
STATE OF MARYLAND
BOARD OF PUBLIC WORKS
GOLDSTEIN TREASURY BUILDING ASSEMBLY ROOM
80 CALVERT STREET, ANNAPOLIS, MARYLAND

June 8, 2016
10:34 a.m.

PRESENT

HONORABLE LAWRENCE J. HOGAN, JR.

Governor

HONORABLE NANCY KOPP

Treasurer

SHEILA C. MCDONALD

Secretary, Board of Public Works

NELSON REICHART

Deputy Secretary, Department of General Services

MARC NICOLE

Deputy Secretary, Department of Budget and Management

JIM PORTS

Deputy 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

CONTENTS

Subject	Agenda	Witness	Page
Naming of Honorary Ranger William "Howard" Skinner Area at Fair Hill Natural Resources Management Area	SEC 10, p. 14	Sheila McDonald Mark Belton	9
DNR Agenda	DNR	Mark Belton	13
DBM Agenda	DBM	Marc Nicole	13
Brendan Iribe Center for Computer Science and Innovation at College Park Construction Management at Risk	USM 2-C-BP, p. 145	Joe Evans Robert Martinazzi	14
Universities at Shady Grove Biomedical Sciences and Engineering Education Building Construction Management at Risk	USM 3-C-BP, p. 147	Joe Evans	17
DoIT Agenda	DoIT	Luis Estrada	18
Construction Management and Inspection Services for the D/E Connector Program at BWI Marshall Airport	DOT 1-AE-MOD, p. 171	Jim Ports Ricky Smith	19
Passenger Boarding Bridge Replacement 2013 at BWI Marshall Airport	DOT 3-C-MOD, p. 176	Jim Ports Ricky Smith	19
D/E Connector and Security Checkpoint at BWI Marshall Airport	DOT 4-C-MOD, p. 179	Jim Ports Ricky Smith	19

Airport Customer Services Agents for Automated Passenger Control (APC) at BWI Marshall Airport	DOT 6-M p. 186	Jim Ports Ricky Smith	20
DGS Agenda	DGS	Nelson Reichart	22
Bond Sale	SEC 5, p. 7	Treasurer Kopp Christian Lund Bernadette Benik	25

PROCEEDINGS

GOVERNOR HOGAN: Well good morning, everybody.

AUDIENCE: Good morning, Governor.

GOVERNOR HOGAN: It's great to be back here at the Louis Goldstein Building for the State's annual bond sale. The Comptroller is out of town so, Madam Treasurer, it's just you and me this morning. I think we can handle it.

TREASURER KOPP: I think we'll do it.

GOVERNOR HOGAN: The bond sale comes on the heels of Maryland maintaining its AAA bond rating, allowing us to save Maryland taxpayers money, millions of dollars in interest payments. And thanks to the steps that we've taken to balance our budget and to help restore our economy, we're able to maintain that AAA bond rating. One of those measures, keeping our annual borrowing authorization under \$1 billion, has allowed us to continue to hold the line on State property tax. And we will continue to be vigilant when it comes to the State's debt affordability and protecting taxpayers from unsustainable spending increases.

Finally this morning I just want to thank Treasurer Kopp and all of her wonderful staff for all of their hard work in preparing for today's bond sale. As a reminder to you, we may have to break off in the middle of our discussions

here and have to cut somebody off. We don't want to be rude, but in order to vote on the resolutions from the Treasurer to approve the bond sale. So we appreciate your patience. Madam Treasurer, again, thank you for your leadership and all the great work --

TREASURER KOPP: Thank you.

GOVERNOR HOGAN: -- of you and your staff. And the floor is yours for any opening comments.

TREASURER KOPP: I really am just going to echo what you said, Governor. We were very, very pleased last week when the three major national rating agencies once again reaffirmed Maryland's AAA bond rating, triple AAA is still a very rare rating. And I do think the Governor is right. As we know, the basic reason for the AAA rating is our strong economy and very well trained, well educated work force, which gives us a flexibility to deal with changing times, and the strength of our financial management system, which also allows us to deal with changing times in a way much more flexible than other states. I just would quote one rating, Governor, that Maryland, praises Maryland's broad and diverse economy, which has recovered momentum in 2015, following slower growth in 2013 and '14 due to sequestration, which some of you might recall hit many of the agencies represented in this room and we're coming out of that adverse action by the federal government. But also noted the increase in the State's projected reserves, the history of proactive financial budget

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

management, which includes this Board of Public Works being able to take action either to cut the budget or to raise revenue as needed. You know we've cut the budget billions of dollars over the last few years and so we're very happy to see that the revenue estimates are coming back now and the rating agencies appreciated that also. And I just want to thank everybody in this room. The Treasurer's office takes the lead but it couldn't be done without the work of your office, Governor, the Comptroller, Budget and Management, the legislative staff, and everybody working together in the Maryland tradition. So I just want to congratulate everybody.

The rating agencies, by the way, gave us this AAA rating after long discussions about the so-called P3s, public-private partnerships, including the Purple Line and how they will be rated. And I think the Capital Debt Affordability Committee and the Legislature and Governor are going to have to look at the categories of debt. P3s are not, they are not all paid for by State taxes. Nonetheless they are on the books and this is something for us to look at in the future. But it's important to know that the rating agencies gave the AAA rating after knowing about the plans for the P3 and for the Purple Line. So this is very good news and I thank you for mentioning it.

If I could just for the record note the passing this week of two outstanding women from my county, from Montgomery County. Esther Gelman and Natalie Bouquet were two ladies who were typical of Montgomery County in

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

their undying dedication to public service to the communities, across the communities. They both served very well and very long and will be missed by all who knew and benefitted by their service.

GOVERNOR HOGAN: Thank you, Madam Treasurer. Let's get started with the Secretary's Agenda.

SECRETARY MCDONALD: Thank you, Governor, Madam Treasurer. I have one piece of good news I'd like to share first before I go to the Secretary's Agenda, which is that the National Society of Wetlands Scientists at its 2016 annual meeting last week decided to bestow its President's Award, President's Service Award, on none other than your Maryland Board of Public Works Wetlands Administrator Bill Morgante. So I would like you to know that.

GOVERNOR HOGAN: Wow.

TREASURER KOPP: Hey.

(Applause.)

GOVERNOR HOGAN: Congratulations.

TREASURER KOPP: That's great.

SECRETARY MCDONALD: And we do have wetlands items on the Agenda this morning, along with the other Secretary's items. There are 16 items on the Board's Agenda this morning, and there are three reports of emergency procurements. Number 15, yes, is the -- that's not, I'm sorry, five, we

have two bond sales on here this morning. The number five is your bond sale that we will be holding --

TREASURER KOPP: Right.

SECRETARY MCDONALD: -- until the bond sale time.

TREASURER KOPP: Yes.

SECRETARY MCDONALD: So any other questions on the rest of the Agenda, we're ready to take.

GOVERNOR HOGAN: Great. I know we have some special guests here for item --

SECRETARY MCDONALD: We do. Item 10.

GOVERNOR HOGAN: -- ten?

TREASURER KOPP: Ten.

SECRETARY MCDONALD: Right. Secretary Belton would probably like to introduce Item 10.

GOVERNOR HOGAN: Secretary Belton, good morning.

MR. BELTON: Good morning, Governor, Madam Treasurer. Nice to see you both this morning. This morning we're requesting the Board to approve the renaming of a section of Fair Hill Natural Resources Management Area as the Honorary Ranger William "Howard" Skinner Area, in honor of Howard Skinner, a lifelong volunteer and caretaker at the Fair Hill property. Honorary Ranger Skinner passed away on August 11, 2013 at the age of 86.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

Mr. Skinner moved with his family to Fair Hill at the age of three and was later employed on the property by William duPont until 1975 when the State of Maryland acquired the property. Until just before his death he was closely involved with the Fair Hill Races, the Scottish Games, and many other of the big community events that occur at the Fair Hill property.

Mr. Skinner chose to raise his family in the area off Appleton Road overlooking the Little Egypt Area, right by his front door. In addition to the land between Appleton and Little Egypt Roads, the area to be named in his honor includes the parcel on which his former residence sits.

We're really honored to be joined here today by Howard's three children, his daughter Debbie Bliskell [phonetic] with her husband Mike, and his sons John and Bill Skinner. And also with us are the manager of the Fair Hill property, Rachel Tenby; Officer Mel Adams from the Natural Resources Police; and the former manager of Fair Hill Wayne Sooner. And we have a mock up sign of the area, if we could indulge the Board's attention to maybe get a picture with the family members?

TREASURER KOPP: With pleasure.

GOVERNOR HOGAN: We would love to do that. Thank you very much.

THE PHOTOGRAPHER: And if you can stand right there, okay?
Absolutely. Actually right here is better. Gentlemen, let's get the rangers on that side together.

GOVERNOR HOGAN: Put us on the end?

THE PHOTOGRAPHER: Put the rangers on either side of the Comptroller and the Treasurer?

GOVERNOR HOGAN: Yeah, that's a good idea.

THE PHOTOGRAPHER: That's great. And the ranger stand there. And gentlemen, if we can get you right in here? Ma'am, that's a perfect spot. Sir, if we can have you behind? There you go. A little bit over, a little bit over, there you go. I want to see all your faces. There you go. Perfect. Looking good. Sir, can we get you a little bit closer? Thank you. Your hats covering -- that's great.

GOVERNOR HOGAN: He's filibustering --

(Laughter.)

THE PHOTOGRAPHER: Pretty -- one more. Thank you very much.

GOVERNOR HOGAN: Thank you all very much.

(Applause.)

TREASURER KOPP: I have to say, Governor, you might not have noticed, but talking about State Parks, I had an encounter with tree roots over the weekend.

GOVERNOR HOGAN: Oh.

TREASURER KOPP: So I now have great, great respect for our troopers and feel very close to the trees, too.

(Laughter.)

GOVERNOR HOGAN: Well I'm sorry you went through that. I actually got very up close and personal with a black bear in Western Maryland last week --

TREASURER KOPP: Really?

GOVERNOR HOGAN: -- and had a wonderful trip to Deep Creek Lake State Park, and also to Swallow Falls which is an incredible place if you haven't been there. Beautiful waterfalls, and I hiked through the woods. The bear didn't get me, though, like the roots got you so --

(Laughter.)

GOVERNOR HOGAN: Thank you. Are there any other questions on the Secretary's Agenda? If not, is there a motion?

TREASURER KOPP: Favorable.

GOVERNOR HOGAN: Second. That's two-nothing on the Secretary's Agenda. We'll move on to the DNR --

TREASURER KOPP: Other than --

SECRETARY MCDONALD: We'll bring Item 5 back when we discuss that.

TREASURER KOPP: Yeah.

SECRETARY MCDONALD: The bond sale.

TREASURER KOPP: The bond sale.

GOVERNOR HOGAN: The bond sale, yes. Move on to the DNR Real Property Agenda.

MR. BELTON: Thank you, Governor, Madam Treasurer. We have ten items on the Department of Natural Resources Real Property Agenda this morning for your approval.

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

TREASURER KOPP: Favorable.

GOVERNOR HOGAN: Second. Two-nothing. We move on to DBM.

MR. NICOLE: Good morning, Governor --

GOVERNOR HOGAN: Good morning.

MR. NICOLE: -- Madam Treasurer, for the record, Marc Nicole, Deputy Secretary of the Department of Budget and Management. The department had submitted 26 items for today's Agenda. We are withdrawing Items 5-S and

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

15-S-OPT, leaving 24 items for approval. And for the record, we are also revising Item 7-S to provide services to 502 residential youth and 377 non-residential youth. We have representatives here to answer any of your questions.

GOVERNOR HOGAN: Any questions on DBM?

TREASURER KOPP: No. I did on 5-S but that's being withdrawn, right?

GOVERNOR HOGAN: Do you want to make a motion?

TREASURER KOPP: Favorable.

GOVERNOR HOGAN: Seconded. Two-nothing on DBM. Move on to the University System Agenda. Good morning.

MR. EVANS: Good morning. Joe Evans representing the University System of Maryland. We have eight items on the Agenda. We are revising Item 6-C-BP. The MBE compliance is revised to 20.66 percent. We're here to answer any questions.

GOVERNOR HOGAN: I don't have any. Madam Treasurer, any questions on the University System?

TREASURER KOPP: I did have just one. I've got to get to it, I'm sorry, Joe. Really it was the status of the science facility at College Park, the Iribe Center.

MR. EVANS: Which one was that, ma'am?

SECRETARY MCDONALD: Number two.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

TREASURER KOPP: Two. I just wondered about the status of it, how it was going?

SECRETARY MCDONALD: The Iribe Center?

TREASURER KOPP: Yeah.

MR. EVANS: I have Robert Martinazzi, who is the Director of Construction Procurement for College Park.

TREASURER KOPP: Innocent question --

MR. MARTINAZZI: Yes, ma'am.

TREASURER KOPP: -- about how it's going.

MR. MARTINAZZI: Good morning. I'm Bob Martinazzi, Director of Construction and Facilities Procurement.

GOVERNOR HOGAN: I think the Treasurer is just looking for an update.

TREASURER KOPP: Yeah. Yeah.

MR. MARTINAZZI: I missed the question, sorry, I was out of the room.

TREASURER KOPP: I'm sorry, on the center, how it's --

SECRETARY MCDONALD: The Computer Science Iribe Center.

MR. MARTINAZZI: The Iribe Center, right.

TREASURER KOPP: Yeah.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

MR. MARTINAZZI: We're going to start construction here in June. And the construction documents are at about 95 percent complete, so we'll start the main construction later this fall.

TREASURER KOPP: And it will go through when?

MR. MARTINAZZI: It's two years construction.

TREASURER KOPP: So it will be fall of '18?

MR. MARTINAZZI: Fall of '18, correct.

TREASURER KOPP: Okay. And it's on, so it's on track?

MR. MARTINAZZI: It's on track, it's on schedule, correct.

TREASURER KOPP: Okay. Great. Good, that was my question.

GOVERNOR HOGAN: We were happy to be there for the groundbreaking --

TREASURER KOPP: Yeah.

GOVERNOR HOGAN: -- two years ago and excited about that.

MR. MARTINAZZI: And you used the VR headsets?

GOVERNOR HOGAN: That was very cool, by the way. Virtual reality --

TREASURER KOPP: Did you do that? Wasn't that amazing?

GOVERNOR HOGAN: Pretty cool. I think we're going to do that at Board of Public Works meetings.

(Laughter.)

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

GOVERNOR HOGAN: It might make it interesting.

TREASURER KOPP: It was like nothing. I mean, I thought it was going to be like a 3D movie sort of goggles and it wasn't at all. That's --

GOVERNOR HOGAN: So thank you very much.

TREASURER KOPP: Yeah, that's very --

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

TREASURER KOPP: Governor, I would just like to point out, and thank you. It's not a motion. But what is the number? I'm looking for Shady Grove. Number three, number three. It's been a long time in coming. We are very proud of it. I want to thank you for your support, as well as the legislative support. It's going to make a huge difference. The Shady Grove campus is where people have the opportunity to study with a range of different universities right there. The graduates do extraordinarily well. It's a way, I think it's the wave of the future, the regional campuses where people come from two years elsewhere, they finish there. They are able to continue their work and support their families at the same time that they are studying with the greatest of faculty and the best of support and I think would never allow an opportunity when we make a great step forward like this to go without notice. I just thank you.

MR. EVANS: Thank you.

GOVERNOR HOGAN: Thank you. Thank you very much.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

MR. EVANS: Thank you, sir.

GOVERNOR HOGAN: So I guess there's a motion?

TREASURER KOPP: Favorable.

GOVERNOR HOGAN: Second. And two-nothing on the University System. Let's move on to the Information Technology Agenda.

MR. ESTRADA: Good morning, Governor, Madam Treasurer. Luis Estrada with the Department of Information Technology. We have six items and we are withdrawing Item 6-IT. I've got agency representatives here to answer any questions.

GOVERNOR HOGAN: Great. I don't have any questions. Madam Treasurer?

TREASURER KOPP: Six -- no.

GOVERNOR HOGAN: That's two-nothing on the --

TREASURER KOPP: Favorable.

GOVERNOR HOGAN: Favorable, there you go.

MR. ESTRADA: Thank you.

GOVERNOR HOGAN: It's amazing how smoothly --

TREASURER KOPP: Hey --

(Laughter.)

TREASURER KOPP: Is there a lesson there?

GOVERNOR HOGAN: Department of Transportation?

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

MR. PORTS: Yes, sir. Good morning, Governor, Madam Treasurer. For the record, my name is Jim Ports, Deputy Secretary for MDOT. The Maryland Department of Transportation is presenting six items today. At this time MDOT is withdrawing 7-GM. And we'd be happy to answer any questions you have.

GOVERNOR HOGAN: I'd like to, I don't have a question but I'd really like to just highlight Items 1, 3, and 4. These items request \$18 million of additional funding for construction services, facility upgrades, and additional passenger boarding bridges at BWI Marshall Airport. The Maryland Aviation Administration is requesting the additional funding to accommodate the rapid growth at BWI, including the expansion of existing airlines, some new gates, a new carrier is beginning operations, and on the heels of last year's record setting number of passengers, BWI Marshall continues to set new records in 2016. BWI handled two million passengers in the month of March, the ninth straight month that the airport has set a record. And we handled 5.3 million passengers in just the first quarter of this year. It's unprecedented growth at BWI and I think it shows that Maryland is indeed open for business. It's a reflection of our commitment to change Maryland for the better through restoring our economy and fostering economic opportunities and creating jobs. And it has made us the number one airport in the Baltimore/Washington region. So I want to congratulate Mr. Smith, the Aviation Administration, Department of

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

Transportation, and everybody on the record setting, breaking all those records at BWI. So thank you very much.

MR. PORTS: Thank you, Governor.

(Applause.)

TREASURER KOPP: It is good.

GOVERNOR HOGAN: Any other questions on MDOT?

TREASURER KOPP: I just have a very brief question on six, on the airport. Just what are the kiosks, six is where you've got uniformed customer service agents assisting passengers through the use of the kiosks.

MR. PORTS: Automated Passport?

TREASURER KOPP: Are those like the global entry kiosks?

MR. PORTS: They are.

MR. SMITH: They are very much similar to the global entry kiosks.

TREASURER KOPP: Only they'll be manned? Or a person --

MR. SMITH: Well we'll have customer service agents to help the passengers do wayfinding. They won't necessarily man the stations, but they'll be able to help the customers get through wayfinding.

MR. PORTS: Ricky, enter this picture.

SECRETARY MCDONALD: Ricky, can you introduce yourself for the record?

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

TREASURER KOPP: Thank you.

MR. SMITH: For the record, I'm Ricky Smith, Executive Director/CEO of the Maryland Aviation Administration.

GOVERNOR HOGAN: Ricky is the one I was just bragging about --

TREASURER KOPP: Yes. Yes.

(Laughter.)

MR. SMITH: Thank you, sir.

TREASURER KOPP: Thank you.

MR. PORTS: So basically what we're doing as we install these kiosks, people are not familiar with them. So we're going to have customer agents work with the folks so that they can get them through the process.

TREASURER KOPP: But they are the regular sort of machines --

MR. PORTS: Exactly.

TREASURER KOPP: Great. Terrific.

MR. SMITH: About 85 percent of our passengers that come through our customs are passengers that don't have to be processed --

TREASURER KOPP: Yeah. Yeah.

MR. SMITH: -- by an individual. So these machines will process them much more quickly.

TREASURER KOPP: Well, I'm a great supporter.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

GOVERNOR HOGAN: It will help speed it up and explain --

MR. PORTS: Customer friendly.

MR. SMITH: Exactly. Exactly.

MR. PORTS: Customer friendly, yep.

TREASURER KOPP: Yeah. That's terrific.

GOVERNOR HOGAN: Customer service.

MR. PORTS: You got it. We got the memo.

GOVERNOR HOGAN: Yeah. Thank you.

MR. SMITH: Thank you.

(Laughter.)

TREASURER KOPP: Thank you. Thanks.

GOVERNOR HOGAN: Any other questions?

TREASURER KOPP: Favorable.

GOVERNOR HOGAN: Very good. Two-nothing. Now we move on to the DGS Agenda.

MR. REICHART: Good morning, Governor, Madam Treasurer.

TREASURER KOPP: Good morning.

MR. REICHART: For the record, I'm Nelson Reichart, Deputy Secretary of the Department of General Services. The department has 23 items on our Agenda. We are withdrawing item 9-GMB. We'll be glad to answer any questions.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

GOVERNOR HOGAN: Any questions on DGS?

TREASURER KOPP: Which was nine? Okay. No.

GOVERNOR HOGAN: Is there a motion?

TREASURER KOPP: There's a motion for a favorable --

GOVERNOR HOGAN: There's a motion and a second, and it passes two-nothing. And amazingly --

TREASURER KOPP: The timing is perfect.

GOVERNOR HOGAN: -- I believe that that concludes all of our items, other than the most important one which will be happening momentarily.

TREASURER KOPP: Yes. I'm told that about at 10:58, and that's about now, Christian Lund, who is the Head of Debt Management, will do the deal.

Governor, Christian Lund is the Director of Debt Management --

GOVERNOR HOGAN: Ladies and gentlemen, we've got to get your attention here for a second. Keep it down there in the back, please. If I had a gavel, I'd bang it.

TREASURER KOPP: Please.

GOVERNOR HOGAN: If you've got some talking to do, let's do it out in the hallway, please. We're going to be dealing here with a billion dollars here --

TREASURER KOPP: Okay.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

GOVERNOR HOGAN: -- so I want to pay attention.

MR. LUND: All right. Sorry about that. Technical difficulty. All right. So we have five bidders this morning that we're expecting to get bids on our bonds from, so on \$1.036 billion. And our bidders are going to be J.P. Morgan, Barclays, Bank of America, Morgan Stanley, and Citi, so sort of the usual suspects. It looks like we've got about two and a half minutes before the first bids will start coming in, so we can just stare at the screen for a little while.

(Laughter.)

TREASURER KOPP: So what was it last time?

GOVERNOR HOGAN: (Indiscernible).

(Laughter.)

TREASURER KOPP: We didn't start till 10:30. Yes, a good one.

MR. LUND: Oh, here we go.

SECRETARY MCDONALD: Here we go.

MR. LUND: J.P. Morgan. Look at that.

TREASURER KOPP: I always wonder what happens if they just sort of miss.

(Laughter.)

MR. LUND: All right. So we've got four bids. And if you'll give us a few minutes we'll go back and verify and let you know who we recommend as the winning bidder.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

TREASURER KOPP: I thought they usually put the amount of the bid up there.

I don't think it makes any difference.

MR. LUND: Thanks.

TREASURER KOPP: I can't read this until it's before us, in particular the first one?

SECRETARY MCDONALD: Not yet.

TREASURER KOPP: That the Board ratify and approve the preliminary official statement dated May 26th, the summary notice of sale for the --

SECRETARY MCDONALD: Shh. Shh.

TREASURER KOPP: Well I'll give it to you in writing. That's okay.

SECRETARY MCDONALD: Well I know but I just, the court reporter --

TREASURER KOPP: All right. Well this is just the first preliminary part.

I move that the Board adopt the resolutions before us today concerning the State and Local Facilities Loan of 2016, First Series. In particular I move that the Board ratify and approve the preliminary official statement dated May 26th, 2016, the summary notice of sale for the 2016 First Series Bonds

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

published in the *Bond Buyer* on May 27th, 2016, and the resolutions adopted by the Board on May 11th, 2016, authorizing the issuance of the bonds, and would ask for a second and a vote.

GOVERNOR HOGAN: I second the motion and vote aye.

TREASURER KOPP: And I do, too. So that's unanimous. And then we have to wait for the bids. See us moving efficiently.

GOVERNOR HOGAN: -- we were past a 24-minute Board of Public Works --

(Laughter.)

SECRETARY MCDONALD: It's been 30 before, but I don't remember under 30 minutes before --

TREASURER KOPP: And how much money? Hundreds of millions? It was -- every penny of it well spent.

SECRETARY MCDONALD: There he goes --

TREASURER KOPP: Good.

MS. BENIK: Treasurer, we're waiting on verification. But just so you know the last sale that the State did, which was last July as you know, the winning bid was 2.825.

TREASURER KOPP: Really?

MS. BENIK: Yep. So this was substantially better. The markets turned in our favor yesterday and today so we're waiting on verification now.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

TREASURER KOPP: Of course last year you didn't have so many interest rates negative.

MR. NICOLE: So Governor, I think we were expecting premium in the area of \$150 million.

MS. BENIK: Here's, the premium is 176.

MR. NICOLE: 176.

GOVERNOR HOGAN: 176.

MR. NICOLE: I was going to say, we were estimating 150. Wow. Really good news.

TREASURER KOPP: That's good. Why don't we do this and then -- so is this?

MS. BENIK: We're waiting just a minute for final verification --

TREASURER KOPP: Oh, just waiting?

MS. BENIK: -- from PFM in Philly.

TREASURER KOPP: Well, while we wait, Delegate?

DELEGATE LISANTI: Yes?

TREASURER KOPP: I have to tell you we looked around and didn't see you and the Governor has news that he wants to give you.

DELEGATE LISANTI: Oh, well I'm all ears.

SECRETARY MCDONALD: Will you stand up and introduce yourself for the record?

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

DELEGATE LISANTI: Absolutely.

GOVERNOR HOGAN: So Delegate Mary Ann Lisanti has joined us.

DELEGATE LISANTI: Yes.

GOVERNOR HOGAN: She signed up to testify and we went through your item unfortunately before you came.

DELEGATE LISANTI: Oh my --

GOVERNOR HOGAN: We'd love to hear what you had to say, but I'm going to spoil it for you and let you know we approved the request.

(Laughter.)

DELEGATE LISANTI: Well then it makes my comments very short. Governor, I am very pleased and I thank you very much and Madam Treasurer, thank you very much for your investment. I brought with me two representatives from the City of Havre de Grace. This has been a fabulous project. It's really, truly been a partnership between the State, Harford County, the City of Havre de Grace, and now even more the citizens of Havre de Grace because a couple of weeks ago during the election they passed a referendum to do the final expenditure of the project and it was an over two to one vote. So thank you so much for your investment.

GOVERNOR HOGAN: Well congratulations to you and everyone involved and it's a great project. We're happy to support it.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

DELEGATE LISANTI: Absolutely. Thank you all very much.

GOVERNOR HOGAN: Thank you, Delegate.

TREASURER KOPP: And go to the opera.

Okay. Governor, I move that Bank of America Merrill Lynch be declared the successful bidder for the First Series Tax-Exempt Bonds in the aggregate principal amount of \$1,036,000,000, subject to resizing as provided in the revised official notice of sale with a net premium of \$176,269,243.70 and a true interest cost of 2.169538 percent.

And I further move that the First Series Bonds be issued in the resized amounts and maturities and at the interest rates set forth in the successful bid for the bonds. And I ask for a second and a vote on the First Series motions.

GOVERNOR HOGAN: I enthusiastically second the motion and vote aye.

TREASURER KOPP: Aye, so it's unanimous. And for approval of the official statement, I move that the Board authorize and approve the issuance of the final official statement for the 2016 First Series Bonds.

GOVERNOR HOGAN: Second, and vote aye.

TREASURER KOPP: Aye, and it's unanimous. And that does the sale of \$1,036,000,000.

GOVERNOR HOGAN: It's terrific news. And again, let's give --

TREASURER KOPP: It's great.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

GOVERNOR HOGAN: -- a big round of applause to the Treasurer and her staff.

(Applause.)

GOVERNOR HOGAN: Thank you very much. We are adjourned.

(Whereupon, at 11:09 a.m., the meeting was concluded.)