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PRESENT

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PROCEEDINGS

GOVERNOR HOGAN: Good morning, everyone.

ALL: Good morning.

GOVERNOR HOGAN: Welcome to the Board of Public Works. I just want to take a moment before we start to say that all of our thoughts and prayers are with the victims of the terror attack in New York City, and their families, and all those who love them. These kinds of things are happening way too often in our country and I really believe that we've got to find a way, our leaders in Washington and elsewhere, we've got to find a way to bring people together. Because we can't continue to have these things happening at the rate they are.

With that, I think we're going to start this morning with some fun because we're going to once again present some Customer Service Hero Awards for particular State employees who have done a, all of our State employees do a great job, but these are ones that we single out for doing a particularly outstanding job. And first up, Maryland Transportation Authority Police Officer Paul Pistorio and MDTA Emergency Response Technician Robert Baranowski. Are they here with us? You guys are here. We want to present you with an award, so maybe come up front and I'll tell them a little bit about you.

On a Sunday evening last July, Officer Pistorio and Technician Baranowski arrived on the scene of an accident on Interstate 895 and provided tremendous assistance. We got an email from a citizen that was involved in the accident and she told us how she was really shaken up and scared and then she went on to profusely praise Officer Pistorio and Baranowski for their tremendous assistance that they provided. My understanding is that she wrote, "Everyday you risk your lives on the road for us. And believe me, I am very grateful. I would not have known what to do but thankfully you guys did. And I want you both to know that I thank you for the tremendous job you do keeping our fellow Marylanders safe on the roadways.

So congratulations to both of you gentlemen. And we want to take a picture up here with the Board presenting you with these awards. How about a round of applause?

(Applause.)

GOVERNOR HOGAN: How about one more round of applause while we're taking the picture?

(Applause.)

GOVERNOR HOGAN: We've got another one that we want to do here this morning. In June, Eric Willison, a Webmaster with the Maryland Transportation Authority, encountered a vehicle that had nearly jumped the jersey wall on the sky ramp of Interstate 395 and was in danger of falling over the

barrier into the Patapsco River. Eric jumped out of his car and with the help of other drivers he grabbed the sunroof of the car to prevent it from falling over the wall, which sounds like Eric not only deserves a Customer Service Award but maybe a Superhero Award.

(Laughter.)

GOVERNOR HOGAN: That's pretty good strength to be able to hold a car from the sunroof. But Eric, we thank you and congratulate you, and we'd like to present you with an award.

(Applause.)

GOVERNOR HOGAN: And lastly, we have Jimmy Hurlock, who is a member of the State Highway Administration's Coordinated Highway Response Team. Good morning, Jimmy.

MR. HURLOCK: Good morning.

GOVERNOR HOGAN: Jimmy assisted 57 students and chaperones from the Jewish Primary Day School after their bus overheated and left them stranded on a State highway. Jimmy got the bus working again and he guided the shaken up students to a nearby State Police Barrack. And while Jimmy and the troopers were diverting the attention away from the children's predicament they entertained the kids and I think, I don't know if this is kosher or not for the Jewish day kids, but they let them play with the lights and sirens on the police cars.

(Laughter.)

GOVERNOR HOGAN: And on his own emergency traffic vehicle. So Jimmy, we want to thank you for going above and beyond the call of duty. And we got great input from the folks that you took care of from the bus. So let's give him a Customer Service Hero and a big round of applause.

(Laughter.)

GOVERNOR HOGAN: And now I'm going to turn it over to my -
- well, how about one more round for all of our Customer Service Heroes?

(Applause.)

GOVERNOR HOGAN: We are now going to turn it over to my colleagues for any words of wisdom that they want to impart with you this morning. Mr. Comptroller, would you like to --

COMPTROLLER FRANCHOT: Yeah, sure, no, I just want to associate myself with the remarks of the Governor on the New York City situation. The weekend before last I was up there and my daughter lives right near Greenwich and wherever that other street is where they went on the bike path and killed so many people. And we took our granddaughter out in the stroller. And we weren't in the bike lane but we were right by it. So I couldn't concur more with the Governor that the division and hatred and whatever it is that's generating this kind of activity, be it in Las Vegas or New York City, deserves everybody's top attention and empathy, also.

I did want to comment that last Wednesday my Reform on Tap Task Force met in Baltimore to discuss the economic and fiscal impact of Maryland's craft brewing industry and the invaluable insights and perspectives shared by a number of presenters, including Commerce Secretary Mike Gill who let me just reinforce the fact that this --

GOVERNOR HOGAN: Mike Gill is known to knock back a few beers every once in a while.

(Laughter.)

COMPTROLLER FRANCHOT: Well he commented on that. He also mentioned you quite prominently also.

(Laughter.)

GOVERNOR HOGAN: I appreciate that.

COMPTROLLER FRANCHOT: But the Commerce Secretary reinforced the fact that this industry plays a vital role in our economy and our local communities. A newly released economic impact study conducted by Maryland's nationally renowned Bureau of Revenue Estimates found that Maryland's craft brewers have a \$637 million overall economic impact, supporting or creating more than 6,500 jobs, generating \$228 million in wages, as well as \$53 million in State and local revenue. Imagine what those numbers would look like if Maryland actually had a regulatory and statutory environment that supported instead of impeding the growth and success of this industry.

Speaking of which, Governor, I'm sure you've heard by now that Flying Dog, the largest craft brewer located in Maryland, announced that it is putting its plans to expand in Frederick County on "permanent hold." And their CEO, and my good friend Jim Caruso, cited regulatory and legislative issues as the primary reason as to why they've postponed plans, permanently I take it, to build a \$54 million destination brewery, create good paying jobs, generate additional revenue and wages that support our communities and our State's coffer.

We as a State cannot afford to keep laws and regulations on the books that are anti-business, anti-competition, and anti-consumer. And quite frankly, I don't think the brewers are being unreasonable by asking us to please get out of their way. Let them do what they're good at. Brew good beer and sell it to the public.

So Governor, I want to thank you for your support of the craft beer industry. I look forward to working with you and your administration, led by the incomparable Mike Gill, to transform the way we market, brand, and promote this incredible industry.

And I just want to reinforce, it's, the craft brewers are part of the wineries and the distilleries. These are three different legs of the stool. They right now represent about, between \$1.5 billion and \$2 billion in GDP. They could be \$10 billion within a very short period of time if we simply recognized, welcomed, appreciated, cleared away the antediluvian, that's the first time I've

used that word here, antediluvian, medieval, the -- let me pick another word, medieval regulations and laws that get in the way of these wonderful small manufacturers, because they are manufacturing wine. By the way, some of it is better than the best Napa wines and the best Bordeaux wines. And if you don't believe me, go to the Old Westminster Winery. Go to Black Ankle. Go to Big Cork. Or go to all these wineries. They are unbelievable phenomenal. Nobody has really woken up to it.

The distilleries are still in a little bit of a baby stage. There are only 19 of them. But they are coming on strong. And the brewers, we have 80 of them, at least we do if some of them are not moving out because of the legislative action, hopefully they are not, hopefully we are going to correct that. But the point here is to put Maryland on the map as the number one craft, handcrafted alcohol product state in the country. And what we will get from that is a flood of millennials, 20-, 30-year-olds who love these products and will come to the State, both as tourists and as residents. And secondly, we will get a burnishing of the State's business reputation the likes of which you can never overestimate because this is a symbolic sector.

And when I say, when we can go from \$2 billion to \$10 billion in three or four years, I'm serious. We just have to get out of their way. And it's a little bit of an emotional subject with some of the folks, and people down there in the Legislature. Some of the folks come and say, we're done with you, Mr.

Comptroller, on this. These are some of the lobbyists. And really? You, the alcohol lobbyists, are done with me, the regulator? In most states, it's the regulator who says to the lobbyist, we're done with you because you're standing in the way. But in Maryland it's a little bit turned upside down. So it's an emotional subject. I understand that. But we're going to make the State number one in the country and it will, victory will have a thousand fathers. And so stay tuned. I didn't mean to go on and on about that. But I have managed to find an issue that combines and makes civil and respectful and dignified and folks that get along with each other who both voted for Hillary Clinton and Donald Trump. They love beer. Yeah. And so I didn't mean to go on about that. But it's a, stay tuned and we'll be proposing recommendations to the General Assembly in January.

GOVERNOR HOGAN: Well thank you, Mr. Comptroller. And I want to thank you for your efforts with the breweries. We have had tremendous success with the growth of our breweries, our wineries, and now our distilleries. And the quality of the beer and the wine and the distilled spirits that we're producing is really fantastic. It used, when you started out it was not quite the quality level we needed it to be. But we were serving Maryland wines and beers in Government House when we were having guests there. But now people really love some of the product and it is unfortunate we're doing things to hurt the industry. But I'm with the Comptroller on trying to take care of that. I think his

last statement about bringing together Trump voters and Hillary voters with a beer

--

COMPTROLLER FRANCHOT: Yeah.

(Laughter.)

GOVERNOR HOGAN: Beer brings everyone together.

COMPTROLLER FRANCHOT: Yep.

GOVERNOR HOGAN: It sounds like a good plan. I'll just take a segue and tell you I'm going to try to do my best to support the industry one beer at a time.

(Laughter.)

GOVERNOR HOGAN: And I stole that line. We had a, we had an event for Wounded Warriors at the Governor's Mansion and we brought in fellows from the hospital that came in. And they were just brave young people that, you know, fought for our country and came in from Walter Reed. And they were missing limbs. In some cases three limbs. And but they were the most positive folks you can imagine. And we had a Hall of Fame NFL player who loves this subject and really helps with the Warriors a lot, John Riggins. Even you Ravens fans might remember John Riggins. And --

TREASURER KOPP: I remember John Riggins.

GOVERNOR HOGAN: -- so I was making remarks, you know, thanking these soldiers for their heroism and for their sacrifice, and I was

thanking the organizers who put these great events on for these men and women. And John Riggins interrupted me in the middle of the speech, somewhat inebriated. You know, the guys has --

(Laughter.)

GOVERNOR HOGAN: -- and he says, Governor, I just want to say, I'm a big taxpayer in this State and tonight I'm getting my money back one beer at a time.

(Laughter.)

GOVERNOR HOGAN: So I'm going to try to do that with the Comptroller, try to get my money back one beer at a time. How about that?

COMPTROLLER FRANCHOT: Congratulations. Yep.

GOVERNOR HOGAN: Madam Secretary, how do you top that?

TREASURER KOPP: I can't top that, Governor. I wouldn't try except to remember the wine drinkers, too.

(Laughter.)

TREASURER KOPP: Chardonnay and --

GOVERNOR HOGAN: Well --

TREASURER KOPP: -- but actually several years ago when the bond rating agency folks came to Maryland to talk to us about our bond rating, we had a dinner and served only Maryland wines. And I have to tell you as we were working up to the dinnertime they got a little nervous because they weren't sure,

these folks from New York, about the Maryland wines. And we went in and we sat down and we had an expert from the University of Maryland talking about our wines and they started trying them, and they were blown away. I mean, they couldn't believe it. Now, I'm not saying why the next week we got a AAA bond rating.

(Laughter.)

GOVERNOR HOGAN: It couldn't hurt.

TREASURER KOPP: Right. But it couldn't hurt. No. That's right. So I'm with you on that.

GOVERNOR HOGAN: Maybe we're going use the distilleries next year and really get them.

TREASURER KOPP: That's right. A tour.

(Laughter.)

TREASURER KOPP: Well we always, every few years actually, like to bring them into the State to do a tour of economic development and what's happening in Maryland. And clearly this is a happening thing.

GOVERNOR HOGAN: Absolutely.

COMPTROLLER FRANCHOT: Yeah, you don't have to have a glass of wine to have a good time. But why take a chance?

(Laughter.)

TREASURER KOPP: So anyhow.

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(Laughter.)

TREASURER KOPP: It's a pleasure to be here. Thank you.

GOVERNOR HOGAN: Secretary McDonald, we're ready to get started with the Secretary's report.

SECRETARY MCDONALD: Good morning, Governor, Madam Treasurer, Mr. Comptroller. We have 19 items on the Secretary's Agenda this morning. There are two reports of emergency procurements. We are prepared for any questions you may have.

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

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Is there a second? Three-nothing, Secretary's Agenda.

SECRETARY MCDONALD: Thank you.

GOVERNOR HOGAN: We're going to move on to the DNR Real Property Agenda. Mr. Secretary, good morning.

MR. BELTON: Good morning, Governor, Mr. Comptroller, Madam Treasurer. For the record, I'm Mark Belton, Secretary of the Maryland Department of Natural Resources, and we have 16 items on our Real Property Agenda for your approval this morning.

GOVERNOR HOGAN: Questions on DNR? Motion, second, three-oh, Mr. Secretary. We must have easy questions and issues before us. Next up we have -- oh here, well maybe we'll blow it here with the Budget Secretary.

(Laughter.)

GOVERNOR HOGAN: DBM Agenda, good morning.

MR. BRINKLEY: Good morning, Governor, Mr. Comptroller, Madam Treasurer. For the record, David Brinkley, the Secretary of Budget and Management. The department has submitted nine items for your consideration today. We're withdrawing Item 1-S, leaving eight items for your approval. And we have, apparently Item 2-S has also been revised. And I have representatives here to address any concerns or questions you may have.

GOVERNOR HOGAN: Any questions on DBM?

COMPTROLLER FRANCHOT: Just a quick question on Item 4. The winning bid is \$13.7 million less here. Are we, how do you explain the, why these proposals are so drastically different from each other?

MR. BRINKLEY: We have Deputy Secretary Greg James from the department.

GOVERNOR HOGAN: Good morning, Greg.

MR. JAMES: Good morning, Governor, Mr. Comptroller, Madam Treasurer. I'm Greg James, Deputy Secretary for the Department of Human Services. I have with me this morning Kevin Guistwite, who is our Executive

Director of the Child Support Administration. And I believe he can address the issue.

Stated generally, this was a best value contract. And when our evaluation team reviewed the respective proposals, they felt that their task, that the services being offered and the prior history merited the award even though the contract cost would be higher than the --

COMPTROLLER FRANCHOT: Okay. Well let me just ask you. Are you, were you, I missed -- I didn't really explain this. The incumbent came in at \$13.7 million less than the company you awarded the contract to. Have you been unhappy with Maximus, the incumbent, to the extent that you're going to choose someone who is \$13.7 million more expensive?

MR. JAMES: Kevin, do you want to --

MR. GUISTWITE: Yes.

MR. JAMES: -- speak to that?

MR. GUISTWITE: Good morning, Governor Hogan, Madam Treasurer, Mr. Comptroller. I'm Kevin Guistwite, Executive Director of the Child Support Administration. As we were doing the RFP for this and looked at the, and had the offerors come in and give their, both their oral presentations as well as their proposals, one of the things that we had done of course was the General Assembly required a cost benefit analysis to be done to look at privatization. And one of the, some of the recommendations they made for this

contract was to separate the two different locations, and as well as we wanted to provide some more training and to ensure that we have staffing appropriate for Baltimore City to rely less on having contractors hired. It was determined that the cost was unrealistic to meet those needs as well as looking at some of what the offeror had provided and the incumbent versus the other two. We felt the innovations that they were offering were better and more appropriate for Baltimore City.

COMPTROLLER FRANCHOT: But don't you think the incumbent vendor would have a better idea than someone coming in from Colorado as to what the cost of what the RFP recommended? And I mean, now that I'm looking at this I'm probably going to vote against it. Because it's a \$39 million contract but \$13.7 million more than then incumbent vendor who has, I take it you have no complaints with the incumbent vendor? They've I think done better on the service level goals set by the department in Fiscal Year 2016. They met all your criteria. So they submit a bid. The bid is acceptable. You look at it. It's \$13.7 million less than this Colorado company. And you picked the Colorado company because why? Because they are going to open a new office?

MR. GUISTWITE: No, that's just one of the new criteria for the cost. We thought the cost was inefficient to meet the needs for the Baltimore City contract.

COMPTROLLER FRANCHOT: I think it's kind of odd. It's a lot of money. And --

TREASURER KOPP: Could I just --

GOVERNOR HOGAN: Anything you'd like to add --

TREASURER KOPP: Yeah.

MR. JAMES: So I think my understanding is when the evaluation committee reviewed it and reviewed the level of services that we had established and required that Maximus' bid was so aggressive that it stretched credulity that they were going to be able to perform at that level.

COMPTROLLER FRANCHOT: Maybe it's because they've been performing it, that they know exactly how much it's going to cost. I don't know. Just that's, that could go either way. I don't have any particular information on it. I just don't find the explanation adequate to justify the evaluation committee's decision. I'm not suggesting the, anything is wrong. I'm just saying I think it's a mistake. But hey, I'm just one vote.

MS. TAYLOR: Good morning, Governor Hogan, Madam Treasurer, Mr. Comptroller. So what I would like to kind of expand on the evaluation a little bit. I'm sorry. My name is Tywana Taylor. I'm the Director of Special Projects and I served as the State Project Manager for this particular contract for privatization for child support. And I also served on the evaluation team.

And so there were a couple of things that we considered. We understand that our bid, our recommendation was a little bit higher but there were a couple of things that factor into that. Not only was the cost that the incumbent was proposing a little unrealistic, the staffing they were also proposing was unrealistic.

We took the cost benefit analysis and the recommendations, which were more than just two locations. There were also some enhancements that they asked us to add in that would improve performance as well as customer service, which had been on the decline for the last three years with the current incumbent. And so those things were implemented into the new RFP and the incumbent's response to those in the proposal were almost, they were inadequate. They were inadequate. And they even had a chance at the oral presentation when some of these inadequacies were asked to be addressed; they did not provide anything additional. And so the recommendation was for a vendor who was proposing things that matched with the cost benefit analysis, that we felt would improve customer service, would also improve performance. Because they have not met certain performance measures that were even at the minimum level in the last year or two.

So in addition to that one of the other things that we also considered was that we have had some challenges with the incumbent that have actually had to be addressed through corrective action plans repeatedly. And they

were proposing some of the same staffing to the key personnel on their incoming proposal, which we thought would not be in the best interest of our customers and customer service.

And I think finally for us one of the biggest decisions is that this company, even though they are based in Colorado, has been selected previously. In 2010 they were awarded the bid and the incumbent just purchased them out. So they have been deemed qualified before, have done business before in Baltimore City. So we feel they do understand our Baltimore City clientele. And furthermore they have leadership who has actually helped write the guidelines that we currently use in child support. So we feel like the recommendation has the quality leadership to implement this. They are proposing innovations that match the cost benefit analysis which the General Assembly approved. And they are doing it at a cost that's a little bit more expensive than the incumbent, but still under what we currently have paid on this contract.

COMPTROLLER FRANCHOT: If 33 percent increase is just a little bit, what's a lot? It's a rhetorical question but --

MR. JAMES: Yeah, and I apologize. The choice to refer to that is a little bit, certainly \$13 million is never a little bit. But as she did state, this is less than we currently pay on this contract to get more services, which again when the existing, the incumbent comes in and proposes even less for providing more services --

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COMPTROLLER FRANCHOT: Okay. I can --

MR. JAMES: -- that raises concerns for us --

COMPTROLLER FRANCHOT: I can see that. But --

MR. JAMES: -- in terms of the realism of that figure and whether we would have to be before this body again in a few months or years --

COMPTROLLER FRANCHOT: Well --

MR. JAMES: -- requesting an increase on that contract.

COMPTROLLER FRANCHOT: -- okay. That's fair. I can see that. But apparently the incumbent exceeded some of the Fiscal Year '16 minimum service level goals set by your department. So it's not all concern about not meeting the expectations. In fact, in some of the areas they exceeded your standards.

MR. JAMES: In some areas they did exceed. In other areas they were experiencing challenges and that resulted in the corrective action plans that we mentioned. And we've been working with them on those issues. But some issues we've had to cite them on multiple occasions for and that factors into our consideration in terms of the quality of performance that we'll receive in the future.

COMPTROLLER FRANCHOT: Well I've made my points and I think you should revisit it. But that's just me. I'm, you know, the reason we ask for competitive bids and not single bids is so that we're not relying on the agency

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saying you're getting a great deal. Here we have a competitive bid where the agency is saying we're getting a great deal but we're paying \$13.7 million more than the incumbent, and then you say the incumbent is aggressively bidding. Is there, I mean, is there any way that we can get a commitment from the incumbent that in fact they'll do what you all are wanting them to do for \$13.7 million less? Is there some kind of bond or something they sign?

MR. JAMES: So there would be a bond for incidents but there's a bond with the new provider as well. And again, this was not simply a lowest cost procurement. This was a best value procurement. The incumbent was the lowest ranked of all the providers there. We did not go with the highest cost or ranked, with the second highest cost and the second highest technical ranking. But on balance that's what we felt was the best value for the State and our --

COMPTROLLER FRANCHOT: Okay. Well I'm happy to support the rest of the DBM Agenda but if I could get this item voted on separately, I'd be grateful. Thank you.

GOVERNOR HOGAN: Is there any, is there some urgency to this contract that we would have to approve it today?

MR. JAMES: The contract is supposed to start December 1st. And this is an item that has been through multiple extensions so we were hoping to bring this to resolution. But certainly if --

GOVERNOR HOGAN: I think we have multiple Board of Public Works meetings before December 1st.

MR. JAMES: Yes, sir. We'd be happy to revisit this --

GOVERNOR HOGAN: One more?

SECRETARY MCDONALD: One more.

MR. JAMES: One more. But we would be happy to come before the Board again --

GOVERNOR HOGAN: Okay. I didn't know we were taking off for Thanksgiving.

(Laughter.)

GOVERNOR HOGAN: But I might suggest that rather than, you know, a motion to kill the proposal that we just have a motion to remove it from the list today and push it back to the next meeting so that --

COMPTROLLER FRANCHOT: I'm happy --

GOVERNOR HOGAN: -- you can have an opportunity for you and the department to talk with our staff and with the Comptroller and to address any of his concerns and issues.

MR. JAMES: Absolutely. Thank you for the opportunity.

COMPTROLLER FRANCHOT: Thank you very much --

MR. BRINKLEY: How about if we just withdraw so that way they don't have to --

GOVERNOR HOGAN: So there's a motion to withdraw --

TREASURER KOPP: We don't need a motion.

SECRETARY MCDONALD: It's a motion to defer but the agency can withdraw ahead of time if you would rather have the agency withdraw. But the motion would be --

GOVERNOR HOGAN: Either way. But we'd like to get it back up for the next --

SECRETARY MCDONALD: All right. So you're withdrawing an item?

GOVERNOR HOGAN: -- whatever is easier --

SECRETARY MCDONALD: All right. So Item 4 has been withdrawn.

GOVERNOR HOGAN: -- we want to get it done before December 1 --

COMPTROLLER FRANCHOT: Yeah.

GOVERNOR HOGAN: -- and it will give us a chance to answer any questions directly.

MR. JAMES: Absolutely.

COMPTROLLER FRANCHOT: Terrific. Could I also take advantage on a separate item to thank Secretary James for following through on getting these out-of-state placement kids returned to Maryland.

MR. JAMES: Thank you, Mr. Comptroller.

COMPTROLLER FRANCHOT: And I applaud and salute the interagency group that is, I guess we're still on track to reduce the number of out-of-state youth placements to be 22 by the end of this month, 15 by the end of next month, and ten by spring 2018?

MR. JAMES: We are on track. We are currently at 25 youth out of state, as of today.

COMPTROLLER FRANCHOT: Good job. Bring them home.

MR. JAMES: And we're working to bring the others back as quickly as possible.

COMPTROLLER FRANCHOT: Good for you.

MR. JAMES: So thank you, and thank you --

GOVERNOR HOGAN: The Comptroller and I are anxious to give you the State Customer Service Award.

(Laughter.)

MR. JAMES: I could not accept that. It has been such a team effort. And our department could not have done this without the tremendous teamwork and support of our fellow State agencies. So --

GOVERNOR HOGAN: When we get it done maybe you can recognize the folks who have done the most to help you get it accomplished.

MR. JAMES: Yes, sir.

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TREASURER KOPP: Governor, could I say, I, if you, if it's withdrawn, it's withdrawn, actually.

GOVERNOR HOGAN: Yes.

TREASURER KOPP: It's not before us. But I want to say that I appreciate your staff's response to the questions that our office raised. I trust the responses will not change in the next two weeks in terms of experience with the incumbent and the reasons that you thought it was appropriate to move on.

MR. JAMES: I believe our answers will remain unchanged.

TREASURER KOPP: Okay. Let us know if you've changed. Because they were pretty powerful.

GOVERNOR HOGAN: Thank you, Mr. James.

MR. JAMES: Thank you.

GOVERNOR HOGAN: Any other questions on the remainder of the DBM Agenda?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing on DBM and we're going to move to the University System Agenda.

MR. EVANS: Good morning. Joe Evans, representing the University System of Maryland. We have three items on the Agenda. We are withdrawing Item 3-RP.

TREASURER KOPP: Governor, I apologize. We went very quickly. I had one question to ask the Health Department. You don't have to spend time doing it now but I'd like to go on record asking the Health Department, Mr. Secretary --

MR. BRINKLEY: On which one?

TREASURER KOPP: -- could you extend it?

GOVERNOR HOGAN: Left?

TREASURER KOPP: That's okay. The Secretary of Budget, I'm sure, would be willing to extend --

GOVERNOR HOGAN: I'm sure he would.

TREASURER KOPP: Eight --

MR. BRINKLEY: Which one?

TREASURER KOPP: Eight.

MR. BRINKLEY: On Item 8?

TREASURER KOPP: The ASO contract.

MR. BRINKLEY: That would be Greg James also.

GOVERNOR HOGAN: Hey Greg?

MR. BRINKLEY: Oh, check that. Check that.

TREASURER KOPP: No, I think it was the Health Department.

MR. BRINKLEY: Susan Tucker.

TREASURER KOPP: We understand where we are right now. But the question was there's going to be another modification in January, as I understand from the testimony. And my question was why not modify the contract now before the renewal option is exercised? I have no problem with this particular item. So if you could extend that question to them --

MR. BRINKLEY: I will.

TREASURER KOPP: -- I would appreciate it. Thank you, Governor.

MR. BRINKLEY: Thank you.

GOVERNOR HOGAN: So the DBM Agenda minus the DHR issue has been unanimously approved but you're going to follow up on that issue for the Treasurer.

TREASURER KOPP: Thanks.

GOVERNOR HOGAN: Great. Thank you. Good morning, Mr. Everts. Any questions on the University System -- I'm sorry, Evans. University System Agenda?

COMPTROLLER FRANCHOT: None. Move approval.

GOVERNOR HOGAN: Second? It's a tough day today, Joe. Thank you very much.

MR. EVANS: Thank you.

GOVERNOR HOGAN: We'll move on to Information Technology.

MR. LEAHY: Good morning, Governor --

GOVERNOR HOGAN: Good morning.

MR. LEAHY: -- Madam Treasurer, and Mr. Comptroller. For the record, I'm Mike Leahy, Acting Secretary of the Department of Information Technology. Today we have four items on the Agenda and I do have representatives here to answer any questions you might have.

GOVERNOR HOGAN: Questions on IT?

COMPTROLLER FRANCHOT: Yes, a question on Item 3-IT and 4-IT concerning the State Board of Elections. Is anyone here representing them?

GOVERNOR HOGAN: I see Ms. Lamone is here.

COMPTROLLER FRANCHOT: Oh great.

MS. LAMONE: Good morning.

GOVERNOR HOGAN: Good morning.

MS. LAMONE: Linda Lamone, State Administrator of Elections. And I have with me my Deputy Administrator Nikki Charlson.

GOVERNOR HOGAN: Good morning.

MS. CHARLSON: Good morning.

COMPTROLLER FRANCHOT: Excellent. And I'm glad that you're here. Obviously we're seeing a lot of reports about data breaches and

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potential tampering of state election operations, I guess, by foreign entities. I appreciate the State Board of Elections' proactive efforts to safeguard the integrity of our elections, which of course is the foundation of our democracy. Madam Administrator, Item 3 presents a request from the State Board of Elections to award a one-year, one-month sole source contract to the Clear Ballot Group to audit ballot images during the 2018 primary and general elections. It's my understanding that this vendor will verify the accuracy of the State's voting system. It's also my understanding the same vendor performed the same services during the 2016 general election. In 2016 Clear Ballots' audit identified ballots that were not counted accurately and I understand those ballots were counted again and included in the final results. It was corrected, basically.

MS. LAMONE: Correct.

COMPTROLLER FRANCHOT: Here's my question. How many were there?

MS. LAMONE: There were two classifications. And they -- the scanners that are used in the polling place, you scan one ballot at a time.

COMPTROLLER FRANCHOT: Mm-hmm.

MS. LAMONE: One voter's ballot at a time. And the larger counties have what we call the high speed scanners and they are capable of scanning hundreds at a time. You stack them up and they run them through.

COMPTROLLER FRANCHOT: Uh-huh.

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MS. LAMONE: And what the audit discovered was I think in Montgomery County the scanner occasionally pulled two ballots through at the same time, the big scanner.

COMPTROLLER FRANCHOT: Yep.

MS. LAMONE: And we were only able to detect that because of the audit.

COMPTROLLER FRANCHOT: Excellent.

MS. LAMONE: It showed us an image and we could see that there was another ballot behind another one. So we required the counties to rescan all the ballots and we, and they did it in batches of a number that they knew were in each batch, i.e. 100, so that they could, if you put 100 in, you're supposed to get 100 votes at the end. And that, they had not done that when they were doing the original scanning.

COMPTROLLER FRANCHOT: Okay.

MS. LAMONE: So we reported it to the manufacturer and they fixed the scanning unit.

The other issue that came up was both with the precinct scanner and with the high speed scanner is that occasionally the glass where the camera takes a picture of the ballot gets something on it, be it a chad from when they tear the ballot off to hand it to the voter or it just gets dusty. And in some instances that matter on the glass was through a write-in box. And the scanner then said, a-

ha, you voted for Governor already, we're, but you also tried to write someone in, so it correctly said it's an overvote. And we were wondering why we were getting so many overvotes. And when we looked at the result of the audit we could see why. Because it clearly showed like a line through the write-in box.

And then the third item that happened was when people get their absentee ballots they fold them to mail them back. When the local boards prepared the absentee ballots for scanning, they didn't what we call reverse fold and get that crease out of there. They just scanned them. And the scanner picked up the pixels that the fold created as a line through, again, the write-in box on some ballots. So we were able to correct those and properly count the ballots. So those were the categories of issues that we saw through the use of this audit.

COMPTROLLER FRANCHOT: Okay. And that's my understanding also.

MS. LAMONE: Mm-hmm.

COMPTROLLER FRANCHOT: I guess my question is, how many were there? For example, in Montgomery County?

MS. LAMONE: Nikki says that of the streaks there were probably a couple hundred of them. I think of the double pulls if I'm correct it was ten or so. It wasn't that significant but it meant a lot to us because we don't, we want to count everybody's ballot correctly.

COMPTROLLER FRANCHOT: And so was Montgomery the only county that this affected? Or did it affect other counties?

MS. LAMONE: It was Montgomery County. Yes.

COMPTROLLER FRANCHOT: Montgomery? The great Montgomery County is the only --

MS. LAMONE: With the double pull, yes.

COMPTROLLER FRANCHOT: But what about the --

MS. LAMONE: Oh that was sporadic around the State.

COMPTROLLER FRANCHOT: And how many ballpark are we talking --

MS. LAMONE: A couple hundred.

COMPTROLLER FRANCHOT: -- a thousand? A couple hundred? What?

MS. LAMONE: I think a couple hundred.

COMPTROLLER FRANCHOT: Okay. So you're on top of that and you're fixing that.

MS. LAMONE: Yep.

COMPTROLLER FRANCHOT: Okay. And what about this group, Elections System and Software? I see the next contract is for them. Are they the group that miscounted the ballots that --

MS. LAMONE: Well it's their equipment. It's their equipment.

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COMPTROLLER FRANCHOT: Their equipment?

MS. LAMONE: Mm-hmm.

COMPTROLLER FRANCHOT: What are we doing to deal with that?

MS. LAMONE: Well we made them fix the big scanners so that they didn't double pull it. And we're reeducating and retraining the local election boards to make sure that, for example that occasionally they clean off the glass of the scanners both at the polling place and at the central location.

COMPTROLLER FRANCHOT: Okay. I'm glad you're on top of it. Governor, thank you.

GOVERNOR HOGAN: Thank you.

MS. LAMONE: Thank you very much.

GOVERNOR HOGAN: Any other questions on Information Technology?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: There's a motion --

TREASURER KOPP: Second.

GOVERNOR HOGAN: -- it's been seconded. Mr. Leahy, you got lucky and you got a three-nothing vote.

MR. LEAHY: Thank you, Governor.

GOVERNOR HOGAN: Now we have Department of Transportation and we have Deputy Secretary Ports with us.

MR. PORTS: Good morning, Madam Treasurer, Mr. Comptroller, Governor. For the record, my name is Jim Ports. I'm Deputy Secretary for the Maryland Department of Transportation. The Maryland Department of Transportation is presenting 25 items for your consideration today. Item 25-RP is being withdrawn. I'll be happy to answer any questions you have. By the way, Mr. Comptroller, I like the craft business and I prefer the one called Loose Cannon.

COMPTROLLER FRANCHOT: Really?

GOVERNOR HOGAN: Have you been --

(Laughter.)

COMPTROLLER FRANCHOT: A high level recommendation.

GOVERNOR HOGAN: Yeah. I'd like to talk about Item 7 for a moment, the Maryland Aviation Administration. I don't know if you have anybody here from there. But I just wanted to give the Maryland Aviation Administration a shout out on this item. It's a \$3 million contract for an airfield lighting system and electrical repair at BWI and Martin State Airport.

MR. PORTS: Mm-hmm.

GOVERNOR HOGAN: And the first procurement that came in was a single bid. And I think everybody is by now well aware of this Board's

reluctance to go with single bids. The Comptroller is quite clear about that, as have been the rest of us. And but I want to thank Maryland Aviation Administration. They went back out again and were able to generate three bids on this contract. And so I just want to thank the procurement team at Maryland Aviation Administration for recognizing our objection to the single bids and for doing a great job in getting more people to bid on this project. So --

TREASURER KOPP: Governor, could I ask a question about that?

GOVERNOR HOGAN: Sure.

TREASURER KOPP: I noticed, I have a little red box here. Did Tieder, the winner, did they submit a bid the first time around?

MR. PORTS: I'm not sure.

MR. SMITH: No, they didn't.

MR. PORTS: No. Okay, no.

TREASURER KOPP: So what did you do, Ricky, to --

SECRETARY MCDONALD: Ricky, you can come to the podium, too. Introduce yourself for the record, please.

GOVERNOR HOGAN: I didn't see Ricky Smith hiding in the back row.

SECRETARY MCDONALD: I was going to say --

GOVERNOR HOGAN: I was trying to say nice things about you and your department.

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MR. SMITH: Governor, I promised I would never miss --

SECRETARY MCDONALD: There you go.

MR. SMITH: -- another Board of Public Works meeting.

(Laughter.)

MR. SMITH: Good morning, Governor, Madam Treasurer, and Mr. Comptroller. So your question again, please?

TREASURER KOPP: So what did you do to get Tieder, the winning bidder, how did you, you pulled back the bid and you reconfigured it, you got much broader participation --

MR. SMITH: Well actually I'm going to, since the Governor applauded the procurement team --

TREASURER KOPP: Right.

MR. SMITH: -- I'm going to ask my procurement director to come up and speak to that.

(Laughter.)

MS. DANGERFIELD: Good morning.

GOVERNOR HOGAN: Good morning.

TREASURER KOPP: Good morning.

MS. DANGERFIELD: Linda Dangerfield, Director, the Office of Procurement. Tieder was the incumbent on the previous contract but they had a death in the family and could not be able to put the contract out.

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TREASURER KOPP: Oh.

MS. DANGERFIELD: So we actually, when we got that one bid, we revisited, directly solicited, and then directly solicited them again. And at this time they were able to actually bid on the contract.

TREASURER KOPP: Okay. So it wasn't necessarily a change in what you were requiring, restructuring things? It was really --

MS. DANGERFIELD: Getting just, doing more direct solicitation and getting more people to actually bid.

TREASURER KOPP: Thanks.

MS. DANGERFIELD: You're welcome.

GOVERNOR HOGAN: Thank you for that.

TREASURER KOPP: That's great. Thank you.

MS. DANGERFIELD: Thank you.

COMPTROLLER FRANCHOT: If I could just follow up on the Governor's praise for you guys going and doing this. And there's a very simple explanation for it. Quite appropriately I believe the Governor sent the message that you need to get two bids and there's nothing magical here. There's no kind of high level administrative changes. God bless the Lieutenant Governor with all his procurement reform task force. It's just two people on this Board that are willing to say no. Despite the fact that the single bid is ballyhooed by the agency as lower than the, what they are paying now. Despite the fact that you're going to

cause problems with service if you don't grant this thing because it has to take effect next week. All it takes to get rid of the unnecessary single bid contracts in this, before this Board, of which I have voted, been forced to vote against often and but thousands of them representing billions of dollars during my time as Comptroller, the only thing you need are two votes that say with all due respect, no. Then all of the professionalism that you all represent, you can go out and find a second bidder. I know you can.

MS. DANGERFIELD: We absolutely do our best.

COMPTROLLER FRANCHOT: And that's all we need up here. But you know, I appreciate the --

GOVERNOR HOGAN: Extra effort.

COMPTROLLER FRANCHOT: -- extra effort. And I appreciate the good news story of what this issue, I'm glad the Governor brought it up. Because it really helps the State's business reputation for the business community to think that this is not somehow the thumb has been put on the scales in favor generally of the incumbent. And yeah, no, good news story. Mr. Ports, I don't know why they sent you to receive it. You should have a --

(Laughter.)

MS. DANGERFIELD: Well thank you.

GOVERNOR HOGAN: Thank you very much. Ricky, before you leave I've got another good news story for you and for the rest of the group

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quickly. We were on a joint trade mission to Canada, who is our number one trading partner not only for Maryland but for Washington, D.C. and Virginia. It's a regional effort. And I was in Toronto with Governor McAuliffe from Virginia, and Mayor Bowser, and I. And we were in a press conference with the Premier of Ottawa. And Governor McAuliffe was touting Dulles Airport as the number one airport in the Washington area. And I interrupted him and I said, with all due respect, Governor, BWI for many months straight is by far the number one airport in the Washington region and just blows Dulles away on passenger travel.

MR. SMITH: That's right.

GOVERNOR HOGAN: And he says, that can't be true. And he talks to the, with us is the Chairman of the Washington Metro, yeah, Regional Airport. And he says, tell him, tell him. You know, like straighten me out. And the guy says, well, Governor, Governor Hogan is right.

(Laughter.)

MR. SMITH: That's right.

GOVERNOR HOGAN: And he goes, and he goes, since when? And he goes, well it's like 24 months in a row they've been breaking records.

(Laughter.)

GOVERNOR HOGAN: So --

(Applause.)

GOVERNOR HOGAN: -- thank you for your work.

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MR. SMITH: Thank you, Governor.

MR. PORTS: That was when you went on the trip. It's now 26.

MR. SMITH: That's right.

GOVERNOR HOGAN: Okay, 26 months. Thank you.

TREASURER KOPP: Governor, I have a question for Jim on Item

1. This is -- I need educating on this.

MR. PORTS: Okay.

TREASURER KOPP: This is the statewide environmental permit compliance service that we're bidding out. And I have no problem with the way it was awarded. But these are, we contract out actually the full range of compliance services this says?

MR. PORTS: Mm-hmm.

TREASURER KOPP: So how does the department, how does the public oversee the compliance with environmental requirements?

MR. PORTS: Let me check with Eric on that. I'm not sure of the details.

TREASURER KOPP: I just don't understand the process, I guess.

MR. PORTS: But I do know that with most of our compliance issues, so MDE has allowed us to provide the oversight, if you will --

TREASURER KOPP: So then it would be --

MR. PORTS: -- allow the compliance and then they check us. Of course they check us.

TREASURER KOPP: Oh, so then it would be MDE who does --

MR. LOMBOY: So correct. So --

TREASURER KOPP: -- the accountability or --

MR. LOMBOY: -- Madam Treasurer, Mr. Comptroller, Governor, Eric Lomboy, Director of Procurement for SHA. That's correct. So these services are not I guess granting the permits. What they are doing is allowing us to do some inspections and doing the backup work that we need in order to submit work, these are for compliance and permitting instances. MDE does allow us some leeway in what we do as far as permitting but we still have to go through a process of giving them documentation, giving them all of the stuff that would show that we've done our due diligence to make sure that we're compliant.

TREASURER KOPP: So there's somebody whose allegiance is purely to the public?

MR. LOMBOY: Correct. Yes. Yes.

TREASURER KOPP: Who is overseeing it?

MR. LOMBOY: Yeah, so there is still --

MR. PORTS: There is a federal level also.

MR. LOMBOY: Yes, there are still SHA employees that are overseeing the process. We're just using consultants to help us gather some of the information.

TREASURER KOPP: Thank you.

GOVERNOR HOGAN: Thank you. Any other questions on Department of Transportation?

COMPTROLLER FRANCHOT: Yes, I had a question on Item 4.

(Laughter.)

COMPTROLLER FRANCHOT: So thank you, Mr. Secretary, for being here. I have some concerns about the use of the contract management at risk project delivery method. I understand Item 4-C is requesting this Board to approve its use for renovation at SHA's statewide operations center.

MR. PORTS: Mm-hmm.

COMPTROLLER FRANCHOT: When we're talking about this CMAR, construction management at risk, we're talking about additional, in my opinion, baked in costs for pre-construction services, the fact that contingency funds are controlled by the contractor and not the State, and even our own State agencies have found that these construction management vendors are less likely to take an active role in the management of subcontractors. And of course we adopted, the Board of Public Works, in 2010 a regulation saying that before construction management at risk is used due in part to address the fact that MBE

firms were being frozen out of the budding process for CMAR construction trade packages, you had to bring something like this before us.

MR. PORTS: Mm-hmm. Right.

COMPTROLLER FRANCHOT: Whoever came up with that provision, regulation, that's good. Okay. So I understand that this construction project has some unique challenges, including phased stages of construction while workers are relocated and work near occupied spaces and live equipment. But why can't these issues be worked out in advance with careful planning on the part of the agency, or Secretary Churchill's agency? We're talking about \$8 million in office renovations. Not a new particle physics laboratory at College Park, \$8 million in office renovations. I'm just reluctant to vote in favor of utilizing this project delivery method for the reasons I've stated. I'm wondering if better planning on SHA's part could or would eliminate the need to utilize the CMAR here?

MR. SLATER: Sure. Good morning. Let me talk a little bit about that for the record. Good morning, Governor Hogan --

GOVERNOR HOGAN: Good morning.

MR. SLATER: -- Comptroller Franchot and Treasurer Kopp. My name is Greg Slater. I'm the State Highway Administrator for MDOT. Let me talk a little bit about our operations center. If you're not familiar with our operations center, it's where we actively manage the traffic on our system today.

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We respond. We honored Jimmy earlier this morning. He was one of our CHART operators, where they respond to about 10,000 to 12,000 incidents a month. We're getting ready to come up on our one millionth response. What this project does is it reconfigures the operations center to better collaborate with our partners in emergency response, deal with some of the electronics, and some of the new technology that's coming onto our system today so we can actively manage it.

This is a little bit unique in a situation where it's an active operations center while we're in construction, while we're moving to a temporary operating space, and while we're implementing the new one. The biggest risks that we have that we see in this project itself is any loss in continuity of operations while we're moving into this new facility. So we wanted to get the contractor on board and help us really work through some of those, help us find some values in that, in that cost range. We're targeting the lower end of that cost range to really build some value into this process.

So what this will do is bring a contractor on board. It's a little bit unique, as the engineering plans are probably about 90 percent today and we're going to be handling them essentially a 100 percent set of plans and work with them along the way to help us create some value but also work on that transition and continuity of operations so that we don't put anyone at risk on the roadway to be able to respond to that at the same time.

COMPTROLLER FRANCHOT: Well I'm in a good mood so I'm going to let this go.

MR. PORTS: Thank goodness.

COMPTROLLER FRANCHOT: But it's only a relatively small amount of money. But seriously, I hope someone, and I'm speaking to Mr. Evans here and others, begin to do a real analysis on these construction managers. Because the only thing that I see that is a benefit and a value, other than they get a huge amount of money from us that we wouldn't be paying if we did it a design bid build, it, Secretary Churchill, I applaud you for your efforts here. The only thing we get from time to time is a quicker project. You know, I was up at your briefing on the Southwest terminals.

MR. PORTS: That's exactly right.

COMPTROLLER FRANCHOT: And I can see that. But there's some real down side to this stuff, too. And I just appreciate you all paying attention to protecting the taxpayers and not coming to us and saying, oh, we're going to save money through construction management. You're not. You're paying a lot more money. The only thing you're possible getting is a shorter time frame. And I understand, you think that saves you money. But --

MR. PORTS: Well I think it's also, Mr. Comptroller, it's having the system in parallel, so operating while they are constructing.

COMPTROLLER FRANCHOT: Well, that's okay.

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MR. PORTS: And this is for emergency management. So that's, this is a real, I mean, this is like critical to our operations. So we agree, and we heard you loud and clear the other day at the Airport. And when this came up, I raised the red flag because I knew you were going to say something about it. And I told my friend sitting to my left that you were going to bring it up earlier today. And but I asked Greg about it. And Greg was really up front with me. And the key is to, this is our statewide emergency operations center. So it's not just for crashes on the highway. It's also our winter emergency operations. So I mean, it checks the temperature and the salinity of the concrete. I mean, it does everything that we need to do to operate properly. So we cannot have this operation fail at all. And that's why we're trying to --

COMPTROLLER FRANCHOT: Yeah. If this was a \$80 million renovation --

MR. PORTS: Oh yeah, that would be a different --

COMPTROLLER FRANCHOT: -- and not an \$8 million, and if the Governor wasn't offering me a cold beer if I could just shut up, I would vote, I would pound the table more. But I would move approval.

GOVERNOR HOGAN: It's also where we just announced our \$50 million traffic plan and its 14 corridors are going to be coordinated out here. So it's a, there's a lot going on there. We want it to be state of the art.

MR. SLATER: Absolutely.

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MR. PORTS: Mm-hmm.

MR. SLATER: Thank you. I'll give you my personal assurance I will keep everyone focused on innovation and getting the greatest value we can.

GOVERNOR HOGAN: Thank you.

MR. PORTS: Greg's great.

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: It's been moved and seconded. Three-nothing on the Transportation Agenda. Now we move on to Secretary Churchill and the Department of General Services.

MR. CHURCHILL: Well good morning, Governor, Madam Treasurer, and Mr. Comptroller. For the record, I'm Ellington Churchill, Secretary for the Department of General Services. The department has 30 items on our Agenda today and we are withdrawing Items 1-C and 15-LT. We have representatives available to answer any questions you may have.

GOVERNOR HOGAN: Thank you. Questions on DGS?

COMPTROLLER FRANCHOT: Item 22, if I could. I just want to make a quick comment about this \$400,000 capital grant loan to Imagination Stage in Bethesda for critical improvements and enhancements to their facility. My wife Annie and I are proud long-time supporters and patrons of Imagination Stage, not only because of their wonderful educational programs and impressive shows, but also for their commitment to providing children of all ages, abilities,

and socioeconomic backgrounds, and you have to see these performances to believe them. It brings tears to my eye when I think about it. These kids with so many opportunities are presented to them to enjoy the arts, awaken their creative spirits, take part in their highly acclaimed theater productions.

So Governor, I'd like to personally thank you for including these funds that we're voting on today in your capital budget this past session. I hope you and the First Lady could join the Treasurer perhaps and come to a show. And I know she's been to many of these. But if you and the First Lady might attend one, you won't be disappointed. You'll see firsthand the wonderful work and impressive shows they put on for our communities.

And the genius behind this is sitting out there, Bonnie Fogel. Bonnie, if you could stand up and maybe say a word on this? Tell me I'm speaking truth here. Because we love you in Montgomery County and come up and say something to the Board of Public Works.

MS. FOGEL: Thank you so much. I'm Bonnie Fogel. I'm the founder and the Executive Director of Imagination Stage, formerly when Nancy Kopp was representing us in District 16 we were Bethesda Academy of Performing Arts. That's 38 years ago. I'm joined today by our Treasurer Nina DiSandro, Board Treasurer; and General Manager Jenn Schwartz.

We're very thankful. You have spoken the truth. I'm sure you always do. And we are so thrilled that you and Annie are so often with us and we

reiterate that we would love to have you and the First Lady, who I know is a huge supporter of the arts, attend maybe our upcoming gala in December, and you of course also. We'd love to have you back.

So these funds that you are about to grant us for a renovation project for Imagination Stage in Bethesda. It's a 15-year renovation. We are very interestingly embedded in a 700-car garage in the heart of Bethesda. It's a national model. We have 700 cars parked above us and yet you would not know that if you were in the theater or in our education classes. And we're serving 100,000 Maryland students and families from the DMV every year.

So this money is going to go for a new chiller for the organization and also for some other 15-year renovation.

GOVERNOR HOGAN: Thank you.

MS. FOGEL: So thank you so much.

GOVERNOR HOGAN: Thank you very much for all your great work.

MS. FOGEL: Thank you.

GOVERNOR HOGAN: And I'll take the Comptroller up on his invitation. Perhaps we could swing in at a brewery and a winery on the way --

(Laughter.)

MS. FOGEL: You can do that.

GOVERNOR HOGAN: -- and make a night of it.

TREASURER KOPP: Actually there's one not far from there. Governor, could I just, we recognize Bonnie. But Bonnie has been the brains and the heart behind BAPA, the Bethesda Academy for Performing Arts, and Imagination Stage since the beginning. In terms of this building, Bonnie came to us about 18 --

MS. FOGEL: Twenty.

TREASURER KOPP: -- 20 years ago and said, I think based on was it Copenhagen? Somewhere she had seen a project --

MS. FOGEL: Well we've never seen anything like Imagination Stage, embedded in the public garage.

TREASURER KOPP: Embedded, right.

MS. FOGEL: Yeah.

TREASURER KOPP: In the downtown of an urban area. We needed a garage in Bethesda. It had to be redone. And the thought was to actually bring the community into the building as opposed to just plopping down -

MS. FOGEL: It was Betty Ann Krahnke's idea.

TREASURER KOPP: Betty Ann Krahnke, yes. A great Republican councilwoman.

GOVERNOR HOGAN: I remember.

TREASURER KOPP: And there was a lot of skepticism because the idea of a children's theater and a stage, a serious place, in the middle of a garage seemed very strange. And it was a big building where the cars would go in. And as you know, when cars go in and they go from one part of a garage to another they usually go over a lot of bumps and it's a lot of noise and it's just a very distracting and difficult project. And they found the right architects, the right engineers, the county, the State, and the community behind it, with Bonnie being the leader, and built this amazing place. And I do invite everybody, not just, everybody to come. First of all, it's a wonderful place for children. It's a wonderful educational facility. It's a wonderful stage area. But the idea of it actually in combination with this public garage really works. And it not only works this model, but it opens your mind to possibilities. It's a public, could be a public-private partnership, the possibilities of bringing the parts of the community together to actually grow the economic base and the cultural life of the community.

MS. FOGEL: And the State was a major funder, as was the county also.

TREASURER KOPP: Yeah.

MS. FOGEL: So it's a State asset.

GOVERNOR HOGAN: Great. Thank you very much.

COMPTROLLER FRANCHOT: Who is the gala honoring this year?

MS. FOGEL: Honoring Ike and Catherine Leggett.

COMPTROLLER FRANCHOT: Excellent.

MS. FOGEL: Another reason to be there.

TREASURER KOPP: Yeah.

MS. FOGEL: Thank you so much.

GOVERNOR HOGAN: Thank you. Any other questions on DGS?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second?

TREASURER KOPP: Second.

GOVERNOR HOGAN: Three-nothing on DGS and that concludes the Board of Public Works for this session. Thank you for coming.

(Whereupon, at 11:19 a.m., the meeting was concluded.)