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

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

**December 20, 2017  
10:14 a.m.**

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# PRESENT

**HONORABLE LARRY HOGAN,**  
Governor

**HONORABLE NANCY KOPP,**  
Treasurer

**HONORABLE PETER FRANCHOT**  
Comptroller

**SHEILA C. MCDONALD**  
Secretary, Board of Public Works

**ELLINGTON CHURCHILL**  
Secretary, Department of General Services

**DAVID BRINKLEY**  
Secretary, Department of Budget and Management

**PETE RAHN**  
Secretary, Department of Transportation

**MARK BELTON**  
Secretary, Department of Natural Resources

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Recording Secretary, Board of Public Works

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# PROCEEDINGS

GOVERNOR HOGAN: Good morning.

ALL: Good morning.

GOVERNOR HOGAN: Welcome to the Board of Public Works. I just got some exciting news when I walked up to the table. Secretary David Brinkley said he was engaged on Friday night. So I think congratulations --

(Applause.)

MR. BRINKLEY: I'm moving up in the world.

(Laughter.)

GOVERNOR HOGAN: Yeah, definitely. No question about that.

(Laughter.)

GOVERNOR HOGAN: Before we get started today, I'd just like to take an opportunity to make an important announcement. I know everybody is aware that it looks like the federal tax reform bill may soon officially be signed into law. Its exact impact on the State of Maryland has not yet been determined. It's clear that some people's taxes will be going up, and some people's taxes will be going down.

I know that Comptroller Franchot and his team have already started their analysis and they're going to take a close look and do an analysis to determine exactly what the impact is going to be to Maryland taxpayers and how

they will be affected. One thing is clear, is that due to the loss of several long-standing federal tax deductions and exemptions that are tied to Maryland taxes, that Maryland State revenue is likely to increase by hundreds of millions of dollars. So I'm announcing today that our administration will be submitting legislation at the very beginning of the session next month which will protect Maryland taxpayers and which will mitigate any negative impact of these changes to State taxes. So --

(Applause.)

GOVERNOR HOGAN: We, our goal will be to leave all of that money in the pockets of hardworking Marylanders and I'm confident that our partners in the General Assembly who have expressed concern over the impact of the federal bill, that they will support us unanimously in this legislation to protect Maryland taxpayers who could be negatively affected. Protecting taxpayers should be a bipartisan issue.

So that's my holiday gift to the people of Maryland. I also have a couple of little gifts here for my colleagues, the Treasurer and the Comptroller. Happy Hanukkah, Merry Christmas, Happy Holidays to both of you.

TREASURER KOPP: Oh, thank you.

GOVERNOR HOGAN: I, we had --

TREASURER KOPP: Great wrapping paper.

GOVERNOR HOGAN: I did that myself. I like that wrapping paper. We had a couple of great holiday parties at the Governor's Mansion and Government House. We had several holiday open houses. We had a Hanukkah party. And I can tell you that the Comptroller's staff, the Treasurer's staff, and the BPW staff was well represented at these events.

(Laughter.)

GOVERNOR HOGAN: We were happy to have them. But we, I just want to, you know, I'm going to turn it over to my colleagues in a second for any opening remarks. But I just want to thank all of the, our staff, the Board of Public Works staff, the folks at the Treasurer's Office, the Comptroller's Office, and our whole team, and their departments for all the hard work over the past year. I think we've accomplished a heck of a lot and I just want to send my best wishes to everybody in the audience as well and wish you, I hope you spend a little time off and relax and spend some quality time with family, enjoy the holidays. And we're looking forward to another great year in 2018.

So with that, I'll turn it over to my colleagues. Mr. Comptroller?  
Madam Treasurer?

TREASURER KOPP: I just want to wish everybody Happy Holidays, all of them, and a great New Year. Thank you very much for your lovely gift and beautiful, I didn't realize you're now a published author --

(Laughter.)

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GOVERNOR HOGAN: I had to write one whole page in that book.

TREASURER KOPP: There he is --

(Laughter.)

TREASURER KOPP: Every bit counts. Thank you very much. Is it autographed?

GOVERNOR HOGAN: It is. I have a nice little autograph.

TREASURER KOPP: I was just reading as I came, as I came to Annapolis this morning about Maryland and RGGI and the fact that the Regional Greenhouse Gas Initiative, which Maryland has been a strong part of for years now, Ms. Brogan was the Treasurer of it, but Ben Grumbles, our Secretary, is now the leader of the outfit and we're getting New Jersey and cooperation from Virginia, accelerating all the work. It's going to make a very significant impact on reducing air pollution. And we just passed one of the significant hurdles. I just want to thank you, and particularly Secretary Grumbles, for his leadership. It is a great way to end the year and begin the new one --

GOVERNOR HOGAN: Absolutely.

TREASURER KOPP: -- in the face of a lot of environmental roadblocks and problems. It's very good to see leadership like that.

GOVERNOR HOGAN: Yeah. I want to thank you very much. I appreciate you pointing that out. And Secretary Grumbles does deserve a lot of

credit. He's done an incredible job. We've been leading the country and the world, actually. Our greenhouse gas, our clean air standards are better than 48 other states, better than most countries, and twice as strong as those recommended by the Paris Accord. So the fact that Virginia and New Jersey were not part of RGGI, we've been pressuring them and leaning on them. And the fact that they're now going to work with us to help clean up the air in the region I think is terrific.

We're also making great strides with respect to water quality. And I chair the Bay Council, which is five governors and the Mayor of the District of Columbia. And we're making tremendous progress there as well with protecting federal funding and we put several billion dollars in the State of Maryland into protecting the Bay. And it's the cleanest it's been in a quarter century. So clean air, clean water, I think is something everybody can agree on. So thank you.

COMPTROLLER FRANCHOT: Thank you, Governor. And thank you for your gift. I was hoping there was going to be a bottle of Maryland rum in it but --

(Laughter.)

COMPTROLLER FRANCHOT: -- it's much appreciated.

TREASURER KOPP: I'm still drinking the beer.

GOVERNOR HOGAN: It's not too late.

COMPTROLLER FRANCHOT: Yes.

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(Laughter.)

COMPTROLLER FRANCHOT: And thank you for the announcement about the protections that we will seek to hold Marylanders harmless as far as the federal legislation. And I also got a gift from the Treasurer today. It's called *Fugitives of the Forest: the Heroic Story of Jewish Resistance and Survival during the Second World War*. People have their sometimes narrow points of great interest. This whole issue, and I think the Treasurer knows, is of tremendous interest to me, about these heroic acts of resistance during World War II that were just faced with unimaginable tragedies. People were able to somehow organize themselves. And this is much appreciated and I will read it with great interest. And thank you for doing that, thank you for giving me that.

GOVERNOR HOGAN: And I got a nice gift from the Treasurer as well but I didn't --

COMPTROLLER FRANCHOT: But you didn't --

GOVERNOR HOGAN: -- I didn't open it yet.

COMPTROLLER FRANCHOT: Yeah.

(Laughter.)

GOVERNOR HOGAN: -- a different book.

TREASURER KOPP: You'll like it.

(Laughter.)

COMPTROLLER FRANCHOT: But if I could I wanted to, Governor and Madam Treasurer, just indicate that last Friday I had the pleasure of visiting Shore Neurocognitive Health, a newly rebranded medical health facility in Easton, Maryland on the Shore that specializes in dementia, anxiety, and depression disorders that affect the older adult. In collaboration with local providers and organizations, SN Health provides comprehensive care to individuals, families, and caregivers who are facing very difficult challenges caused by neurocognitive diseases and disorders. It was a great visit, Governor.

I'd like to especially thank Beth Parker-O'Brien, the Director and Clinical Director of this facility, for inviting me to visit and for the incredible work that she and her team do on a daily basis. In my view, Governor, Beth, her team, and all medical professionals, researchers, and scientists who deal with neurocognitive and mental health disorders and diseases, are among the unsung heroes in our communities. While we as a society have made tremendous progress in destigmatizing, removing stigma from mental health disorders, the fact remains that many of our friends and neighbors are likely developing or suffering mental health conditions without their knowledge due to some apprehension about going to mental health professionals for screening and check-ups.

Here are a few statistics I'd like to share. One in five adults or 44 million people in America experience a mental illness. Nearly one in 25 adults in

the United States, 10 million people, live with a serious mental illness. Over one-half of all chronic mental illnesses begin by the age of 14. Let me just repeat that. Half of all mental illnesses begin by the age of 14. Three-quarters begin by the age of 24. And these last two statistics from the Substance Abuse and Mental Health Services Administration are especially concerning and alarming. Nearly 60 percent of adults with a mental illness did not receive mental health services in the past year, nor did 50 percent of youth age eight through 15 who have a mental illness. They didn't receive any mental health services.

So Governor, we as a society and we as a government need to do more to tear down the barriers to affordable and high quality mental health services and work to remove the social stigmas that continue to exist surrounding mental health. I know this is not a Republican issue or a Democratic issue. It's an issue that unites both political parties. So I sincerely hope that we can build upon the progress we've made so our fellow Americans who need help can get it.

And then I'd just once again like to close on a little happier note, which is wishing everyone and all the citizens of our great State the very best during the holiday season. And I hope everyone will have a chance to spend some quality time with family, friends, and loved ones and unwind a bit before we begin the New Year and the legislative session. Thank you, Governor.

GOVERNOR HOGAN: Thank you. It probably is a good idea to take a little break before the session.

COMPTROLLER FRANCHOT: Right. I think I'll go get a mental health screening.

(Laughter.)

GOVERNOR HOGAN: I'm going to wait until after the session.

(Laughter.)

GOVERNOR HOGAN: Okay. Let's go ahead and get started with the Secretary's Agenda.

SECRETARY MCDONALD: Good morning, Governor, Madam Treasurer, Mr. Comptroller. We have seven items on the Secretary's Agenda. We are withdrawing Item 5. We also have an emergency report.

GOVERNOR HOGAN: Okay.

TREASURER KOPP: So five is coming back after the New Year?

SECRETARY MCDONALD: I believe so, yes.

GOVERNOR HOGAN: Okay. Any questions on the Secretary's Agenda?

TREASURER KOPP: I do not.

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing. How's that for starting off?

SECRETARY MCDONALD: There you go. Merry Christmas.

GOVERNOR HOGAN: Merry Christmas, Happy Holidays. DNR  
Real Property Agenda?

MR. BELTON: Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record, I'm Mark Belton, Secretary of the Maryland Department of Natural Resources. We have 18 items on our Real Property Agenda this morning. Number 18 is a supplemental. But I also have a Customer Service Award, if we'd like to do that first?

GOVERNOR HOGAN: I would like to do that. We want to recognize a member of your department who has done an outstanding job and we're presenting him with a Customer Service Hero Award for outstanding customer service. So we'd like to call Tom Schisler to please come up to the podium, if we could?

Tom is the Executive Director of the Somers Cove Marina in Crisfield, which is operated by the Department of Natural Resources. And Somers Cove was recently named a Boater's Choice Award Winner by Marinas.com. And thousands of boaters across the country participated in a survey and Somers Cove consistently received outstanding reviews from boaters on Marinas.com, making it one of the highest rated marinas in the entire United States. So Tom, this honor is directly attributable to you and your team and all of your hard work and tremendous efforts in providing great facility maintenance

and great customer service. So we just want to congratulate you and have you come up here and get a --

(Applause.)

GOVERNOR HOGAN: Oh, his wife and mom are here? Let's bring them up too. Come on.

COMPTRROLLER FRANCHOT: Customer service is everything.

GOVERNOR HOGAN: Proud mom coming up. How sweet that is. Okay.

Okay, while we're taking the picture, let's just give Tom one more big round of applause.

(Applause.)

GOVERNOR HOGAN: Okay, Mr. Secretary, you had other items?

MR. BELTON: Yes, sir. There were 18 items on our Agenda for your approval this morning.

GOVERNOR HOGAN: Okay. Any questions on DNR?

COMPTRROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing, DNR. We're going to move on to the DBM Agenda. Congratulations again, Mr. Secretary.

MR. BRINKLEY: Thank you. Thank you, Governor. Governor, Mr. Comptroller, Madam Treasurer. The Department of Budget and Management

has submitted 13 items on today's Agenda for your consideration. I have people here to address any questions or concerns you may have.

GOVERNOR HOGAN: Any questions or concerns on DBM?

COMPTROLLER FRANCHOT: Item 3.

MR. BRINKLEY: Item 3, MDH, Anna McCrerey or Dana Dembrow. Are they outside? All right. They are outside and on their way up.

COMPTROLLER FRANCHOT: Okay. Who is they?

TREASURER KOPP: Dana.

SECRETARY MCDONALD: Department of Health. Dana Dembrow is coming in --

MR. BRINKLEY: Yeah.

COMPTROLLER FRANCHOT: Oh, great.

SECRETARY MCDONALD: That Agenda had to stay out in the hallway while the other Agendas went through, so --

GOVERNOR HOGAN: We're just moving through so fast?

SECRETARY MCDONALD: We are. That's what happens.

(Laughter.)

GOVERNOR HOGAN: Yeah, they can't keep up.

SECRETARY MCDONALD: So we're taking that commercial break right now and the time out. And the 30-second timeout has been extended to a minute, and here is --

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GOVERNOR HOGAN: Dana to run down the hallway --

COMPTROLLER FRANCHOT: Oh, yeah.

MR. DEMBROW: Good morning. May it please the Board, my name is Dana Dembrow, Director of Procurement for the Department of Health. I'm sorry for arriving a minute late. You have a full house out there today. With me is Anna McCrerey, who is the division, the Bureau Director of Cancer and Chronic Disease at the Department of Health. She'll join me, as well as Sara Wolfe, who is a Division Chief.

This is the Maryland Tobacco Quitline. So if I can take a moment to make a plug for those who are getting ready to make New Year's resolutions, call 1-800-QUIT NOW and the State has an individualized program that will counsel you through the steps of stopping smoking. We're happy to entertain questions.

COMPTROLLER FRANCHOT: Great. And Delegate Dembrow, thank you for all of the great work you did in the Legislature years ago and I used to famously compare my meager legislative product if I had a bill every couple of years that was about it, that ever passed that I introduced. Dana had 15 or 16 a year. And --

MR. DEMBROW: You're too kind, Mr. Comptroller.

COMPTROLLER FRANCHOT: -- made us all look not as productive. But thank you for what you do now with the Procurement Office.

MR. DEMBROW: You're welcome.

COMPTROLLER FRANCHOT: Because there's nobody more, nobody is smarter or more focused than you in my opinion. So thank you very much for doing that.

MR. DEMBROW: Thank you.

COMPTROLLER FRANCHOT: But we're being asked to approve a \$10.9 million, four and a half year contract to Alere Wellbeing from Seattle, Washington to operate the Maryland Tobacco Quitline, which you nicely quoted, I think. It's my understanding that through this program the taxpayers paid roughly \$715 per person to quit smoking in fiscal year '16 and the average call including medications cost taxpayers \$166. How does that investment compare to other states or in your experience?

MR. DEMBROW: Let me say first of all that for every dollar spent on this program the State saves nearly five dollars in terms of treatment of the chronic conditions related to cigarettes and cancer that is caused by them. Also, the additional cost of choosing Alere as compared to another outstanding provider, the National Jewish Health Organization out of Denver, is approximately \$25,000 a year in general fund revenue. Now it's an \$800,000 price differential but it's only 14 percent general funds. So this is an incremental amount of additional spending to have much better results.

I can go through the reasons why we will get better results with (indiscernible) but let me first turn to Anna to see if she can answer the specific question about comparing Maryland to other states.

COMPTROLLER FRANCHOT: Thank you.

MS. MCCREREY: Thank you all. The investment that we're proposing here is on par with the other states, funding it both with the Cigarette Restitution Fund, general funds, but also with federal CDC dollars. And so other states do similar programs. It's across the nation. This particular company that we're recommending has experience with other states as well. So it is on par and commensurate with the rest of the U.S.

COMPTROLLER FRANCHOT: Thank you. Could I just keep you up there for one second?

MS. MCCREREY: Certainly.

COMPTROLLER FRANCHOT: Do these other states use third party, for profit vendors like this? Or do they use not for profit partners, such as the American Cancer Society.

MS. MCCREREY: It's a very good question. The majority of states contract it out. Yes.

COMPTROLLER FRANCHOT: The --

MS. MCCREREY: The majority of states do contract it out. They do use third party vendors, yes.

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COMPTROLLER FRANCHOT: But for profit or nonprofit?

MS. MCCREREY: A significant number do for profit. I apologize. I don't know the exact break down for the 50 states.

COMPTROLLER FRANCHOT: Okay. And why has the amount of the contract increased so much since it was first awarded?

MS. MCCREREY: Sure. So the award about five years ago that you're seeing, and I apologize, if somebody can flip to the right page? I think Sara has the document. Was then modified and increased. So the total investment of the last contract was around \$7.6 million, and I'll be corrected with the number in a minute. It was about \$7.6 million --

COMPTROLLER FRANCHOT: I have \$6.7 million, but that's maybe, is it --

MS. WOLFE: Yes, it was \$7.6 million.

COMPTROLLER FRANCHOT: Okay.

MS. MCCREREY: So \$7.6 million when accounted for the contract modifications. A lot of those modifications had to do with harmonizing with increased technology. So we did take advantage of several different opportunities to insert linkages with electronic health records and with different ways to increase our effectiveness to stay up to date with the technology. What you then see is a more effective program and you do see the cost benefit in the long run. Similarly as we now look in the next five years to stay abreast with the

technological changes, it does require a larger investment. But then what you will see is the success rate higher. And when we look at our projections, excuse me, both for Maryland and the country we're seeing that by 2020 Maryland will be spending \$4.5 billion a year on these tobacco related costs. So the increase to \$10 million to really take advantage of the new technology is an investment that we believe is good for Maryland.

COMPTROLLER FRANCHOT: Okay. That's a fair explanation. But there was a disparity between this contract and the old one. And I think you hit most of the high points. So it's a noble cause. I feel sorry for people who smoke.

MR. DEMBROW: Thank you. That number again is 1-800 QUIT NOW.

(Laughter.)

MR. DEMBROW: Are there any other questions?

TREASURER KOPP: Yeah, just very briefly. What is it about the Quitline that you do that makes it so effective when people on their own can't do it? Just --

MS. MCCREREY: The trained coaching and the direct linkages. The, when you call you get educated coaches who have been trained. This particular company we're recommending is the gold standard and does an extensive amount of training and then validation for those counselors. It's then

followed up with access to things like lozenges and the patch and gum so the actual materials to help you quit. I'm going to pass it to Sara, who is actually Division Chief, to fill in what I may have missed on that sort of holistic approach.

TREASURER KOPP: Well and how long term is the follow up?

MS. MCCREREY: Sara?

MS. WOLFE: Sure. So I've talked to many residents who have used our service and they say it saved their lives. And really, as Anna mentioned, it's really providing that counseling, which is very effective. They are open 24 hours, seven days a week. So especially with this addiction, people really need to call at any time they are having a craving to use any type of tobacco and the coaches will be there for them. And so I think that's the real difference that we're seeing in Marylanders, is the effectiveness of this program, this particular program. And the other question?

MR. DEMBROW: In terms of the follow up, if I may add --

TREASURER KOPP: How long, yeah.

MR. DEMBROW: -- and it's one of the major advantages of selecting this vendor as compared to the competitor. Maryland believes in evidence based decision making when it comes to public health policy. And this vendor is promising to do follow up samples at seven months and 14 months of 1,400 individuals who have gone through the program. So we do follow up by

monitoring to see if the program is effective. And their particular follow up plan is much preferred to other providers.

TREASURER KOPP: Do you think 14 months, I mean I have no idea what the profile is. Fourteen months is a good indicator of long term --

MS. WOLFE: Yeah, national standards look at seven months. And across the states usually, most states if they have, they do the seven-month follow up.

TREASURER KOPP: Mm-hmm.

MS. WOLFE: And 13 months is really the recommended gold standard to provide that follow up to see if residents are really quit, and also satisfied with our services.

TREASURER KOPP: And that 13 months or 14 months is based in fact on studies that show what? I mean, is the goal permanent --

MS. WOLFE: Yes. Yes.

TREASURER KOPP: Yes?

MS. WOLFE: We, when residents do quit at 13 months, their quit is usually a quit that's going to stay with them. But as you know, smoking is an addiction --

TREASURER KOPP: Right.

MS. WOLFE: -- so if they do have relapses they can get right back on the plan and get started in the right direction. But we've really seen its

success, even with folks that are seven-month. I know a resident who when we started this Quitline in 2006 who is still quit after using the Quitline. And I think that's tremendous to see. If we can do that and provide that service for our residents, then it's a really great program, great service, and great counseling.

GOVERNOR HOGAN: Any other questions?

TREASURER KOPP: No. Thank you very much.

GOVERNOR HOGAN: Thank you very much.

MS. WOLFE: Thank you.

MR. DEMBROW: Thank you and happy holidays.

GOVERNOR HOGAN: Thank you. You, too.

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR HOGAN: Any other questions on the DBM  
Agenda?

COMPTROLLER FRANCHOT: I had a question on Item 10.

MR. BRINKLEY: Item 10? This is the MTA. Joe Sedital, Deputy  
Director, MTA Procurement. I hope I pronounced it correctly.

MR. SEDITAL: Close enough.

MR. BRINKLEY: Well --

MR. SEDITAL: Sedital.

MR. BRINKLEY: Sedital.

MR. SEDITAL: Like I was I was tall.

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MR. BRINKLEY: All right.

COMPTRROLLER FRANCHOT: Oh, good.

MR. SEDITAL: Good morning, Madam Treasurer, Mr. Comptroller, Mr. Governor. For the record, my name is Joseph Sedital and I'm Deputy Director of Procurement at the MTA. I'm happy to answer any questions you might have.

COMPTRROLLER FRANCHOT: Thank you. And we're asked, you're asking us to approve a one-year extension to a contract with CH2M Hill in Baltimore for transit business planning and management consultation services. The one-year extension would cost \$613,743. If we approve the extension today, the revised total contract would be \$8.4 million. And after reading the background materials for this item, I'm still a bit confused as to what services CH2M provides for MTA. I see that they provide management and organizational development, integrated planning and management services data, internal and external review, and so on and so forth. So help me understand in layman's terms what exactly does this group do for your agency? And how have the services of the consulting group benefitted the taxpayers of Maryland?

MR. SEDITAL: So I mean I think you said it right there. It is a consulting contract. So it provides for actual contracted consultants to come in and help with our planning department. I mean, over the last couple of years MTA has been doing a lot of things that require planning. Something like

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Baltimore Link, that's an all-encompassing service. And CH2M Hill is a company that can come in and actually provide a lot of the additional staffing needs that we have to have in order to make sure that our planning department can create the best systems for the ridership.

So as far as individual tasks, I mean, we're talking about going in and making sure things like bike share, for example, that we know exactly where the locations are going to be to most benefit the consumer. So we're putting contractors out there that are helping us with a lot of the data analytics, a lot of the sort of visualization and making sure that we know where to put our stops, where to put our locations, where to ensure that our people are best able to provide the service necessary.

COMPTRROLLER FRANCHOT: So you're renting their employees to help you with the agency's planning and implementation of things like -- what was the, what's the rail line up in Baltimore called?

MR. SEDITAL: The Light Rail?

COMPTRROLLER FRANCHOT: No, the new configuration.

MR. SEDITAL: Oh, Baltimore Link.

COMPTRROLLER FRANCHOT: Baltimore Link. Okay.

MR. SEDITAL: The bus system. Right.

COMPTRROLLER FRANCHOT: So you bring them on to assist you in --

MR. SEDITAL: Doing the planning. I mean, we're talking hundreds of millions of dollars, right? So going in, this is, requires a large system of planning to come in and make sure that the system works correctly. And that we put the best plan forward. So I don't know if I would characterize it as renting employees necessarily. But I think what we're talking about is we're bringing in added assistance and added resources to make sure that we can do, provide the best service possible.

COMPTROLLER FRANCHOT: Okay. Yes, Mr. Secretary?

MR. RAHN: Mr. Comptroller, I mean, we do use a large number of consultants. And there's some really basic reasons. And one of those is that the private sector pays so much better than our positions so frequently the very best in the field are not available to us unless we utilize consultants. And we have very good employees, very dedicated, very smart. But when we undertake significant changes as we have, not only do we need assistance in implementing the changes, which we have on Baltimore Link, but we need continuous follow up to ensure that the system is delivering what we have promised the public that it would. And so we already are in the midst of tweaking the lines to ensure that we're getting to employment centers, and such. So we are, when we don't have enough of the best, we have to consult.

COMPTROLLER FRANCHOT: Great. It was a generic question, really. So because I, we see a lot of expensive consulting contracts. And this one caught my eye. But thank you, I thought you made a very good explanation.

GOVERNOR HOGAN: Thank you. Any other questions on the DBM Agenda?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second?

TREASURER KOPP: Second.

GOVERNOR HOGAN: Three-nothing on DBM. We're going to move on the University System Agenda. I see President Loh and a huge contingent from the University here today. We're happy to have all of these distinguished power hitters. We have Ken Ulman in the back of the room.

TREASURER KOPP: Joe Evans does a great job.

MR. EVANS: Thank you.

GOVERNOR HOGAN: Usually Mr. Evans is down here by himself doing all the heavy lifting, but --

MR. EVANS: Good morning. Joe Evans representing the University System of Maryland. We have three items on the Agenda, and as you mentioned we have Dr. Wallace Loh, President of the University of Maryland College Park. We're here to answer any questions.

GOVERNOR HOGAN: Is there any presentation you'd like to make, Dr. Loh? I don't know that, is anybody --

COMPTROLLER FRANCHOT: Yeah, no, I have a question for Dr. Loh on Item 3. Not that Mr. Evans couldn't answer it but since the President is here and I have such high regard for him, yeah, how are you doing, sir?

DR. LOH: Thank you, Comptroller.

COMPTROLLER FRANCHOT: So Item 3 is a request from the University of Maryland College Park to immediately transfer three properties to College Park, from College Park, or to College Park, to Terrapin Development Corporation and to receive approval to transfer seven additional properties in the future at the discretion of the University. The estimated total value of the three properties before us today is \$10,091,000. I have no problem with Terrapin Development Corporation. It's a limited liability company, I guess headed up by Mr. Ulman, and includes nine board members, five appointed by the foundation, four by the University. And the purpose of the organization is to cohesively manage the development of properties in the community.

So I completely support the private sector partnerships and desire to leverage the assets of your flagship institution into something beneficial. The District 21 Legislative Delegation brought my attention, brought me, brought my eye to this because they were concerned about the local involvement and consultation, and I believe you've navigated all of those. Congratulations.

Anyone that can take care of Senator Rosapepe is, gets an A++ in my book. No, he's a wonderful advocate and but he's very, very particular. And I spoke to him yesterday. He said he's very supportive of this.

I have a separate issue, which is perhaps process but also I like to think of it as a value issue of transparency and accountability. I mentioned the, at the, when we deferred this that I'd like to see the fact that you're willing to bring these properties should they change ownership and be sold, you're willing to bring that back to the Board and for a vote or a review by us. But for some reason apparently you're not willing to include long term leases, like a 99-year lease, for the Board of Public Works to look at that similar to a sale. And all I'm asking, I guess, is would you support allowing me to suggest that along with the sale of these properties in the future, it's also the long term lease of these properties, which in my mind are relatively equivalent to a sale? Is that too far down in the weeds for you, Mr. President? Maybe I should get Evans back up here, or somebody to help me with this.

DR. LOH: Ulman --

COMPTROLLER FRANCHOT: Or yeah, bring Ulman up. He's all full of fire and brimstone. Yeah.

MR. COLELLA: We can do it together.

COMPTROLLER FRANCHOT: I'm sorry --

MR. COLELLA: Yes, Mr. Comptroller, so by moving --

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SECRETARY MCDONALD: Mr. Colella, introduce yourself for the record.

MR. COLELLA: Oh, I'm sorry. For the record, I'm Carlo Colella, Vice President of Administration and Finance at the University of Maryland College Park. So regarding the additional requirement to bring ground leases back to this Board, when these properties transfer -- well, but first off the Board action we're seeking is for today. So the Board has the opportunity to act on that today. When these properties transfer to this two-member company that is the University and the foundation, they will be on the tax rolls and it will go through the local zoning and entitlement process. So the public input and review of development will go through the normal processes that apply to other commercial type development in the region.

To subject those same properties, in addition to that to come back for approval by this body on a ground lease just will make that development process unwieldy --

COMPTRROLLER FRANCHOT: Let me just stop you right there. Because I've heard that that is your response. I find that to be completely hollow and shallow. We meet every two weeks on this Board. We have no interest in interfering with your efforts to move forward with disposal of these properties. My, and I'm not talking about small ground leases that don't really, you know, that routinely you all can do. I'm just thinking about the equivalent of a sale of

the property that's described in the legal documents as a long term lease. And I think it's important for transparency and accountability that this Board be included. And I've been told by the staff that it's going to, you don't understand the private sector, and it's going to hold things up. Why is it going to hold anything up? It's not going to hold anything up. We're here. And we're not antagonistic. But -- I'm certainly not adversarial. I'm happy, I'm going to vote for this. But I want to have long term leases included. And I don't think, I don't understand this rhetoric about, you know, holding things up, or impinging on your ability to develop these properties. If I were a developer, and I was entering into an agreement with the University of Maryland, I'd put out every press release I could come up with and I'd be delighted to come before the Treasurer and the Governor and myself, or whoever it is that holds our seats. So I guess I --

GOVERNOR HOGAN: So I guess the question --

COMPTROLLER FRANCHOT: I mean, would you put those two words in? And, you know --

GOVERNOR HOGAN: Well first of all, on the question of what is the difference if you are coming before us on a sale, why not a 99-year land lease? They are exactly the same. How does that impede the development? I don't get it. He's got a good point.

MR. COLELLA: We are here today for the sale. So I mean the sale of the land to --

GOVERNOR HOGAN: Well you're here today to transfer it into a partnership that --

MR. COLELLA: Right.

GOVERNOR HOGAN: -- we'll no longer have any control over. And it's State assets.

MR. COLELLA: Correct.

GOVERNOR HOGAN: So answer the question. How is it different from a sale? A land lease?

MR. COLELLA: The, having control of the property, in order to go through the entitlement --

GOVERNOR HOGAN: Under the agreement today you still have to come back before the Board for a sale after this, right?

MR. COLELLA: Correct.

GOVERNOR HOGAN: But not for a land lease. Why?

MR. ULMAN: Well because we have no intention to sell the ground.

GOVERNOR HOGAN: I know. So that means you don't ever have to come back before us.

MR. ULMAN: Correct. With these properties. I mean, that's actually, I mean that's what we're asking for today.

GOVERNOR HOGAN: Right.

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MR. ULMAN: Is this would be --

GOVERNOR HOGAN: But you don't want any State oversight over anything that happens to these properties in the future?

MR. ULMAN: Well we went through a lengthy process to come up with this group of properties that we have an agreement with the City that's supportive. We have an agreement with the 21st District Delegation that's supportive. We have an agreement with the County government that's supportive. We want to put them on the tax rolls right away.

GOVERNOR HOGAN: And as Carlo said, you have to go before them for years to get all the approvals but you never have to come back here again to see if --

MR. ULMAN: For --

GOVERNOR HOGAN: -- the fiscal leaders of the State agree with the deal.

MR. ULMAN: For these ten properties.

GOVERNOR HOGAN: Yeah.

MR. ULMAN: That's why we went through this process for the last year to work together with respect --

GOVERNOR HOGAN: Well this is the most important part of the process but I still haven't heard an answer how it's different. So you basically were, you have no intention to ever come back here, and you're not ever going to

do a sale, so that was kind of nonsense language? And you want to do the leases without any involvement of the State?

MR. ULMAN: We've set up a two-member LLC that is partly owned by the University's Foundation and the University of Maryland College Park --

GOVERNOR HOGAN: Yeah, I get that.

MR. ULMAN: -- with representation from the University. This is

--

GOVERNOR HOGAN: I understand the process as well as you do. I just haven't gotten an answer to the question.

MR. ULMAN: Yeah, this is the moment that we're asking for the members of this body --

GOVERNOR HOGAN: But we don't know what any of the deals are going to be on any of the properties that we currently own in the State of Maryland.

MR. ULMAN: Well we've spent, we've spent lots of time with each of you, with your staffs, walking through the Innovation District master plan, the vision for these properties.

GOVERNOR HOGAN: So can anyone answer the Comptroller's question? I mean, this is all a bunch of BS. We already know all these things.

Answer the question. Why can't the leases be reviewed by the Board of Public Works?

MR. ULMAN: It wasn't a process --

GOVERNOR HOGAN: Everybody else is going to review it.

MR. ULMAN: It wasn't a process that we set up.

GOVERNOR HOGAN: College Park is going to review it. Prince George's County is going to review it. The delegation is reviewing it. But not the Board of Public Works, the ones that have the fiscal responsibility for it?

MR. ULMAN: We're asking for that today.

GOVERNOR HOGAN: No, you're --

MR. ULMAN: I mean, we're asking for that decision today.

GOVERNOR HOGAN: No, you're asking us to just transfer the property --

MR. ULMAN: Correct.

GOVERNOR HOGAN: -- into your development group.

MR. ULMAN: Correct.

GOVERNOR HOGAN: Not to, and to walk away from ever hearing about them again?

MR. ULMAN: For these ten properties --

GOVERNOR HOGAN: Do you already know what you're doing with the ten properties?

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MR. ULMAN: We know the vision for those properties. We've spent a lot of time working with the community. We know that --

GOVERNOR HOGAN: But you don't know the financial deals? You don't have any real leases or --

MR. COLELLA: We haven't advanced the development process on a particular parcel to the point where we have a specific ground lease. So we have --

GOVERNOR HOGAN: So when you do, why wouldn't you bring it before us?

MR. COLELLA: We will have to go through both the county, and the local zoning, and the county entitlement process --

GOVERNOR HOGAN: I get that. But why not us, since it's our money and we're the ones that are deciding to turn it all over to you?

MR. ULMAN: We thought we had worked through to get to this point where there was a comfort level amongst the members of the Board of Public Works and with your staffs. We thought we had done what was asked. We worked with the community --

COMPTROLLER FRANCHOT: Yeah. Let me just repeat that I am in favor of what you're doing. I'm just asking, because we're not going to be here forever, you're not going to be there forever, the good relations that all of us have may or may not be there down the road. So I'd really appreciate just adding

or whatever the right legal language is, you can have your folks review it and go over it, that long term leases are involved in a review by the BPW like the sale would be. And --

GOVERNOR HOGAN: I mean, these are tremendous values. The taxpayers own these properties. You're asking us to turn them over. You're saying that College Park and Prince George's County and everybody else is going to be reviewing it for years, but we never get to review it to say that's a good economic deal for the State or it's not?

MR. ULMAN: I mean, that was the intention of this organization, was to pick a set of properties that we all felt comfortable with to go on the tax rolls right away --

GOVERNOR HOGAN: I like the idea of public-private partnerships. I like the idea of getting people to develop them. I just don't see why we can't review the financial deal. Just we just have to trust you on it? What if you're not there? Yeah, I'm going to make a motion that we delay this until we can work this particular thing out --

COMPTROLLER FRANCHOT: Yeah, no --

GOVERNOR HOGAN: -- to answer the Comptroller's question.

COMPTROLLER FRANCHOT: Thank you. I would second that.

GOVERNOR HOGAN: Yeah. All those in favor? Aye.

TREASURER KOPP: Aye. It clearly is going to pass. I, I think this is a great program.

GOVERNOR HOGAN: So do I.

TREASURER KOPP: I think it's a great deal. We've looked at the ten properties. They seem appropriate properties. I understand the separation between the three and the seven. But I'm not quite sure why you can't answer the Comptroller's question. I assume there is an answer. But I hope you all can discuss it --

GOVERNOR HOGAN: So Prince George's County is going to review the zoning and planning issues, right, and give you your entitlements. The city is going to have input as to what they'd like to see happen in the College Park area. But the State will no longer have any involvement at all, right?

TREASURER KOPP: These are now properties of the State, is that right or wrong?

GOVERNOR HOGAN: Yeah.

MR. COLELLA: Correct --

TREASURER KOPP: That is correct. Right now, I mean?

GOVERNOR HOGAN: Yes.

MR. COLELLA: Now they are --

TREASURER KOPP: Properties of the State.

MR. COLELLA: -- properties of the State.

TREASURER KOPP: And the proposal is to convey them to the TDC.

GOVERNOR HOGAN: Right.

TREASURER KOPP: Right.

GOVERNOR HOGAN: Which we all are in favor of.

TREASURER KOPP: Yeah. And the TDC, if the TDC then sells them to a developer, what then?

MR. COLELLA: That would come back to the Board of Public Works for action.

TREASURER KOPP: And if the TDC leases them for 99 years, what then?

GOVERNOR HOGAN: Then they don't want to come.

MR. COLELLA: That would go back to the local --

TREASURER KOPP: And that's what I hope that you --

MR. ULMAN: And Mr. Ulman said they're not going to sell any properties. Their intention is to do 99-year leases --

TREASURER KOPP: Mm-hmm.

GOVERNOR HOGAN: -- which as the Comptroller said is exactly like a sale.

TREASURER KOPP: But there might be a good rationale but you have --

GOVERNOR HOGAN: That's how you finance them, just like a sale. I mean, it's no different.

MR. ULMAN: Well let me just say one thing, because we completely appreciate your perspective and have deep respect for that perspective. When we were, so there's two sets of properties that we're talking about. There are three properties that we've decided are development ready and we're asking for approval to be transferred right now. Then there are seven properties that we believe are good candidates for development, they are not development ready today. And so we're asking for an option to be able to call any of those seven properties at some point in the future. We certainly understand that we could bring each of those properties to this Board individually as they are ready to be developed but we thought it made sense to have an orderly progress with these ten properties to be at the speed of business and to, you know, be able to put them forth. So if this Board would like us to sort of rethink this, you know, we're happy to have those discussions.

GOVERNOR HOGAN: Well we can, look, what if we just amended the item we have before us today? Instead of currently it says, "in the event of a sale," it has to be approved by the Board of Public Works. Why not just add the wording that says a sale or a land lease? And then we can approve it three-nothing and you can go home. Or we can delay it and postpone it and you

can come back and answer the questions better. Whichever you prefer. Madam Secretary?

SECRETARY MCDONALD: I just think that we are going to need a little bit more on the item there. If you look on page two of the item under contribution agreement, the last sentence is what the Board would be approving, is that the additional contribution of the seven properties will occur if the TDC sends the University a contribution notice before 2027 and if the University has not recalled the property. So that sentence would have, because that's what the Board is approving in the definition of contribution agreement --

GOVERNOR HOGAN: Well I think we're okay with transferring everything into the new entity.

SECRETARY MCDONALD: Okay. Well that --

GOVERNOR HOGAN: Where we're having a problem is when that entity then makes a deal with someone else on our State properties that we transfer today --

SECRETARY MCDONALD: I know.

GOVERNOR HOGAN: -- we don't know anything about it and we can't say, hey, that's a terrible deal for the taxpayers.

SECRETARY MCDONALD: All right. My concern --

GOVERNOR HOGAN: And we're the ones that are given the sole authority and responsibility.

SECRETARY MCDONALD: No, and I was going to do that next.

GOVERNOR HOGAN: -- staff at the University --

SECRETARY MCDONALD: I, that since it is about that you're looking on the third page about the Board of Public Works approving the initial sale but not a lease, that's a comment in the remarks about what they are going to put in their deeds. I would suggest that if we are going to do this we need to pull that up to this first paragraph under recommendation and instead of saying agreeing to conditionally convey seven properties, I mean, agreeing to convey them in the future, we're going to have to change that. And I know --

GOVERNOR HOGAN: Well any conveyance of any kind, whether it's a sale or a lease --

SECRETARY MCDONALD: So I guess my concern --

GOVERNOR HOGAN: -- has to be approved by the Board of Public Works, period. I mean, that's crazy nonsense.

SECRETARY MCDONALD: Well we can put that on the bottom of the item. We will absolutely put that if that's what your --

MR. ULMAN: Yeah, so let us take that back. We want to be very thoughtful about that. The concern that we had is to have the same piece of property have to go through two different approval processes, and that's --

GOVERNOR HOGAN: Well as the Comptroller said, we meet every two weeks. The county processes are going to take three to five years. So if you --

MR. ULMAN: Right.

GOVERNOR HOGAN: -- we're not going to be the one slowing it down.

MR. ULMAN: Understood. So we'll --

GOVERNOR HOGAN: Maybe if you could ask then to waive all of their involvement and --

(Laughter.)

GOVERNOR HOGAN: -- help speed things up.

MR. COLELLA: Well that, that may be the alternative, actually, in terms, just rather than go through the county entitlement process that --

GOVERNOR HOGAN: Which you wouldn't have to if it remained in the University's hands. So keeping them the way they are would actually save you years. But --

THE INVESTIGATOR: I think the --

MR. ULMAN: I mean, as a, as someone who knows this process well, we thought we would choose one or the other.

GOVERNOR HOGAN: Yeah.

MR. ULMAN: And we didn't want to over-complicate --

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GOVERNOR HOGAN: Well let's defer this item until the first meeting after the New Year. And we'll try to get all the lawyers together to figure out how to address the Comptroller's concern and --

COMPTROLLER FRANCHOT: Yeah, I mentioned Senator Rosapepe and he obviously has worked very hard on the memorandum of understanding with the city and the county, I guess. And I spoke to him yesterday and asked him about this. He said we have absolutely no problem with the Board of Public Works having review over sale or lease. But that's not our focus. So I would not like you all to go back and say we're going to, Mr. Senator Rosapepe, take it out of your side of the review and give it to the Board of Public Works. I think that would be an error. Because they have worked very hard at the local level to reach consensus. Mr. President, it's to your credit that your team has succeeded in that. I'm just, don't want to, I don't want to mess up that side in an effort to get review from a different perspective from this Board.

GOVERNOR HOGAN: Yeah, I mean, I think it's, you have done a great job and it's terrific that you've informed the local legislator and some of the local elected officials about what your plans are. But that really has nothing to do with reviewing the fiscal decisions that you're going to make about potentially hundreds of millions of dollars of State taxpayers' property.

COMPTROLLER FRANCHOT: Don't get Senator Rosapepe mad at me. He's a good guy.

GOVERNOR HOGAN: Thank you. Any other questions on the University System? Did you even get to tell us what your items were, Joe?

MR. EVANS: Yes, sir. I had three. Now I have two.

(Laughter.)

GOVERNOR HOGAN: That was an easy one. What are the other two?

(Laughter.)

GOVERNOR HOGAN: Any other questions on the University System?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: So three-oh on the University System. Thank you.

MR. EVANS: Thank you.

GOVERNOR HOGAN: We're going to move on to Information Technology.

MR. LEAHY: Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record, I'm Mike Leahy, Acting Secretary of the Department of Information Technology. Today we have six items on your Agenda. Item 6 is hand-carried and we are withdrawing Items 2-IT and 5-IT. And I do have agency representatives here to answer questions you might have.

GOVERNOR HOGAN: Thank you, Mr. Secretary. Any questions on --

TREASURER KOPP: I just have one question, brief I hope, on Item 2. The -- yeah, for when they come back.

MR. LEAHY: Yes.

TREASURER KOPP: This description says that it's used to support day to day and emergency operations. I would like to have a better understanding of what day to day --

MR. LEAHY: Absolutely, Madam Treasurer.

TREASURER KOPP: Thank you.

GOVERNOR HOGAN: Any other questions on IT?

COMPTROLLER FRANCHOT: Item 6, please? Just a quick question for Baltimore City Community --

MR. LEAHY: Mr. Comptroller, I have a number of representatives from the community college, including Dr. May who is the President.

COMPTROLLER FRANCHOT: Oh, great. Dr. May, come on up. I'm delighted you're here. And thank you for Baltimore City Community College.

DR. MAY: Thank you.

COMPTROLLER FRANCHOT: It's a challenging environment that you work in and congratulations to you for --

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DR. MAY: Thank you.

COMPTROLLER FRANCHOT: -- moving forward. This is a \$1.3 million sole source contract to the incumbent Regent Education, Inc. to provide financial aid software services and support. Obviously that's a critical function for you, particularly.

DR. MAY: Yes.

COMPTROLLER FRANCHOT: The students' financial aid disbursements definitely need to be supervised in a very professional way and I'm going to vote for the contract. But the old contract that this one seeks to replace is going to expire in 13 days, and this is nothing unique. I've seen these things over the years, all the time come up here. And I always protest because why wasn't it brought some time ago? Why do you wait until the last minute when, even if there was a legitimate objection, you know, we're really not able to look at it objectively?

DR. MAY: Mr. Comptroller, we certainly don't like to walk things on like this. Financial aid, as you know, as many know in this room, is critical to Baltimore City Community College. Our demographic, 66 percent of our students are Pell Grant eligible, 71 percent of our students are Baltimore City residents. And we have worked now with Regent Education for nearly seven years and we really want to get this one through to continue on with Regent. We're proposing a three-year with a two-year, two year options, to continue on.

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We're, our financial aid arm of the college just went through a very thorough review by the Department of Education. And in the final analysis we received no findings, I repeat, no findings. We do that, that worked well. But there are certainly a number of things that kind of delayed things for us, not the least of which was the departure of our CIO, Chief Information Officer; the departure of our Director of Procurement; and our Director of the ERP. So there was a lot of things that contributed to some of the delays. We were looking at a system with the Department of Education that had proved a little bit later on that it was not going to work. We did a lot of work with our infrastructure. We're going through a complete review now, an external consultant for our infrastructure, so we can really move things forward. We work well with Regent and want to get, it's just imperative that we continue for our students. We --

COMPTROLLER FRANCHOT: Okay. I know there are a lot, I know there are a lot of challenges. But if you could just emphasize to your team that a sole source contract, there's no procurement here, this is a sole source, don't wait until there's less than two weeks to go to bring it before us. Obviously since you've got a long term relationship with this sole source vendor, you know what you're doing. Just give us more lead time.

DR. MAY: We will.

COMPTROLLER FRANCHOT: Thank you.

DR. MAY: Sorry about that.

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GOVERNOR HOGAN: Thank you. Any other questions?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-oh on Information Technology. Thank you. We're going to move on to the Department of Transportation. I just want to say Secretary Rahn had a big announcement from his department yesterday with tremendous traffic improvements for the entire Baltimore region, \$461 million and widening 695 and 95. We have SHA Administrator Greg Slater here with us as well. Great work by your team and just incredible. We've got \$14.7 billion in our transportation plan and we're moving forward on the largest transit project and the most expensive in the history of the State with the Purple Line. And we're moving forward on every single priority road project in every single jurisdiction all across the State. I just want to congratulate your entire team for all the great work.

MR. RAHN: Thank you, Governor. It's --

GOVERNOR HOGAN: Seven billion dollars in Baltimore area transportation.

MR. RAHN: It's not impossible to accomplish big things when we have clear direction. And the Governor has provided exceptional direction and vision for where he wants transportation to go in the State. So --

GOVERNOR HOGAN: That's not really true. I just say, why can't we get it done faster?

MR. RAHN: Yeah, that's --

(Laughter.)

MR. RAHN: I've never heard that before, Governor. I --

(Laughter.)

MR. RAHN: Good morning, members of the Board. For the record, I'm Pete Rahn, Secretary of the Maryland Department of Transportation. We have 12 items today and Item 7-EP-MOD is being withdrawn. We have people available if I can't answer it myself. And I would just like to give a heads up that over the coming months we will be bringing some unusual contracts to the Board of Public Works as we are undertaking procurements performance based on the support that we're going to need for our P3 program. And we are attempting to take an approach that's very much performance based rather than a prescriptive approach that, I don't want to say, it will be unusual but we believe it will be very productive and that it will save Maryland taxpayers money. So I just wanted to give you the heads up that there will be a couple of those that will be coming for your approval.

GOVERNOR HOGAN: Well, we'll be ready.

MR. RAHN: Okay.

COMPTROLLER FRANCHOT: I just want to second what the Governor said about your program. I'm particularly pleased that you seem to have prevailed on the Purple Line, which is an enormous public-private

partnership and a much needed mass transit connection. And I really, I don't think we enough times recognize the achievement of the Governor or you in this area. That project, in my opinion, was on death's door a half dozen times. And now it finally seems, correct me if I'm wrong, that we're, we see --

MR. RAHN: The Court of Appeals sided with us --

COMPTROLLER FRANCHOT: That Court of Appeals, thank you. That's what I was saying.

MR. RAHN: -- and we have the rod in, you know, permanently in place now. There's another challenge that's been filed by the Chevy Chase community. We think it has far less --

GOVERNOR HOGAN: In the meantime, we're still moving.

MR. RAHN: -- we don't think it's, yeah, we don't think it has a lot of --

COMPTROLLER FRANCHOT: Let me know when the court hearing is. I want to go over to it.

MR. RAHN: Okay.

COMPTROLLER FRANCHOT: Because this has become a, just a death by a thousand cuts. And thank you for giving leadership --

TREASURER KOPP: But it hasn't.

GOVERNOR HOGAN: Yeah, we're still moving.

COMPTROLLER FRANCHOT: Yeah. Thank you. But --

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MR. RAHN: We're doing, we're moving, we're moving forward. I mean, it's under construction. I mean, it's, we're going. We have not allowed these other things to stop us. And --

COMPTROLLER FRANCHOT: I love the rule of law but I don't like abuse of the law. That's unfortunately --

GOVERNOR HOGAN: Yeah.

MR. RAHN: We think this other was frivolous and, but we're, it's absolutely there. I know this wasn't a question but I just wanted to just provide the information because I know both, for both the Treasurer and the Comptroller the issue of public transportation is a very important issue. We appreciate that you support that strongly. But our situation in Maryland is one in which there's just too much traffic that by itself transit is not going to resolve. But we know we have to invest in transit as well as roads and we have to have the all of the above solution. And that's, with the Governor's direction that's exactly what we're approaching and it's good for the environment to have traffic moving. Traffic that's sitting is producing pollutants for no productive purpose. So getting vehicles moving is good for our environment. It's good for our economy and people's quality of life.

TREASURER KOPP: Mr. Secretary --

GOVERNOR HOGAN: We also have completely transformed the transit system in Baltimore --

MR. RAHN: I --

GOVERNOR HOGAN: -- which is getting people from their places of work to where they live. And we've actually, people are, there was a story in the *Baltimore Sun* yesterday that said, Hogan was criticized because he's spending less on transit and more on roads. We've actually spent, we're spending more on transit in Maryland than any governor in the history of the State. The money just for the Purple Line is more than the cost to build Metro. So it's just nonsense.

MR. RAHN: Well there was a report criticizing transit in Baltimore, which I would point out was based on data from 2012 to 2014. It never, it never even reached into a time frame under which the benefits of Baltimore Link are measured.

GOVERNOR HOGAN: Okay. We're getting way off track on our Agenda items.

TREASURER KOPP: Governor, could I just say I rarely speak for the Comptroller. But I think in this case, since you addressed both of us, that I can say on behalf of both of us that we support a strong transportation and diverse transportation program. I think everybody, everybody does. And I was delighted to see all of the developments, but particularly the Purple Line decision. I recommend people read Judge Rogers' opinion. It's a really good opinion. And to note in the paper that we may be making some progress regarding Metro and

Metro funding, which is totally, absolutely critical, I think, to the economic health of this State. And I spend a great deal of time on the roads and appreciate very much what you say, and I know the Comptroller does too, about not having people simply sitting in traffic polluting the air, wasting gasoline, and wasting time and money. I would only add that I was one of the enthusiastic supporters of widening 270 some years ago. We added some lanes. It was terrific for two or three years. And then it all filled up again. And that's my concern about the road widening. But there's no doubt --

MR. RAHN: Mm-hmm.

TREASURER KOPP: -- that you need a complete program.

GOVERNOR HOGAN: Yeah.

MR. RAHN: I, just the one thing -- oh.

GOVERNOR HOGAN: Let me just touch on Metro for a second, on WMATA. So as the *Washington Post* editorial said, we were the only ones with a real plan on saving Metro financially. We committed to \$125 million a year, which we would dedicate from the Transportation Trust Fund with no tax increases. We've been working with the feds, Virginia, and D.C. to try to get them to do the same thing. None of them have yet stepped up to the table. The federal government has refused to add any money. Virginia, the outgoing Governor who was only there for a couple of weeks, proposed three taxes to raise on two counties in Virginia that are not going to pass the Legislature or those two

counties. The Mayor of D.C. is trying to push everybody to raise the sales tax by 20 percent, which we already did here in Maryland along with the gas tax so we're not doing that. But we are the only ones that have a real offer on the table to commit to \$125 million a year for the \$500 million shortfall of Metro. And we're going to continue to push. I was happy to see a couple of members of the Legislature across the aisle kind of agree with our proposal yesterday and said they might be willing to work with us on the same thing. That's terrific but that's just, we're one-fifth of the problem. And we have to get the other jurisdictions involved.

MR. RAHN: Governor, may I say one more thing in response to the Secretary?

GOVERNOR HOGAN: All right. Then we've got to get back to the meeting.

MR. RAHN: All right, I mean, to the Treasurer.

GOVERNOR HOGAN: Everybody is here and we've got to get out of here.

MR. RAHN: One very quick answer which is the idea that if you build it, the benefit is only for a couple of years. And that is if you don't manage that system. And so between, on 270 the use of tolls and also ramp metering that we are going to be using means we're going to continue to have that benefit well

into the future rather than simply opening it up and it fills up with people that were not there before. So.

GOVERNOR HOGAN: Good.

MR. RAHN: Thank you, Governor.

GOVERNOR HOGAN: Any questions on the actual Agenda?

(Laughter.)

COMPTROLLER FRANCHOT: No. Move approval.

TREASURER KOPP: Second.

GOVERNOR HOGAN: Second? Three-nothing. I think we're down to our last agency here, with Secretary Churchill and the Department of General Services.

MR. CHURCHILL: Well good morning, Governor, Madam Treasurer, Mr. Comptroller, and Happy Holidays. For the record, I'm Ellington Churchill, Secretary for the Department of General Services. The department has 28 items on our Agenda and we have representatives to answer any questions you have at this time.

GOVERNOR HOGAN: Questions on DGS?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second?

TREASURER KOPP: Second.

GOVERNOR HOGAN: Three-nothing. The meeting is adjourned. We want to thank everybody for joining us. Thank you for all your hard work this year and we look forward --

TREASURER KOPP: Merry Christmas.

GOVERNOR HOGAN: -- have a great holiday. We'll see you next year.

(Whereupon, at 11:18 a.m., the meeting was concluded.)