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

**July 26, 2017**  
**10:10 a.m.**

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LIEUTENANT GOVERNOR RUTHERFORD: Okay. And as, you know, my memory fades. But I think, you know, it was before you were, either one of you were in place --

TREASURER KOPP: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: -- about two years ago I think when the contract was coming to the end I was telling the previous Secretary that I wanted to see this, you know, rebid. That didn't happen for various reasons. The NIC contract, I think the previous DoIT Secretary thought it could be just utilizing an existing contract. So you have a motion to --

COMPTROLLER FRANCHOT: I would move to approve the contract.

SECRETARY MCDONALD: The item --

LIEUTENANT GOVERNOR RUTHERFORD: And that's both A and B?

COMPTROLLER FRANCHOT: A and B.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Second? I will second it with hesitation. But I will second it.

MR. UTLEY: Thank you. Thank you for your time.

LIEUTENANT GOVERNOR RUTHERFORD: So we'll vote two, your vote is --

SECRETARY MCDONALD: Two to one.



TREASURER KOPP: I'm sorry. I do respect very much your work and the Secretaries and all the work that has been done. But I don't, I don't think the numbers have been justified. And thank you. I look forward to --

LIEUTENANT GOVERNOR RUTHERFORD: Okay. I have concerns --

MR. UTLEY: Thank you for your time. I really --

TREASURER KOPP: -- in the future.

MR. UTLEY: Thank you. I appreciate your time. Thank you, sir.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. All right. Very concerned, but two to one.

SECRETARY MCDONALD: Right. And then you need one through eight --

LIEUTENANT GOVERNOR RUTHERFORD: With reservations.

SECRETARY MCDONALD: -- on IT.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. Do we have a motion for the remainder of --

COMPTROLLER FRANCHOT: Move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Second on those other --

TREASURER KOPP: Second.

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LIEUTENANT GOVERNOR RUTHERFORD: Yes. Okay, thank you. Transportation.

MR. RAHN: Governor, Madam Treasurer, Mr. Comptroller, for the record, my name is Pete Rahn. I am the Secretary of the Maryland Department of Transportation. MDOT has 26 items for you today. All of them will be very lengthy --

(Laughter.)

MR. RAHN: But I would like to take just one moment if you would permit me as we have today the second academy class of procurement --

LIEUTENANT GOVERNOR RUTHERFORD: Oh, excellent.

MR. RAHN: -- for procurement here today. Can I get you all to stand up who are here?

LIEUTENANT GOVERNOR RUTHERFORD: Please stand up and be recognized.

SECRETARY MCDONALD: Yes.

(Applause.)

MR. RAHN: So we are attempting to continue to grow our own. And then also I would like to introduce our summer intern who has chosen procurement as the office he worked in. And Sam Biddle or Biddle, how is it?

COMPTROLLER FRANCHOT: Oh, wow.

SECRETARY MCDONALD: Nice job.

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LIEUTENANT GOVERNOR RUTHERFORD: All right. Great.

(Applause.)

LIEUTENANT GOVERNOR RUTHERFORD: You can have a bright future in procurement. They now call it supply chain management. Every time you hear these commercials about supply, that's procurement. So thank you. Now since you embarrassed the employees we should bring him up to embarrass him -- no.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Go ahead, Mr. Secretary.

MR. RAHN: I'm concerned that maybe after today they're going to choose another line of --

(Laughter.)

MR. RAHN: -- of work. So we are available to answer questions.

LIEUTENANT GOVERNOR RUTHERFORD: Madam Treasurer? Questions?

TREASURER KOPP: I have -- I'm just really curious. And after this last episode, this is nothing. But Item 9-M in the MTA. This is, I'm happy to see that after a competitive bid we're awarding a contract for \$250,000. The independent cost estimate was \$952,000. The reason it was \$952,000 compared to \$250,000, as I read what's said here, is because it was based on other instances

in which there were, it was a reduced, a very different size, scale, so it's more expensive, the smaller, the scale. And it was based on essentially emergency contracts, right? That just doesn't make sense to me, that you would take your comparisons based on emergency non-comparable contracts. Am I reading this correctly?

MR. RAHN: Yeah, I believe you are. And as I look at his, too, obviously with the bids we've got none of them are nearly anywhere close to that.

TREASURER KOPP: So it makes me wonder, then, about our estimates and when we --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

MR. RAHN: Well I think, as you can see through nearly all of our procurement, we're usually pretty close.

TREASURER KOPP: Yes.

MR. RAHN: We're usually pretty close. And so all I can say is we get a clinker every once in a while and I think this one was clearly a clinker.

TREASURER KOPP: Okay. So all right. But does somebody look when they come in and say, wait a minute, this is not at all comparable?

MR. RAHN: This is, this was done by procurement at MTA.

LIEUTENANT GOVERNOR RUTHERFORD: But you said there are some issues that have to be resolved over there?















And also one of my favorite organizations, Cornerstone Montgomery, the grant being provided to them. And I don't see Kerry -- oh, okay. I see Nicole back there. So good to see you and I'm glad to see that we're providing the funding for your program there.

Okay. Any questions?

COMPTROLLER FRANCHOT: If I could just also in that light so to speak compliment the grant to the Board of Directors of The Light House, a fabulous organization that does so much good in Anne Arundel County and frankly the State of Maryland. So I'm delighted to see those dollars being allocated there. Well deserved. That's Item 16-CGL on that, Governor.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah. I like all the capital grants. I just pointed that one out in the name of Paul Giorgio. Okay. Any other questions on General Services?

COMPTROLLER FRANCHOT: Move approval.

LIEUTENANT GOVERNOR RUTHERFORD: And second?

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All in favor? Unless we want to continue and look back at everything.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

(Whereupon, at 2:05 p.m., the meeting was concluded.)

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