construction Program, items and are well on our way on the facility design process.

We believe that the schematic design that we've submitted to the State and is on schedule to be developed into the Design Development Submission -- that will be ready and delivered on or before April 1st, ready for analysis by State folks who will help us make those decisions, that's Dr. Lever and his team at the IAC.

The project has been recommended for planning approval, and we're making sure that our fast-track construction efforts yield the facility on time as the original plan was going forward in 2015. The goal for that facility, by the way, is LEED Silver. And I'm really proud to say that our last project that we said we were going to get LEED Silver, we actually earned LEED Gold, which means maintenance-wise, operationally, and energy-wise, it's going to be a cheaper building to run for the next 50 years. And we're very, very proud of our team that did that.

Right now we're looking at a 2018 facility opening, and we're in the process of seeking a construction manager at risk. That's a technical detail, but it's very, very important to our success in bringing buildings in on time and under budget.

Our next item is a 1974 building, and it's priority four. And that's for the above ceiling system requirements at Parkside High School. This is a facility we're doing a replacement of the heating ventilation systems, and a lot of it goes above the ceilings. So to take down a ceiling that is very inefficient and

then put it back up is a really difficult project, and we're looking forward to completion funding for that project.

Our final project is a partial roof replacement at Wicomico Middle School. This building dates back to 1931. It's one of those beautiful, old Works Progress Administration facilities with the columns in the front across from the city park. It's absolutely lovely. But we also have to have high-efficiency equipment in that building so we can continue to operate, particularly as the school year tends to morph as we try to make sure we get every kid across the stage for commencement. This is part of our overall roof refurbishment plan.

We appreciate the continued support of the Board of Public Works as you've helped us out on Bennett High School and Jamestown Bennett Middle School. We strive to address the current ongoing needs as identified in our Capital Improvement Program, and want to say thank you again for your time and consideration for allowing us to appeal these critical funding requests today. And we stand for any questions you might have.

TREASURER KOPP: I was just interested in what you said about the savings based on energy efficiency. And if you could give us any further information in writing about that, that would be very helpful.

DR. FREDERICKSEN: I'm going to hand the ball off to my expert on that sort of thing.

MS. ASHBY: Are you looking specifically for cost savings? Most recently with Bennett Middle School, we did a combined geothermal with VRF technology. And right now it's coming in at a cost savings even more than Jamestown Bennett High School, which was opened strictly with geothermal technology. So we need to track the data a little bit longer on Bennett Middle School, but we'd be happy to share that information.

TREASURER KOPP: That would be great.

MS. ASHBY: Oh. VRF is Variable Refrigerant Flow.

TREASURER KOPP: So your geothermal is turning out better, apparently, than Mason's Lane?

MS. ASHBY: I don't know what Mason's Landing particular -- or Mason's Lane -- issue was, but geothermal has been working very successfully for us.

TREASURER KOPP: Good to hear. Thank you.

COMPTROLLER FRANCHOT: I just want to say, next year we're starting with the W's.

(Laughter.)

DR. FREDERICKSEN: Fantastic. I might even come back for it.

COMPTROLLER FRANCHOT: Yeah. But I wanted to thank Delegate Anderton for being here, and Delegate Sample-Hughes. They're terrific legislators for the Lower Shore. And is it Councilmember Davis?

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MR. DAVIS: Yes, sir.

COMPTROLLER FRANCHOT: Thank you for being here. And obviously the County Executive is hugely important to the success of the county. And I guess my only question is for West Salisbury Elementary. With the moving forward of the project, are you going to have the kids in swing space where there's actual air conditioning?

MS. ASHBY: Yes. There's actually an adjacent -- we used to call it (indiscernible). We had used it previously to facilitate our renovations to North Salisbury as well as Prince Street Elementary School. And it's right behind the current West Salisbury Elementary School. So they would move in there as quickly as we can get them.

COMPTROLLER FRANCHOT: Good. Thank you.

DR. FREDERICKSEN: And the county funding is built in to the County Executive's 2016-2017 budget for the county's side of the funding.

COMPTROLLER FRANCHOT: Thank you, Mr. Superintendent. Keep up the great work.

DR. FREDERICKSEN: Thank you for everything you do.

LIEUTENANT GOVERNOR RUTHERFORD: Quick question for Dr. Lever. So the planning has gone through the process, and so the construction is rated as a C right now. Is that dependent on certain documents coming to you?

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DR. LEVER: The submission of the design development documents.

LIEUTENANT GOVERNOR RUTHERFORD: Which are April 1, I think you said?

DR. LEVER: April 1. That's right.

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

DR. LEVER: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Item number 10. Do we have a motion?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All in favor. Aye?

COMPTROLLER FRANCHOT: Aye.

TREASURER KOPP: Aye.

LIEUTENANT GOVERNOR RUTHERFORD: Three-oh? We're done. Thank you very much, David.

(Whereupon, at 4:00 p.m., the meeting was concluded.)