

MR. SLATER: -- is the conclusion that this project will not solve congestion. So, this project is really a great benefit for what's called latent demand. Let me talk a little bit about numbers.

So latent demand is cars or vehicles that can't enter the system because it's too congested. And when you're talking about latent demand at a peak hour, those cars can't choose not to go to work. Commuters can't choose not to go to work. They can choose alternatives. They can choose a variety of things. But what we're finding that they are choosing is, one, they leave earlier or later, or they use an alternative system. You know, they'll use a local road or something like that. The development of things like Waze and Google Traffic has made that even worse as they are kind of sending people through different streets.

One of the things that we've found that this project addresses is that latent demand. It's the benefit of pulling that traffic off of the local system, because it's there today. It's not new. It's there today. We modeled what had been referenced earlier was induced demand. Induced demand is a planning theory. You know, it's been debated many years. But what it essentially says is supply and demand economics, apply that to traffic. And as you build more, if you supply more, there's more coming in. When COG modeled this project and looked at the traffic that would be generated specifically from this project, it was one percent. So, what this project is doing, it's addressing the latent demand that's on the local system today as we try and get it back on there.

Now what's really important as I talk about, earlier in my remarks I talked about the groups that wanted additional free lanes and then the advocacy groups that wanted just transit. What we're finding in some of the national research is that because they are price managed lanes, you are able to mitigate a lot of the induced demand components that start to come forward because you are pricing the mobility and you are able to address that.

GOVERNOR HOGAN: Thank you very much. Now we have 21 proponents signed up to speak in favor of the project. We're going to start with Neil Harris from the Gaithersburg City Council.

MR. HARRIS: Thank you. I appreciate the chance to speak this morning. Again, my name is Neil Harris. I'm a member of the Gaithersburg City Council. I'm also a member of the Transportation Planning Board at COG. I joined the Transportation Planning Board because I spent too much time stuck in traffic. I spent a year commuting from Gaithersburg to Reston, which was a complete nightmare. And I wanted to understand why that existed.

Also, on the Transportation Planning Board, toward the end of my first year it was revealed that the projection was in 25 years congestion would be 72 percent worse than it is today and that seemed like a suboptimal outcome to me. And in fact, it seemed like the kind of plan that if you present it to your Board of Directors as a business leader, you would be fired on the spot. So, I was

one of the loud instigators for the Visualize 2045 Program to try to find better solutions.

Now in terms of the specific project here, there are a lot of people who are afraid of what this project could bring. They are afraid that it might not bring enough relief, or that homes and businesses might be disruptive, or that tolls might be excessive. But I think the fact is until we move forward to the next step, we don't know the answers to that. And I'm always in favor of finding the data before we make decisions.

And I'll give you one data point. In 2015, the Pope came to visit and there was a miracle in Washington, D.C. Traffic moved freely. And the traffic moved not because of divine intervention but because the feds stayed home, there were 15 percent fewer trips on the road, and that showed us that there is a tipping point, that we're actually reasonably close to having sufficient capacity to get where we need to be. We either need to build extra capacity or get people off the roads or some other combination of things.

GOVERNOR HOGAN: Thank you --

TREASURER KOPP: Or look at them all together.

GOVERNOR HOGAN: Yes.

MR. HARRIS: And look at it. It needs to be an integrated program of multi-modes and multi-policies, and that's what we're looking for. Now --

GOVERNOR HOGAN: Mr. Harris, if you could wrap it up --

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MR. HARRIS: Very quickly, 80 percent of trips today in the metropolitan region are by automobiles, about half single occupancy and half multiple occupancy. But two-thirds of the money is going into transit and only one-third into highway projects. It seems to be a little bit imbalanced. It shows that the transit options are pretty expensive. If we want to move forward with more transit, which I think we absolutely need, we need to find more cost-effective ways to do it than the way we're doing it today. And there are many ways to approach that.

So, wrapping up my 15-minute presentation in ten more seconds, the current P3 may not be perfect. But it appears to be a cost-effective solution given budget constraints, given that there's not a lot of extra money floating around, given how much we spend on transportation. So, I urge you to go forward with the P3 designation so that we can get the data that we need to keep us all moving for years to come.

GOVERNOR HOGAN: Thank you very much.

MR. HARRIS: Thank you very much for your time.

GOVERNOR HOGAN: Thank you. Next, we have Linda Willard.
Good afternoon.

MS. WILLARD: Good afternoon. Thank you, Governor, thank you, Madam Treasurer, thank you, Mr. Comptroller. I'm Linda Willard. I'm a

private citizen, resident of Chevy Chase Village, which is an area by the speed cameras on Connecticut Avenue, very close, about 1.6 miles south of the Beltway.

I'm grateful that I'm not a daily commuter on the Beltway. I'm able to work from home. I go into D.C. a lot. However, I am a weekend sports mom. I have kids that play travel hockey, travel lacrosse. And getting to and from the Laurel Ice Rink can sometimes take two hours from my house, particularly if there is a Redskins game. I'm also, you know, some weekends I'm in the car for eight hours. This plan would relieve that.

I also want to say that I'm a strong environmentalist. I'm pro-transit. And as various people have mentioned, this is just one part of the pie. And this seems to be part of an integrated solution. But I feel like if you don't vote for it today that there will be no relief. And you know, I think that there needs to be transit but there are certain trips, for instance when I take the Beltway to Laurel and looking at Google Maps there is no way to get there by transit. There is just no infrastructure in place.

So again, I want to keep my remarks broad. But I urge you to vote for this plan to move forward. I'm interested in seeing just as a concerned citizen the cost and the environmental cost and what not. But I think it's a really great solution and a great start. So, thank you.

GOVERNOR HOGAN: Thank you very much.

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COMPTROLLER FRANCHOT: Could I just ask a quick question? So, you're a hockey mom.

MS. WILLARD: I'm a hockey mom and a lacrosse mom and a figure skating mom.

(Laughter.)

COMPTROLLER FRANCHOT: Okay. So, I can remember years ago my son, who is now 35, but he was very young. He was playing in the earliest Montgomery County hockey league --

MS. WILLARD: Mm-hmm.

COMPTROLLER FRANCHOT: -- that was like for the young, young kids. Well, they got the worst ice time, always.

MS. WILLARD: Oh yeah. Early, right? For little --

COMPTROLLER FRANCHOT: So they were scheduled for 5:30. It was over at Cabin John, I think.

MS. WILLARD: Mm-hmm.

COMPTROLLER FRANCHOT: And I got up and was driving Nick there and, you know, God knows what hour it actually was. And about halfway up he said, hey dad, did you set the clock for the daylight savings time?

MS. WILLARD: Oh no.

(Laughter.)

COMPTROLLER FRANCHOT: So, we ended up looking for a 24-hour diner. But thank you for your testimony.

MS. WILLARD: Of course.

COMPTROLLER FRANCHOT: Do you see, I think the Secretary mentioned something near and dear to my heart, which is that the congestion on the 270 and 495 results in a lot of cut through traffic --

MS. WILLARD: Absolutely.

COMPTROLLER FRANCHOT: -- through residential areas.

MS. WILLARD: Latent demand, as I learned today.

COMPTROLLER FRANCHOT: They are very frustrated, these commuters. They are roaring up and down residential streets.

MS. WILLARD: Yeah.

COMPTROLLER FRANCHOT: Speed bumps or no speed bumps.
And --

MS. WILLARD: It's become a lot more dangerous to ride bikes in the neighborhood for that reason.

COMPTROLLER FRANCHOT: Thank you.

MS. WILLARD: And then we live right on Connecticut and it's turned into, I've lived there for ten years but lived in the area for 30 years. And it's turned into more and more of a parking lot from that excess demand. So --

GOVERNOR HOGAN: Thank you very much.

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MS. WILLARD: -- thank you.

GOVERNOR HOGAN: Next we have Samuel Raker of the Suburban Maryland Transportation Alliance.

MR. RAKER: I don't say good morning, good afternoon, Governor.

GOVERNOR HOGAN: Good afternoon. It's afternoon.

MR. RAKER: Madam Treasurer, Mr. Comptroller. I've torn up, I've submitted three or four pages in writing. I'm not going to repeat my comments. Almost all of them were related by you, Mr. Governor, in your opening remarks. Every one of them was right on. I'm here to support going forward with the P3.

The only remark you didn't make that I was going to make, Mr. Slater just covered, about the latent demand. And we see that on all of the roads in the neighborhoods, Seven Locks Road, River Road, Falls Road.

My credentials for being here to urge you are these. My wife and I bought our home just very, very close, walking distance, to River Road and the Beltway 56 years ago. That's before the Beltway was built. Seven Locks Road was dirt and gravel at the time. Mr. Comptroller, you're a newcomer with only 40 years. I've seen enough changes having lived next to and still do by the Beltway for that length of time.

But another credential is in 2000 to 2002 I co-chaired the most extensive task force ever created in Montgomery County known as the Transportation, TPR, Transportation Policy Report. Remember that?

COMPTROLLER FRANCHOT: Mm-hmm.

MR. RAKER: We saw each other during those days. That report looked at every land use and transportation option for 50 years hence. Thirty-eight members representing every element of the community. It was very long, drawn out battles. The outcome of it was the ICC. That was the most contentious issue at the time. But I served as Co-Chair of that for the 192 meetings in that two-year period.

Another credential, immediately following that I met Mr. Flanagan, Robert Flanagan, when he became Secretary of Transportation and I worked as his special assistant for four years on community outreach for the Intercounty Connector.

GOVERNOR HOGAN: I'm sorry, Mr. Raker, but you're going to have to wrap it up. They are giving us the hook over here.

MR. RAKER: Fine. I'm ready to go. The last comment is, Mr. Elrich was a member of that very contentious task force. He was an obstructionist to us making progress every step along the way. I've followed his career since. And I don't think things have changed. You are facing all of the same issues that we faced on getting the Intercounty Connector built.

TREASURER KOPP: Let me only point out that a majority of the voters seem to have gone with Mr. Elrich this year, hm?

MR. RAKER: I can understand that.

GOVERNOR HOGAN: The majority of them disagree with him on this issue.

TREASURER KOPP: All I'm saying is that he's simply not only being an obstructionist.

GOVERNOR HOGAN: Thank you very much.

MR. RAKER: And I agree with that. Thank you.

GOVERNOR HOGAN: Thank you. Ed Amatetti, the Montgomery County Taxpayers League.

MR. AMATETTI: Hey, how are you? It's good to be here. As President of MCTL I would like to convey our support for the P3 designation and for expediting things going forward. The acute traffic congestion in Montgomery County and suburban Maryland is all day and all night. It's Saturday evenings, it's Sunday afternoon, and if road use stayed the same going forward 50 years it's still a worthwhile project to do. We're way past the point of time efficient and fuel efficient and even environmentally optimal traffic right now.

It is hurting MC economically. We've gone ten years with zero private sector job growth in a row. Clarksburg residents I personally know have taken substantial pay cuts in order to not commute to Northern Virginia or

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wherever they needed to go. As candidate for County Council I would door knock in upper county on nights as late as 7:00 to 8:30 at night to catch people coming into their driveway from work, long after their dinners have gotten cold and their kids have gone to sleep. And that's why we need to move forward.

We also believe, MCTL, that the expediency and the cost further obliges us to allow P3 solicitation to proceed concurrently with the environmental impact study. And it should be noted that there have been quantified benefits in cities such as Atlanta that moved expeditiously in the same fashion in terms of significant fuel consumption and due to average speeds and less idling on the highways. I don't know if this is factored into environmental studies, but it needs to be done.

GOVERNOR HOGAN: Ed, I'm sorry. We're going to have to --

MR. AMATETTI: And thank you very much.

GOVERNOR HOGAN: -- ask you to wrap it up. But thank you so much for being here.

MR. AMATETTI: I appreciate it.

GOVERNOR HOGAN: Next we have Greg Andricos or Andricos. Sorry if I screwed up your name there, Ed, Greg. I screwed up the first name, now.

MR. ANDRICOS: I'm Greg Andricos. I'm the Chairman --

GOVERNOR HOGAN: Andricos. I got it right the second time.

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MR. ANDRICOS: Yeah, we got it. I'm the Chairman of the Maryland Transportation Builders Association. I'm also President of Wagman Heavy Civil, a fourth-generation construction company. Wagman participated in ICC contracts A and B. We recently led the successful dualization of Maryland 404. And we're currently --

GOVERNOR HOGAN: Great job.

MR. ANDRICOS: Thank you. It was a tough challenge.

GOVERNOR HOGAN: Way ahead of schedule, on budget.

MR. ANDRICOS: Yeah, it was a tough one. Yeah, it was a tough challenge and there was a lot of safety, you know, that was a safety program. Big safety improvements, from getting the traffic separated and moving consistently, right?

GOVERNOR HOGAN: I mean, people just absolutely, it's transformed the Eastern Shore. People love it.

MR. ANDRICOS: Yep. So also Wagman is doing \$250 million of infrastructure projects in Maryland right now for MDTA, Baltimore City, and Maryland State Highway, including the Watkins Mill interchange. Okay? So, the P3 proposal to alleviate the horrific congestion on I-495 and I-270 is the best solution available. Okay, Georgia and the City of Atlanta was just mentioned, recently implemented express toll lanes in their most congested areas. Since the lanes opened, rush hour speeds on the highway doubled from 20 miles an hour to

40 miles an hour and rush hour commutes decreased by an hour. Maryland residents, including those in the Republic of Tacoma Park, could really use those extra two hours per day to spend with their families and to keep their Maryland businesses growing. Thank you.

GOVERNOR HOGAN: Thank you. Marilyn Balcome, the Gaithersburg-Germantown Chamber of Commerce. Hopefully I got your name right, Marilyn. Balcome?

MS. BALCOME: It's Balcome, yes.

GOVERNOR HOGAN: Balcome, thank you.

MS. BALCOME: For the record, my name is Marilyn Balcome. I'm the President and CEO of the Gaithersburg-Germantown Chamber of Commerce and a 25-year resident of the I-270 corridor. The Chamber supports the designation of the 495 and 270 project as a P3.

I want to focus my remarks on what I know best, and that's the I-270 portion. Unlike most people in the room, I live this every day. I live in Germantown and I work in Gaithersburg and most of my 430 members are based along the I-270 corridor. Increased traffic capacity along this corridor has been our top priority for a very long time. The 495 and 270 P3 Program is the first real opportunity to address the significant congestion along I-270 and this cannot be done without private investment.

We wholeheartedly agree with the Montgomery County Executive and the County Council on a number of issues. The Bridge is absolutely the most important concern. It should be done first. The project should be along the entire I-270 corridor and we anxiously await phase two of this project. There should be transit involved every step of the way on the project, and it absolutely should be in coordination with local jurisdictions. Where we differ is that it should happen now. My community is suffering now, and we need your support now, and so we appreciate and hope that you support the designation of the P3 today. Thank you.

TREASURER KOPP: But you see what you just proposed, Marilyn, is not what's being proposed right now.

MS. BALCOME: Well I, so my feeling about that is that I trust that the Board of Works will move forward in communication with the local jurisdictions. I understand that there's been great concern about the level of engagement with the local community. And I would hope moving forward that that changes and I would trust that you would help make that happen.

GOVERNOR HOGAN: Thank you very much. Next, we have Bob Buchanan from the 2030 Group. Hello, Bob.

MR. BUCHANAN: Governor, Madam Treasurer, Mr. Comptroller, I want to emphasize economic development. 2030 Group is a group of regional business leaders in Maryland, Virginia, and the District and we want and need infrastructure initiatives like this if we're going to have the economic

development to sustain our economy. And I must say, I'm proud that you initiated this, Governor, because it's been too long coming. And it isn't at the expense of transit.

I served on the executive steering committee for the bus transformation system. The bus ridership will never get to where it has to be without increased capacity, which this initiative provides. So last, please, without economic development all these great ideas and quality of life issues don't get paid for. We have to stick to the basics. This is sorely needed. It's sorely needed. As Chair of Montgomery County Economic Development Corp. I can tell you we desperately need to turn around the job growth migration away from Montgomery because of the traffic congestion. Thank you.

GOVERNOR HOGAN: Thank you very much. Tim Butera, or Butera, Conference of Minority Transportation Officials.

MR. BUTERA: Yes. Good afternoon, Governor Hogan, Comptroller Franchot, Treasurer Kopp. For the record, Tim Butera, representing the Board of Directors and CEO Brad Mims of COMTO. COMTO formed in 1971 at Howard University by the late Reverend Jerry Moore. COMTO is the Conference of Minority Transportation Officials, comprising over 30 chapters nationwide, one here in Maryland. COMTO members are individuals and agencies at all levels of government, private sector, including historically underutilized businesses and nonprofit organizations. COMTO believes in

advancing balanced innovative transportation strategies coupled with strong measures to ensure diversity, equity, and inclusion and the accomplishment of these strategies. Administrator Slater alluded to, as Missouri DOT Director, now MDOT Secretary Pete Rahn, partnered with COMTO to ensure that major transportation infrastructure projects in Missouri were advanced in a way to maximize opportunities congruent with COMTO's mission. This partnership has been reconstituted around the Maryland Traffic Relief Plan and improved to meet the needs of the TRP in our great State. As such, we believe that MDOT will hold true to our shared values in the execution of the program.

COMTO believes that a program of this scope offers really almost a once in a lifetime opportunity for individuals, small and disadvantaged businesses, and organizations to gain a foothold in what will be the transformative sector of the century.

GOVERNOR HOGAN: Tim, I'm going to ask you to try to --

MR. BUTERA: By all means. I'm in my last home stretch here. So, what we're talking about is construction apprenticeships, on the job training, planning jobs, engineering jobs, project management jobs. This is about jobs for COMTO and family sustaining good paying jobs in transportation. So, for those reasons, we support the adoption of the P3 designation and the acceptance of this solicitation.

GOVERNOR HOGAN: Thank you.

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MR. BUTERA: Thank you.

GOVERNOR HOGAN: Next Christopher Costello. Christopher Costello?

MR. COSTELLO: Good afternoon, Governor --

GOVERNOR HOGAN: Good afternoon.

MR. COSTELLO: -- Comptroller, Madam Treasurer, and my name is Chris Costello. I represent the American Council of Engineering Companies in Maryland, which is an association representing 70 firms with 7,000 employees throughout Maryland. We're here to support this P3 proposal. We see it as a very necessary focus on improving the transportation and a way of improving and reducing the congestion. As you'll infer, we submitted a letter which goes into this in more detail. I won't go into it. You've heard a lot of very good testimony and very good comments. And I'd be more than happy to take any questions.

GOVERNOR HOGAN: Thank you very much. I appreciate you being here.

MR. COSTELLO: Thank you.

GOVERNOR HOGAN: Next up we have Wes Guckert of the Traffic Group.

TREASURER KOPP: While Mr. Guckert is coming up, can I just ask Sheila, several people have mentioned written testimony. Do we have all that?

SECRETARY MCDONALD: It has all been provided to your office, everything that came in from somebody who said they had --

TREASURER KOPP: So that's in all the stuff we have?

SECRETARY MCDONALD: It's in the record and it has been given to your office.

GOVERNOR HOGAN: Yep. Good afternoon.

MR. GUCKERT: Good afternoon. Thank you, everyone. For the record, Wes Guckert, President of the Traffic Group, Inc., a firm of traffic engineers and transportation planners for the last 40-plus years.

You know, it's real important to listen to, and obviously you are, to everything that's being said. But in Northern Virginia and on the east side of I-95 in Baltimore County, the changes have been dramatic with the P3 lanes, with the toll lanes. Dramatic positive for those that are using the toll lanes and dramatic positive for those that are in the free or the general purpose lanes. And we need to make sure that we don't lose sight of that fact, especially as it relates to travel time delays and of course the environment as well.

We also want to be careful to think about induced demand because while there are projects where roads are being added and induced demand actually

occurs, when you think about I-270 as an example, there are really not really good parallel routes such as Maryland 355. It will pull traffic off of Maryland 355. It will make that road better as well. And that same thing holds true on other roads around the Beltway.

We need to be very cautious to think about transit. We quite frankly have a hard time paying and taking care of the Metro system. It's a system that really does not service the people that are around the Beltway. We certainly are not going to be expanding the Red Line up to Frederick at a cost of \$500 million to \$1 billion a mile. So, this is the kind of project that I think is very worthwhile for the region and I thank you for your time.

GOVERNOR HOGAN: Thank you very much. Next up we have Babur Mian, Concrete General.

MR. MIAN: Good afternoon, Governor, ladies and gentlemen. I'm Babur Mian, President and CEO of Terra Site Constructors. We are a DBE, MBE and SBE firm. Terra has been working on projects in Maryland since 2013, focusing primarily on infrastructure projects including the Purple Line, working on retaining walls, large walls and barriers, and (indiscernible).

We currently have 75 employees and one of them does commute from Clarksburg to Loudoun, Virginia, spending about four to five hours a day commuting on 270 and 495.

Maryland drivers spend about 82 hours sitting in traffic in the D.C. Metro area. Congestion is costing our local economy \$1.3 billion in added costs per year. It hurts businesses, especially companies like mine that have to get to various work sites at all times of the day. Congestion drives up the cost of doing business and the taxpayers and residents end up footing the bill.

The I-270 and I-495 corridor is one of the most dreaded highways for commuters in Maryland. Traffic alleviation has been studied to death and the only option is to expand these stretches to handle more volume. Most importantly, these proposals for expansion have proven to work. I ask you for the P3 designation.

GOVERNOR HOGAN: Thank you. Next up we have James Hand. Good afternoon.

MR. HAND: Good afternoon. Thank you, guys. Hello, my name is James Hand. I'm representing Concrete General. Concrete General is a leading heavy highway civil construction company --

GOVERNOR HOGAN: I'm sorry, I got you guys mixed up. I apologize.

MR. HAND: It's okay. Construction company, and we're in Gaithersburg, Maryland. We're local, we're the guys down the street. We have projects in Ocean City all the way out to Garrett County. We live and breathe in this traffic.

I'm here for you to approve the proposed public-private partnership. It is a necessity. A project of this magnitude would cause significant hardship on the public funding by the State. On the other hand, the private sector is willing and waiting to step up to fund this program.

We all know that traffic is bad. We live and breathe it. MDOT and SHA are doing their work. They are doing their studies. They are working hard. And this project, this proposed project is exactly what we need to elevate traffic in the D.C. Metro area. And my employees are stuck in traffic all the time. This program, this process will help them get home to their families quicker and faster and their quality of life will be greatly improved. Thank you for your time.

GOVERNOR HOGAN: Thank you. Peter Henry, Watkins Mill Town Center and the Germantown Center.

MR. HENRY: Hi, how are you? How are you? Pete Henry. I'm the owner, or co-owner of the Germantown Town Center, co-owner of the Watkins Mill Town Center. Those are all multimodal projects with MARC (indiscernible), CCT, and other things integrated into them.

I'm here to tell you that the employment corridor, the jobs corridor, I-270, we're having a terrible time with because the transportation issue has risen to a point where employers are moving jobs from Montgomery County in particular, our base, to Virginia. We face this on a daily basis. As has already

been testified by Mr. Buchanan, jobs are the core of what is going to drive the State forward.

Simply put, we have to get, we need this continued prosperity to be able to drive meaningful new transportation improvements and we need those transportation improvements to retain the jobs.

Let it be known, we're not anti-transit. As I mentioned, we have both, both stations have CCTs. So, we're big believers in that, whether it's a monorail or a rapid transit. Both of them have park and ride facilities, which are included. One of them has a MARC rail station. One of them is on the 355 rapid bus routes that the county is proposing. We're cooperating and working with them the same as everybody else is to help solve these problems. We also have the Upcounty Germantown Transit Station with a ride on one of the busiest in the routes.

We know there is no silver bullet and all of these pieces are going to need to come together to solve the problems that we're facing. But I personally watched more than 2 million square feet of employers move out of our area to Virginia. It should not happen. We should not be allowing it to happen. Thank you. Leadership is about looking forward. I was touched by your reference to D-Day. I thought it was right on point. D-Day took planning. You're not going to have all the solutions in the beginning, but you have to be prepared for when the day comes. This is the opportunity to do it. As my grandfather used to talk to me

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about a Chinese proverb which is one generation plants the tree the next generation gets to shake. It is time that we plant some of these trees. Thank you.

GOVERNOR HOGAN: Thank you, Pete. Michael Sakata, Maryland Transportation Builders and Materials Association.

MR. SAKATA: Thank you for having me. First of all, I'll be brief. Michael Sakata, head of Maryland Transportation Builders and Materials Association. MTBMA represents 21,000 workers and business owners in the transportation and construction industry and we are ready, willing, able, and eager to help alleviate the strain on Maryland drivers.

The proposed P3 represents over 100,000 jobs, we've heard a lot about today, and billions of dollars for Maryland businesses. Beyond the economic impact, the project is an absolute necessity. The travel around I-495 and the 270 corridor is abysmal and must be corrected.

This project represents the beginning of what could be an incredibly fruitful partnership between the public and private sectors in creating massive job growth and solving problems that the State simply can't afford to solve on its own. MTBMA members stand ready to supply the workforce and materials necessary to get Marylanders moving. So, we obviously urge you to approve this. And quite frankly, and I'll end it with this, this is a job creator, you know, at the end of the day. Thank you, sir.

GOVERNOR HOGAN: Thank you. Ellen Silverstein, Clarksburg Chamber of Commerce.

MS. SILVERSTEIN: Good afternoon.

GOVERNOR HOGAN: Good afternoon.

MS. SILVERSTEIN: Ellen Silverstein. I'm a CPA located in the upper county part of Montgomery County. I've been a lifelong resident there my whole life, grown up, worked, and now have my own business in Clarksburg. So, I'm also the Treasurer of the Clarksburg Chamber of Commerce and on behalf of the active membership organization, I'm representing the burgeoning businesses of the up county's portion in Montgomery County. I'm here today to support the public-private partnership as proposed by the Department of Transportation and the State Highway Administration.

Residents and businesses in Clarksburg and its surrounds have been struggling for years as a result of the neglect by elected officials to provide us with the promised quality of life characterized by transportation options. Until now there has been little hope that our plight will be recognized or improved. Accordingly, our community is strongly supportive of the traffic relief plan and the public-private partnership that has been crafted to implement a pathway towards relief.

To go anywhere in the county requires a vehicle. Road capacity has not kept up with the allowed growth of population, as evidenced by the new

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homes, neighborhoods, and the Clarksburg Premium Outlets. And I appreciate the opportunity to speak before you today. Thank you.

GOVERNOR HOGAN: Thank you very much. Next, we have Aaron Tomarchio from Trade Point Atlantic.

MR. TOMARCHIO: Good morning, distinguished members of the Board. I'm Aaron Tomarchio --

GOVERNOR HOGAN: Aaron, I think it's afternoon now.

(Laughter.)

MR. TOMARCHIO: Wishful thinking, right Governor? We're the owner, manager, and developer of the 3,300-acre former home of Bethlehem Steel in Sparrows Point, Baltimore County, Maryland. It is often quoted that economies travel on infrastructure. This is indeed very true. Sparrows Point is being transformed into a global center for logistics and commerce. TPA supports the public-private partnership in helping relieve traffic congestion along some of the State's busiest and most congested interstates.

Why is a Baltimore based project talking about a D.C. Metro transportation plan? There is a direct link to Baltimore's growing supply chain industry fed by the robust Port of Baltimore and the D.C. Metro consumer market. As an emerging center for global trade, we are finding that Baltimore is strategically positioned in a rapidly expanding, direct to customer, regional supply

chain that feeds the greater D.C. market. This market is heavily served by I-495 and I-270.

When we think of traffic congestion, we all think of commuters in cars. There is another element to our economy that also travels these interstates and is perhaps even more sensitive to traffic flow, and that's industrial freight. With the growth of on demand direct to customer supply chains, regional transportation networks often serve as critical links and reliable flow for goods between markets. For us, that is the Baltimore-Washington transportation corridor. Traffic congestion and the gridlock has direct impact on the Baltimore supply chain and the economy and the Port of Baltimore. Lost productivity due to traffic congestion and delays means increased transportation cost and loss of efficiency. Loss of efficiency will drive business to invest in new facilities in less congested markets and increased transportation costs ultimately reflect higher prices of goods that your constituents pay.

Whether it's finished products or raw materials used elsewhere, upstream as part of the manufacturing process, these products require a stable transportation network as part of the supply chain.

We support MDOT's P3 initiative to help relieve traffic congestion. It's timely. It's important. It's a real plan that can be put in place now to help relieve traffic congestion and help keep our economy moving forward. Thank you.

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GOVERNOR HOGAN: Thank you very much. John Townsend from AAA of the Mid-Atlantic.

MR. TOWNSEND: Good afternoon.

GOVERNOR HOGAN: Good afternoon.

MR. TOWNSEND: AAA supports this project and asks for it to be included into the designation. Let me just say this. We represent almost a million members in the State of Maryland. And those of us who live, move, and have our being in Maryland know how bad the gridlock is. 155 hours a year we're stuck in traffic at a cost of \$2,100 individually. That is unconscionable.

This project will alleviate that. This is not a silver bullet, but it is a major game changer. It is a game changer. Let me underscore that. And any of us who live in the Washington Metro area and have driven on the express lanes on the Beltway in Northern Virginia and on 95 know this, and 51 percent of us have. And we know that considerable savings of time, for example on the express lanes on 95, the average saving for a person on a one-way commute is 17 minutes, 17.5 minutes per trip. That's a savings of three hours a week if you're using it.

Let me say this. There's been a lot of conflation about the express lanes on 66 inside the Beltway and those two projects. They are not the same projects, as the Governor has been saying all day. You will never, ever see \$40 tolls on those roadways. That is an outrageous distortion of the facts. The

average toll on the 495 express lanes is \$5.40. The average toll on the 95 express lanes, and that's going almost 40 miles, is \$8.45.

But here's the rub, the average one of us, especially those of us who live in Prince George's County who are worried about the price, would never have to pay to use the lanes because the free lanes will stay the same. Stop distorting this. Stop the distortion. Tell the truth. And the truth is this is the biggest game changer in Maryland's history or since the Beltway was built back in the 1950s and 60s. Thank you.

GOVERNOR HOGAN: Thank you very much. Emmett Tydings from AB&T Telecom.

MR. TYDINGS: Good afternoon. Thank you for allowing me the privilege, giving me the privilege to speak today. As mentioned, my name is Emmett Tydings. I'm a Maryland small tech business owner. My business is in Howard County. It used to be in Gaithersburg. I moved it there for a reason, transportation. I'm a 62-year resident of Montgomery County and I'm serving my 17th year on the Citizens Advisory Committee to the Transportation Planning Board and COG. I was one of only two citizens that were not elected officials or government department heads to work on the long-range planning task force along with Neil Harris here, and that is where the managed lanes are included in the Visualize 2045 Plan.

As a small tech business owner -- let me digress quickly, I'm also a product of D-Day parents. My Mom served donuts on a coffee truck at the front line. That's where she met my Dad, Lieutenant Colonel Tydings, in World War II. As a small tech business owner driving to customers throughout the entire D.C. and Baltimore Metro region for 37 years, few people know the problems of the big picture transportation problems in the region from the user perspective that I do. I'm here to report there are roads that are clogged and to urge our lawmakers to provide the means for more capacity of both transit and roads and to specifically support the Governor's highway plan. As part of my testimony I submitted a copy of my opinion that ran in Maryland Matters yesterday.

The Hogan plan is an economic plan for the State of Maryland. The inability of some of our elected officials to reconcile partisan anti-road politics with the need to stimulate and grow our economy is a great disservice to our region. I've submitted also a bullet list of facts dispelling some of the misinformation, but I just want to mention one, and that's for the 2045 plan there is 1.5 million people coming. That's 1.1 million jobs, that 648,000 households. And we need to address that with real solutions. Thank you very much.

GOVERNOR HOGAN: Thank you very much. Our last speaker is Stephen Ward from Aggregate Industries.

MR. WARD: Good afternoon. My name is Stephen Ward and I am the General Manager for the Aggregate Division of Aggregate Industries Mid-

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Atlantic. Aggregate Industries is a leading producer of construction materials, which includes sand and gravel, crushed stone, ready mixed concrete, hot mix asphalt, and recycled materials. We are headquartered in Greenbelt, Maryland and we have 500 direct employees. But we also use hundreds of contractors and consultants who we work with on a regular basis.

We have supplied materials for many of the major road and construction projects in the Metropolitan region, including the Intercounty Connector, the currently under construction Watkins Mill Bridge project, and the Purple Line.

Beyond the reduction in waste of time, moving traffic will have a significant impact on the environment and on residents' wallets. The toll lanes in Atlanta are expected to save drivers nearly 2.9 billion gallons of fuel per year that would have been spent idling in congested traffic. The potential for reduction in carbon emissions cannot be overstated.

In addition to the environmental benefits, the project is expected to create between 117,000 and 140,000 new jobs throughout the life of the project. MDOT has already planned a robust inclusion requirement and the State can ensure that the work is done by Marylanders. These jobs are high paying. We urge you to approve the proposed P3 for the I-270 and I-495 corridor.

GOVERNOR HOGAN: Thank you very much.

MR. WARD: Thank you.

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GOVERNOR HOGAN: Ladies and gentlemen, we're going to take just a five-minute break before we finish this up. We appreciate your patience.

(Short recess taken.)

GOVERNOR HOGAN: Well thank you all very much. First of all, I just want to thank all of the people who came out to testify today. We truly appreciate your input. I not only want to thank the people who came out to support our plan, but I truly appreciate all of the folks who came out who gave us good input, who expressed concerns, and who offered some interesting ideas and alternatives. We appreciate all of you being here.

This traffic relief plan has been proposed as a long term three-phase plan, and this hearing today is about whether we approve the big picture designation of the P3 so we can move forward and do all of the remaining studies and to get the remaining input, do the environmental studies, and make the final determinations before we come back before this Board with three different plans that would then be approved. So, there is still plenty of time to take into consideration much of the, to address many more of the concerns that we didn't get a chance to address today, to take more input from folks that have things that they want to talk about. But we're going to try to move forward today.

This thing has been always thought of as three different phases. One phase would alleviate the traffic congestion on 495, the Capital Beltway, from the Potomac River all the way through Montgomery County to I-95 in

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Northern Prince George's County. Another phase is the congestion relief and increased capacity, all the capacity improvements, to I-270. And a third phase would be the improvements to the Beltway in Prince George's County, south all the way to the Woodrow Wilson Bridge.

All of the numerous studies to date and all of the data have clearly shown that all three of these phases are critically needed. And our intention is to eventually complete all three of these phases. But again, it's a long-term process.

An argument has been made that phase one should address the area that is experiencing the worse of the traffic congestion, which would mean the improvements to the Beltway in Montgomery County, including the American Legion Bridge. However, this phase has generated the most concerns from citizens and the strongest opposition from local Montgomery County elected officials, who have asked us to delay these much-needed improvements.

TREASURER KOPP: The Bridge?

GOVERNOR HOGAN: Reluctantly --

TREASURER KOPP: I thought so.

GOVERNOR HOGAN: -- we will agree to that delay and we will instead move forward with the improvements to I-270 as phase one. And this will allow even more time for us to work together with the local leaders in Montgomery County to get more input from citizens and have more collaboration,

more study, and more debate. In fact, it may give us a couple of years more as we move forward with phase one.

But this will also give, in my opinion and all the polls which show the overwhelming majority of citizens in Montgomery County, the hundreds of thousands of commuters who are tired of sitting in that traffic, more time to convince their local leaders that they would like to see these improvements move forward at some point and that they will get the relief from the traffic congestion that they desperately want.

Now the Prince George's County Council and Congressman Anthony Brown have expressed fairly vocal strong opposition to traffic relief for Prince George's County. So, in deference to them, we will move that portion to the third and final phase. Which could perhaps be done at some potential time in the future.

The NEPA process and the environmental studies for the entire plan can continue to proceed on all three phases. And that way if and when the citizens and their local leaders decide that they do want to move forward with traffic relief, they will not have to experience another decade or decades of delay.

This transformative project that we're voting on today is about finally taking the first step to move forward and to finally take action on an issue that unfortunately elected officials have literally ignored for decades. And it will

result in less traffic, more peace of mind, cleaner air, and a much better quality of life for hundreds of thousands of Marylanders for decades to come.

So I'd like to make a motion that we amend the Board of Public Works approval for this item to require the traffic relief program to begin with 270 as phase one, which will delay the Montgomery County Beltway portion to phase two, and which will move the Prince George's County Beltway improvements to the potential last and final phase. And that will be my motion. Is there any discussion?

TREASURER KOPP: Yes.

COMPTROLLER FRANCHOT: I would like to second that motion and just remind people when the County Executive of Montgomery County called me at a God awful early hour this morning, I obviously just listened to what he had to say and most of what he said was exactly what the Governor has just articulated. Can't you do 270 and the American Legion Bridge first? Because that's the one that we all agree on. Well now I'm thinking divine intervention, something just came down and landed right here on the desk, which is an absolute game changing amendment by the Governor to this proposal. And I, you know, frankly applaud you, Governor Hogan, for coming up and listening to folks in Montgomery County and Prince George's County and moving this project forward. So, I don't know --

GOVERNOR HOGAN: There's a little bit of a difference in that, I mean, the phases are already set. One phase is the Beltway in Montgomery County. The Bridge is on the Beltway. The second phase is 270. The third phase is the Beltway in Prince George's County. They are trying to make part of one phase and part of another phase and put them together. That would require going back and reinventing the process. But my proposal is to move forward on I-270 and then work out the agreements with the county on moving forward on the Beltway portion.

COMPTROLLER FRANCHOT: I have a couple of other amendments that I'd like to add to your amendment, if I could, because I think it's --

TREASURER KOPP: Could we just, I'm sorry, I'm having a little trouble --

GOVERNOR HOGAN: The phases will remain exactly as they have always been in the proposal. We're just switching the order --

TREASURER KOPP: Just tell me if it's the Bridge and 270 --

GOVERNOR HOGAN: -- from one to --

TREASURER KOPP: -- or 270 without the Bridge?

GOVERNOR HOGAN: No. The current proposal was to be the Bridge and 495. That is now being moved and we've moving forward --

TREASURER KOPP: So, you're not doing anything about American Legion Bridge but --

GOVERNOR HOGAN: It is not part of --

TREASURER KOPP: -- you are widening 270?

GOVERNOR HOGAN: It was part of phase one.

TREASURER KOPP: Okay.

GOVERNOR HOGAN: It is now going to be part of phase two. You can't cut the two phases in half and paste them back together.

COMPTROLLER FRANCHOT: Okay. So, let me just suggest once again this is a game changer because all of the things that everyone has been talking about and I happen to not be a vegetarian or a carnivore. I am an omnivore as part of relieving congestion in our area. This I think opens up a very collaborative approach to actually making progress on something that has lingered out there for years. So, I want to join --

GOVERNOR HOGAN: And let me, let me just interrupt for a second. I'm still for moving forward with phase one and two. If the Montgomery County local officials change their mind, I'm ready to move forward on both.

COMPTROLLER FRANCHOT: As am I. But I think we can all move forward together with this groundbreaking amendment, which allows all of us to get what we think will really add up to a solution. And the agony that

thousands of commuters experience I believe are going to be immediately addressed in the sense of proper planning moving forward.

I have as the Chief Fiscal Officer of the State and a member of the Board, I think it's important that something this big, regardless of the timing, receive the proper review and scrutiny it deserves, both positive and negative. And I think it affects our State's fiscal situation as well as our residents' quality of life.

But I would like to add my second to the Governor's amendment. I would like to add four other small provisions, if I could. Number one is that no acquisitions of property related to this project will take place prior to the Board of Public Works reviewing and voting up or down on the final P3 agreement following the competitive procurement process. Mr. Secretary, I just want to get an approval that that's the case.

GOVERNOR HOGAN: I'll accept that.

COMPTROLLER FRANCHOT: Thank you, Governor. Secondly, to effectively address the traffic congestion that paralyzes the area, the entire region, obviously we need something that is multimodal and a comprehensive solution, both roads and expanded transit options. Mr. Secretary, I assume that you could commit to the fact that the RFP will contain a provision permitting mass transit bus access on the managed toll lanes? Does everybody understand how important that is? Yeah.

GOVERNOR HOGAN: Sounds good.

COMPTROLLER FRANCHOT: Without tolls.

GOVERNOR HOGAN: Make that part of the motion.

SECRETARY MCDONALD: I'm sorry --

COMPTROLLER FRANCHOT: This is an important addition here because we want to get these mass transit, we want to promote commuter travel on mass transit buses.

TREASURER KOPP: I think the Secretary actually offered that some time ago.

GOVERNOR HOGAN: We're making it into part of the motion. He's amending my motion so I'll accept that --

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR HOGAN: -- amendment to the motion.

COMPTROLLER FRANCHOT: Okay. In addition, we are obviously interested in partnering with the local communities, specifically Prince George's and Montgomery County. Looking at transit and traffic congestion challenges, obviously we want transit related alternatives and solutions where appropriate to move forward, given the population increase. And Mr. Secretary, I'd ask for your commitment that at least ten percent of all State net toll proceeds, once the private developer has been reimbursed for their construction costs, go to Montgomery County and Prince George's County for regional transit services.

GOVERNOR HOGAN: I would say rather than asking for the Secretary's word on it --

COMPTROLLER FRANCHOT: Well, I'll make the motion. How about you, Governor?

GOVERNOR HOGAN: -- I think we should make that a part. It's an amendment, which I'll second all three of your amendments so far. Transit has always been a big part of our effort, as I mentioned before. No Governor has ever supported transit the way I have. And we'll accept that and second that amendment to my motion.

COMPTROLLER FRANCHOT: Thank you. And then finally, monorail was mentioned. A major article in the *Washington Post* recently giving some vapor trail credibility to a concept that I had not really realized was out there. It's something that a lot of professional transit people kind of look down their nose at as kind of a tourist attraction mode of transportation. But nonetheless, the Post had that major article and I think it should be an interesting idea that we should take a look at. And Governor, if you would let me amend this by mandating that there be a feasibility study of a monorail from Shady Grove up to Frederick as a possible opportunity for either P3 or State support, that would be something that I think the Legislature would be open to. I see Chairman Barve of the committee downstairs wants to hold a hearing on the issue. I think it's an idea worth exploring, no idea whether it's practical. But if you, Governor Hogan,

would allow MDOT resources to conduct a feasibility study, I'd like to make that motion also.

GOVERNOR HOGAN: I like the way you said you're not sure if there's a vapor trail of credibility.

(Laughter.)

COMPTROLLER FRANCHOT: I was thinking of the Simpsons -

-

GOVERNOR HOGAN: And what did you say --

COMPTROLLER FRANCHOT: -- and Springville or whatever --

GOVERNOR HOGAN: -- what did you say, amusement by, I mean, I love Disney World. Look, I don't know if there's credibility or not and I don't want to, I don't know what's involved, how deep of a study we're going to do. I think it's worth considering the idea. I'm willing to say we're willing to do an initial feasibility study and consider that with the Legislature to see if it makes any sense.

COMPTROLLER FRANCHOT: Excellent. And that's all I ask for. And --

TREASURER KOPP: What's happening with the corridor, since we're throwing little things in on the (indiscernible), the corridor city transit?

COMPTROLLER FRANCHOT: Well that --

TREASURER KOPP: Sure.

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COMPTROLLER FRANCHOT: -- go ahead. But I'm going to make those motions --

TREASURER KOPP: Throw it in.

GOVERNOR HOGAN: Let's finish this and then we'll ask if --

COMPTROLLER FRANCHOT: -- and hope that they will be incorporated and I particularly want the monorail study to include monorail solutions outside of the country. Because in the U.S., obviously as the Governor said, they have been, they have been utilized mostly in a very tourist attraction type way. I'm thinking about what's been done around the world, if they exist. And --

MR. RAHN: I will hunt all over the world for those.

COMPTROLLER FRANCHOT: Thank you.

(Laughter.)

GOVERNOR HOGAN: I'll just say I don't believe this is a conflict of interest but when I was 16, I actually operated a monorail at an amusement park. So, I have some experience in this regard.

COMPTROLLER FRANCHOT: But with those four amendments, I would be happy to move forward on this. I think on the environment safeguards we have to state that we're going to be closely scrutinizing everything that is brought back to the Board. I just reiterate that it's critical --

TREASURER KOPP: -- working with the Maryland Climate Change Commission.

COMPTROLLER FRANCHOT: Sure. And you know, a lot of people have very strong feelings. They have said things that have hurt people's feelings. It goes back and forth. I urge everybody to just take the opportunity here with this amended proposal and I think the Governor's amendment is the lead improvement that is being done right here. And I applaud you for that, Governor Hogan. I think it's a chance for all of us to do what's been overdue for a long time, which is come up with the best solutions and thank you MDOT for agreeing to my amendments and thank you, Governor Hogan, or Governor Hogan, thank you for proposing the main amendment, which I think will resolve a lot of the concerns. Because well it's, as I said, I think it's a huge response to the, a lot of the individual concerns that have been made by folks that are opposed to this currently. And I personally will review any contract award that MDOT brings forth to ensure that the critical benchmarks of fiscal responsibility, environmental safeguards, and ability most of all to deliver traffic solutions. Administrator Slater, thank you for your testimony. And Mr. Secretary, you probably are not happy with all the things I mentioned. But that's okay because this is going to be done --

GOVERNOR HOGAN: He's not happy with all the things I mentioned.

(Laughter.)

COMPTROLLER FRANCHOT: But it's going to happen now, I believe, in a very forthright way. And I can't imagine the private sector not being intensely interested in this. Because I think a lot of the opposition from the local jurisdictions will begin to be mollified by both the consultation but also the changes that we're making today. And better days are ahead for the State of Maryland. Governor, thank you again for your leadership.

TREASURER KOPP: Governor, could I ask once again, just to clarify, whether you are talking about the American Legion Bridge phase plus all of the 270 phases as one?

GOVERNOR HOGAN: No.

TREASURER KOPP: Okay, no.

GOVERNOR HOGAN: The phases --

TREASURER KOPP: What are we talking about?

GOVERNOR HOGAN: -- have not ever changed. They cannot change at this point. Phase one was always the Beltway. The American Legion Bridge is on the Beltway. We have been, all of the opposition has been to the Beltway.

TREASURER KOPP: No, sir. That's not right. The county has said for a long --

GOVERNOR HOGAN: Most of the --

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TREASURER KOPP: -- time --

GOVERNOR HOGAN: I understand they have lots of ideas. Their main opposition was to the Beltway in Montgomery County.

TREASURER KOPP: No, sir. That's not right.

GOVERNOR HOGAN: Okay. Well the motion is that we're going to move forward on 270 instead of the northern portion of the Beltway where people were concerned about the 34 houses and the takings and all of that stuff. That's where almost all of the concern came from. My original proposal was to the very first thing was to start on the northern portion in the Bridge and the Beltway. And we're responding to a lot of the concerns by saying more people like the 270 rather than the Beltway.

So there's a motion on the floor.

TREASURER KOPP: Okay. Let me just explain my vote --

GOVERNOR HOGAN: It's been seconded. There have been -- let me just put the motion on the floor.

TREASURER KOPP: Sorry.

GOVERNOR HOGAN: There's a motion on the floor that's been seconded by the Comptroller. The Comptroller has proposed four amendments to that motion, which I have seconded. And now we're going to call the vote. And you can explain your vote.

TREASURER KOPP: Yes. I'd like to. Let me say I appreciate very much the proposals that you've made. I mean, clearly we're now talking and I think that's a great step forward. And I do appreciate the input of all the people who are for the original item. I'm a little troubled that I don't see the item. I find it difficult to vote on one that I haven't seen. But both to those who supported the original item and those who did not.

I think we have heard a consensus, a unanimous in fact feeling that something must be done about improving the transportation of people and goods in the area. There's no question about that. I've been accused of loving congestion. I don't love congestion. I drive on the Beltway or 270 about six days out of seven and have for about 40 years. I understand the issue. I truly do. But I have been concerned all along about this huge project and voting on it without being able to see any of the background numbers of the traffic and revenue numbers or the origin and destination numbers, of the numbers that go behind the statements that it's going to improve the environment and not degrade it. I just think there's a lot of discussion and transparency that would benefit us all in the long run.

In terms of, and I agree that the greatest concern has been about the discussion about the Beltway east of the 270 spur. I'm not quite sure I still understand what the proposal is, a proposal to include 270 from the north, from Frederick, down over the Bridge and then the spurs connecting to it --

GOVERNOR HOGAN: I'm not sure which part you don't understand.

TREASURER KOPP: But that's --

GOVERNOR HOGAN: Because phase one was always the Bridge and the Beltway.

TREASURER KOPP: All right. Well that --

GOVERNOR HOGAN: The other one was always 270.

TREASURER KOPP: I'm just saying I don't --

GOVERNOR HOGAN: There has never been a proposal, none of our studies have ever been 270 and the Bridge.

TREASURER KOPP: There's no reason why that couldn't be.

GOVERNOR HOGAN: We can't just take people from Frederick County and Northern Montgomery and just send them into Virginia without fixing the problem of the Maryland Beltway. It's on the Beltway.

TREASURER KOPP: Well Governor, I can't agree with that. I think there is a tremendous backup to the Beltway --

GOVERNOR HOGAN: So, we would love to build the bridge. My number one priority is the Bridge.

TREASURER KOPP: But then you said put together one and two.

GOVERNOR HOGAN: Number one priority is the Bridge. My proposal was to move forward first with the Bridge and the Beltway. I am moving forward with 270 because more people wanted to do 270.

TREASURER KOPP: Well I think there then is a real problem. I can't envision what's going to happen when everybody --

GOVERNOR HOGAN: I can't either. That's why I'd like to do them both. If we can get the Council on board, we'll do them both. But we have a motion on the floor. It passes two to one. Are there any other questions --

TREASURER KOPP: I have a question of the Secretary of the Environment, and then I'll leave this. You say we're going to see a draft plan in a month or two that will incorporate the impact of transportation? All right. I hope we will have a full briefing and airing on that.

GOVERNOR HOGAN: Sooner than that, I think.

MR. GRUMBLES: Yeah, I said in a few weeks.

TREASURER KOPP: In a few weeks. I gave you a little --

GOVERNOR HOGAN: Leeway, yeah, thanks. Give him an extra couple of weeks in case the homework is late.

TREASURER KOPP: It's unfortunate we don't have it before this vote. But we look forward to seeing it when it comes.

GOVERNOR HOGAN: Thank you all very much. So, the P3 designation is approved two to one. Now we move on to the other items on the Transportation Agenda. Are there any other questions on the remainder?

TREASURER KOPP: Excuse me. Could we also see in writing at some point what it is that was voted on?

SECRETARY MCDONALD: Oh absolutely. It will be on the item when we get back to our office and type up the amendment and the amended motion and the four amendments. I have them in my notes. They will be on the item. And so, the vote is two to one, one against, is that correct?

GOVERNOR HOGAN: Yes.

TREASURER KOPP: Yes.

GOVERNOR HOGAN: Any other questions on the Transportation Agenda?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Is there a second? Three-nothing on the Transportation Agenda. We're going to move on to the Secretary's Agenda.

SECRETARY MCDONALD: Good afternoon, Governor and Madam Treasurer and Mr. Comptroller. Please leave the room quietly. We have another two hours or so of business. Maybe we'll get it done quicker than that. But we do have other State business this morning. So, we appreciate it if you leave quietly. We have 12 items on the Secretary's Agenda. We have three

reports of emergency procurements. We're prepared for your questions if you have any.

GOVERNOR HOGAN: Questions on the Secretary's Agenda? Is there a motion? Okay. Motion on -- second? Three-nothing. We'll move on to the DNR Real Property Agenda.

MS. HADDAWAY-RICCIO: Good afternoon, Governor, Madam Treasurer, and Mr. Comptroller. For the record, Jeannie Haddaway-Riccio, Secretary of the Department of Natural Resources. We have nine items on our Real Property Agenda today for which we are seeking approval and I'm happy to answer any questions you may have.

GOVERNOR HOGAN: Thank you, Madam Secretary. Any questions on the DNR Agenda? Is there a motion?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

GOVERNOR HOGAN: Second? Three-nothing on DNR. Next up is Department of Budget and Management.

MR. BRINKLEY: Good afternoon, Governor, Mr. Comptroller, Madam Treasurer. David Brinkley, the Secretary of the Department of Budget and Management. We have brought 28 items for today's Agenda. I'm withdrawing --

GOVERNOR HOGAN: That's a lot of items.

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MR. BRINKLEY: Pardon?

GOVERNOR HOGAN: Twenty-eight is a lot of items.

MR. BRINKLEY: Twenty-eight is a lot of items. I'm withdrawing Item 20. Jamie, have we received tax compliance on Item 15?

MS. TOMASZEWSKI: No.

MR. BRINKLEY: So, Governor, I'd like to withdraw Item 15 until we get the tax certificate for this particular item. And that would leave 26 items for your approval.

TREASURER KOPP: I have a question on Item 2, which is the Fentanyl advertising.

MR. BRINKLEY: Item 2-S.

TREASURER KOPP: 2-S, 2-S, yes.

MR. BRINKLEY: 2-S I have down as --

TREASURER KOPP: It's the Health Department.

SECRETARY MCDONALD: Mr. Dembrow is --

MR. BRINKLEY: Yeah, that's Department of Health.

TREASURER KOPP: It's just a question. If you could take it back to them, I don't want to take up time. But I am just very curious how they assess -- everyone knows how terrible the problem is. No question about it. How they assess the output, the results of an advertising campaign like this.

MR. BRINKLEY: So, this is not Item 2, this is a different item that you have. Item 2 is a Health Department item.

TREASURER KOPP: Yes, that's what I thought --

MR. BRINKLEY: I see.

TREASURER KOPP: Yeah.

MR. BRINKLEY: So, I have Marge Donohue, the Director of Public Awareness, the Behavioral Health Administration, listed to address that.

TREASURER KOPP: Could you take -- yeah.

MR. BRINKLEY: Yeah. We'll get that to you. As I understand this is to put some of the advertising up, then they will stay up --

TREASURER KOPP: Right. And I have no problem. I think it's, but I would be interested in knowing whether the incidence of abuse goes down or people seeking help goes up. I mean, what -- thanks.

MR. BRINKLEY: We'll get that information for you.

GOVERNOR HOGAN: Other questions on DBM?

COMPTROLLER FRANCHOT: Yes. Item 17, please.

MR. BRINKLEY: Item 17.

SECRETARY MCDONALD: Mr. James is right here.

COMPTROLLER FRANCHOT: Governor, Madam Treasurer, we're being asked to approve a request from the Department of Human Services to exercise their second one-year renewal option on 34 contracts for treatment

services for youth with serious emotional, behavioral, medical, or psychological conditions. My staff advises me that 32 of the 34 contracts in this \$75 million item were awarded to Maryland based firms. The other two contracts I'm told were awarded to firms in Washington, D.C. and one based in Alabama.

As I stated two weeks ago, the radical anti-abortion bill that was passed and enacted into law in Alabama is a malicious assault on the rights and protections of women everywhere in the United States. Simply put, Alabama's values are drastically different from the values of the people in Maryland. Therefore, I don't think Maryland tax dollars should be subsidizing directly or indirectly Alabama's assault on women. So Governor, I respectfully ask that this contract for the Seraaj Family Homes, which is \$624,000 of the \$75 million contract, be put aside for two weeks to determine whether or not these services to these kids can be transferred from the Alabama based company to one of the 32 Maryland companies and one D.C. company. I'd move for the approval of the remaining 33 contracts. But I'd like to have that specific one deferred for two weeks.

GOVERNOR HOGAN: I would just like to hear from Secretary James as to, you know, I understand your concern and I'd like to accommodate and give you some more time to hear about the issue. But I don't want to put kids in danger, you know, to make a political statement. So, I want to hear exactly what the situation is with these kids and would delaying by a couple of weeks to

get the Comptroller comfortable or provide him more information. I don't have any problem with separating it out for a separate vote, but can you tell us the situation of these kids?

MR. JAMES: Certainly. For the record, my name is Greg James. I'm Deputy Secretary for Operations at the Maryland Department of Human Services. The specific contract that the Comptroller is referring is a contract with a company named Seraaj. They do have an office here in Towson. They are licensed in Maryland to serve children who are placed in Maryland.

We currently have 20 children placed with this provider here in Maryland. All of those children are placed in Maryland with Maryland foster families. As you know, we've made a concerted effort to move kids out of congruent care in treatment facilities into foster families. These are the types of families that support those placements. Those children have been in those placements on average, most of them have been there more than year. In some cases they've been with those families for up to four years. Every time we move a child from a placement it's very disruptive to that child and it's traumatic for them and they have already been traumatized by having to come into care. So, in general, we strongly oppose any change in a placement where it's not clinically required for that child.

That said, if the Board would like an additional two weeks to consider this item, we don't believe that that will cause an immediate risk to those children.

TREASURER KOPP: It's not just two weeks for us to consider but whether you can come back with any alternative that is not headquartered in Alabama.

MR. JAMES: So, I want to stress for those 20 homes where we are hosting kids, those are all Maryland families supporting those kids. The office that we work with is in Towson, Maryland. And for the record, we will be updating the Board item to reflect that they are in -- a Maryland resident company.

COMPTROLLER FRANCHOT: Well I would just like you to take a look at it. You folks are smarter than all of us on these issues. But since there are well over 2,000 other kids covered by these other contracts, I can't imagine that something can't be constructed that would allow this company to keep the kids in the same families but move them off of the Alabama company's rolls. And I'll just leave that up to you, Mr. Secretary. You're always very creative. But I agree with the Treasurer that I would like to see some alternative brought back to us that would allow the State to put these 20 kids somehow in their same homes with these other 32 Maryland companies. I'll leave it up to you. I understand it's complicated. But that's what I would like to see.

GOVERNOR HOGAN: Yeah, let me just say, I mean, these are kids who are already traumatized. And I don't want to do anything that's going to be, you know, extremely disruptive to these foster children. But if you say it's not going to cause a problem to take another two weeks for you to at least take a look at it, pursue alternatives, spend time, get back to the Comptroller to address any concerns, and then we can vote on this in two weeks, just pull this out from this item, I'm okay with that.

COMPTROLLER FRANCHOT: Thank you.

MR. JAMES: We can certainly take another look and see if there's a way to address that without causing a profound disruption and trauma to these youth.

GOVERNOR HOGAN: So, there's been a motion --

TREASURER KOPP: I agree with the Governor.

GOVERNOR HOGAN: -- by the Comptroller to pull this item out, to delay it for two weeks. It's been seconded by the Treasurer and it passes three to nothing. We'll bring this up two weeks from now.

COMPTROLLER FRANCHOT: Thanks.

MR. JAMES: Thank you.

SECRETARY MCDONALD: You're talking about Seraaj, correct? Yes. Correct.

GOVERNOR HOGAN: Yeah. And then so, and then the rest, so I guess we have to have a motion on the remainder of that item to approve.

COMPTROLLER FRANCHOT: Move approval.

SECRETARY MCDONALD: What we will do is we will revise the item, where there's a motion to revise and revise it by taking Seraaj out and so then you can --

GOVERNOR HOGAN: Oh, so we can just approve it with the rest of the bunch? Okay.

SECRETARY MCDONALD: -- approve the item because it's now been revised.

GOVERNOR HOGAN: So, are there any other questions on the DBM Agenda?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing on DBM. Thank you.

SECRETARY MCDONALD: Thank you.

GOVERNOR HOGAN: Next we're going to go to the University System Agenda.

MR. EVANS: Good afternoon. Joe Evans representing the University System of Maryland. We have four items on the Agenda. We're here to answer any questions.

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

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Not this week.

GOVERNOR HOGAN: Not this week.

(Laughter.)

GOVERNOR HOGAN: Okay, second.

MR. EVANS: Thank you.

GOVERNOR HOGAN: Three-nothing on the University System. We'll move on to Department of Information Technology.

MR. LEAHY: Good afternoon, Governor, Madam Treasurer, Mr. Comptroller. For the record, I'm Mike Leahy, Secretary of the Department of Information Technology. Today we have 11 items on your Agenda, but we are withdrawing Items 5-IT and 10-IT, leaving nine items for your consideration.

GOVERNOR HOGAN: Any questions on DoIT?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing on DoIT.

MR. LEAHY: Thank you.

GOVERNOR HOGAN: Next is Department of General Services.

MR. CHURCHILL: Good afternoon, Governor, Madam Treasurer, and Mr. Comptroller. For the record, I'm Ellington Churchill, Secretary for the

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Department of General Services. The department has 23 items on our Agenda today and we're happy to answer any questions you may have at this time.

GOVERNOR HOGAN: We have Phil Andrews and John Dougherty signed up to speak on Item 2.

SECRETARY MCDONALD: Item 2 is a bid protest. I don't know if the Secretary wants to -- oh, here we go.

MR. DOUGHERTY: Good afternoon, Governor, Mr. Comptroller, Madam Treasurer. I'm John Dougherty of Kramon & Graham. Mr. Andrews is not here. Thank you for your time.

I represent Associated Building Maintenance Company, Inc., which is the incumbent contractor at Perkins Hospital which is what this item concerns. In the action item, DGS says it sent the solicitation to over 1,000 companies but it received only two bids. Well why was there so little competition? Because janitorial services at Perkins Hospital is not an ordinary contract. It is not an ordinary hospital. It is a maximum-security psychiatric facility for dangerous and violent people. Judge Ripken just sent the Capital Gazette shooter there for evaluation. That's the sort of facility we're talking about.

You don't clean Perkins Hospital the way you clean a nursing home or an office building. The IFB was written to require that sort of specific

experience, which is why there were only two bids. One of the bids, CMS, has been recommended for award but they did not have the required experience.

Associated has been performing without a hitch at Perkins for more than ten years with no incidents whatsoever. The cleaning staff have to pass background checks and receive special training. They have to be vigilant about their supplies and equipment. Again, this is not an ordinary contract. CMS does not have that comparable experience. They listed office buildings and nursing homes, but they have never done work as required by the IFB. And so, we filed the protest and a supplemental protest, and one of them is in front of the Circuit Court in Howard County. One of them is pending on appeal right now at the Board of Contract Appeals scheduled for a hearing on July 24th. Chairman Beam has been very quick to get us in as early as possible and we expect that will be resolved quickly but it is not resolved right now.

There is an emergency contract in place that was awarded on February 1st this year. It was reported to the Board in the Agenda on April 3rd and in that, that's a one-year emergency contract to Associated. And the reason for the 12-month emergency contract, as DGS said only two months ago, is to continue services while the contract protest is pending appeal at the Board of Contract Appeals. "DGS determined that using the incumbent for a limited time would ensure continuity of services while the dispute over the long-term contract

is resolved. A six-month option is available should the appeal process take longer than anticipated and to allow time for any potential transition of services.”

Now the revised Agenda for today says that the reason they are going to award in the face of the appeal while the appeal is pending is to allow a transition, but only two months ago that’s what the emergency contract was for. So, continuity is the emergency contract. And we are raising in these appeals what we consider some very important issues. CMS, as I said, doesn’t have the requisite experience that was required by the IFB. Some of their proposed staff at their orientation didn’t pass the background check. CMS as an entity, an LLC, has fallen in and out of good standing with SDAT. They advertised jobs for this contract when they were told that they were going to be awarded the contract almost two dollars lower than the living wage required by Maryland law. We presented that evidence to DGS. They are planning to use an improper pass through vendor --

GOVERNOR HOGAN: Can I just interrupt you one second and ask a couple of questions? Because, you’re making all the arguments from --

MR. DOUGHERTY: I am. I am.

GOVERNOR HOGAN: You lost the procurement and then your appeal was denied by the Board of Contract Appeals and now you have a case in Howard County, right?

MR. DOUGHERTY: That is correct, Governor. There is also a supplemental appeal at the Board right now raising the living wage and the MBE issues, among others.

TREASURER KOPP: That were not raised in the first --

GOVERNOR HOGAN: Are these new things or things that you already lost on twice?

MR. DOUGHERTY: They are based on once CMS had that sort of false start of an orientation where they didn't have enough staff, their staff didn't pass the background check, they started to hire. This is just in May, only a month ago.

GOVERNOR HOGAN: You're just asking is this --

MR. DOUGHERTY: I mean, I'm trying to answer your question, Governor. I'll do it more quickly, I promise.

GOVERNOR HOGAN: I mean, you were sort of, you were sort of saying, well, DGS was ignoring this stuff that you (indiscernible). I guess so did the Court of Appeals and --

MR. DOUGHERTY: No, no.

GOVERNOR HOGAN: -- so it's like --

MR. DOUGHERTY: This came up a month ago. CMS started to try to hire my client's staff, which is where the MBE pass --

GOVERNOR HOGAN: So, it's new information?

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MR. DOUGHERTY: It is new information.

GOVERNOR HOGAN: Okay.

MR. DOUGHERTY: Absolutely, Governor. We wouldn't raise it if it were stale. You know --

COMPTROLLER FRANCHOT: Can I just ask a question?

MR. DOUGHERTY: Yes, Mr. Comptroller.

COMPTROLLER FRANCHOT: What did they tell you is the substantial State interest in cutting off your appeal?

MR. DOUGHERTY: The only thing that's listed in the Agenda is the need for a smooth transition, which of course the emergency contract leaves eight more months that will allow that. The appeal can be resolved, and we can still have a smooth transition.

COMPTROLLER FRANCHOT: I'd love to hear from Mr. Gnall, our expert on all this stuff. Because you know I'm not sure where the merits are on this. But if there is a bid protest and it's valid, I'm a little concerned that we're moving forward in the face of that. We've done it before but generally there's a substantial State interest cited.

MR. GNALL: Yeah, good afternoon, Governor, Madam Treasurer, Mr. Comptroller. For the record, my name is Gabe Gnall and I'm the Board of Public Works Procurement Advisor. The substantial State interest stated in the Agenda item is to avoid delays in completing the security and orientation

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requirements necessary to begin work. In my opinion, it is questionable how substantial that described State interest is in comparison to previous items that have come before the Board in the face of protests and appeal. We have seen items in the past that have, you know, proposed saving the taxpayers millions of dollars. We've seen new contract models with greater efficiencies. We've seen new contract awards with additional requirements to improve a State service. But in this one, the stated substantial State interest is not really unique to this recommended award. Any non-incumbent awardee would have to go through the same security and orientation process to begin work at this facility.

That being said, while I do question the substantial State interest stated, I have greater concerns as to whether this appeal constitutes a second bite at the apple and whether the Board of Public Works should hold up procurement awards that have already been litigated at the MSBCA. The questions raised in the second appeal, again there is a second appeal before the Board of Contract Appeals, and the issues raised, they question the recommended awardee's ability to staff the contract and meet the MBE goal and living wage requirements. The allegations are not based on the face of the recommended awardee's submitted bid documents but rather on the appellant's observations of an orientation session conducted by the recommended awardee in preparation for beginning work on this contract.

In my opinion the issues raised go primarily to potential future contract performance and management and not to the recommended awardee's commitments made within its bid documents. The incumbent again argues that the recommended awardee may not be able to staff its contract, may not be able to meet the MBE goal, may not be able to pay living wage, but the recommended awardee has not yet had the opportunity to actually begin work. And they have not had an opportunity to see if they can do those things to meet those contract requirements.

When the contract commences the department can monitor the contractor's compliance. It can make sure that they are meeting those requirements, and if not they can take appropriate action if necessary. In my opinion, allowing additional subsequent appeals at the Board of Contract Appeals to delay contract awards could lead to the process, the appeal process being labeled as an incumbent protection program or plan. A balance needs to be struck between allowing parties their day in court and moving forward with procurement awards.

COMPTROLLER FRANCHOT: Okay. Well I can understand that from a legal perspective. But aren't we dealing with a situation here that's pretty unique as far as the actual performance of the duty, and therefore shouldn't we go as slowly as possible? And obviously I'm the one who invented the phrase incumbent vendor protection program.

GOVERNOR HOGAN: You invented that?

COMPTROLLER FRANCHOT: Yes, I swear to God, I did.

Repetition is always the best author, I guess. But isn't this a situation that has some uniqueness to it that to the extent the Council says they are trying to schedule this as quickly as possible in the other court that it's less clear that this is some kind of delay process and more likely a genuine concern about the ability to perform and --

MR. GNALL: I think it's unique in the sense that, again, the appellant's arguments are not based on anything submitted with the bid, their competitive bid. They are not related to anything directly related to the selection process. They are related to things that may occur once the contractor, the recommended awardee, starts business. Whether or not they can actually meet the MBE goals, whether or not they can staff the contract, whether or not they can meet living wage. There are a lot of what-ifs I think that are being argued here. And I think we the State will not know unless the actual contractor is allowed to begin work on the contract to see if they can perform. Can they staff that contract? Can they meet the MBE goal? Can they pay living wage? Again, there's a lot of allegations made. But again, in the sense of my opinion, these things cannot be determined until the actual contractor is given an opportunity to start work.

GOVERNOR HOGAN: Yeah, maybe we can hear back from Mr. Dougherty about why he thinks he has the argument before Howard County Circuit Court. Because to hear that argument, if there are no arguments about the actual process itself in awarding the contract and you are just making allegations about whether or not this potential, this bidder is going to be competent or not, I'm not sure the court is going to be able to rule on that for you.

MR. DOUGHERTY: Well the IFB was written in a way that excluded, you know, 1,988 prospective vendors who received the solicitation and didn't bid because it required three complete and consecutive years comparable in scope, type, size, magnitude and complexity to Perkins. And the document attached to the bid that CMS submitted lists an assisted living facility, an office building where they are doing floor cleaning or window cleaning. Nothing like Perkins. So that's the issue at the Circuit Court in Howard County, Governor.

GOVERNOR HOGAN: Your, your case before the Circuit Court is saying the bid was wrong?

MR. DOUGHERTY: The bid --

GOVERNOR HOGAN: Not the bidder was --

MR. DOUGHERTY: -- was absolutely not compliant with the requirements of the Invitation for Bid. And the Board, the Board didn't agree with that but that is the issue. But on the other issue, though, the living wage, CMS certified in Attachment G that it would pay the tier one living wage of

\$13.79 an hour. They advertised, this is CMS, LLC for a hospital cleaner in Jessup, Maryland, they are going to pay \$12.00 an hour. So, you've got someone who is cutting corners. Perkins is not a place where you want to cut corners, Governor. It is, the --

GOVERNOR HOGAN: And none of this was brought before the Contract Appeals Board?

MR. DOUGHERTY: No, Your Honor. No, Governor. It, the --

GOVERNOR HOGAN: I didn't even go to law school.

MR. DOUGHERTY: I'm sorry.

GOVERNOR HOGAN: Your Honor is pretty good.

(Laughter.)

COMPTROLLER FRANCHOT: Yeah.

MR. DOUGHERTY: The, I'm more used to a courtroom than this setting, so deal with me, please. But the, you know, the issues were brought of within days of when I was retained and when they were discovered. I am a different counsel than handled the earlier protest and appeal.

To the Comptroller's question about cost, under the emergency contract Associated is actually less expensive than CMS will be under the contract that is in front of the Board today. So, one thing the Board is voting on today is while due process is exhausted, DGS is proposing that you spend more money

every month for the next eight months instead of less while due process is exhausted.

GOVERNOR HOGAN: Thank you.

MR. DOUGHERTY: So, in terms of -- thank you, Governor.

GOVERNOR HOGAN: Any other questions?

TREASURER KOPP: Could we just hear from the department?

MR. CHURCHILL: Yes. We have Dana Dembrow from the Maryland Department of Health.

MR. DEMBROW: And may it please the Board, my name is Dana Dembrow, Director of Procurement for the Maryland Department of Health. I see the Treasurer looking at me as she asked that question. I should first let you know that contracts for custodial services and guard services at buildings is within the exclusive province of the Department of General Services. So, the Department of Health was not involved in this procurement. However, the procurement officer Danny Mays did a wonderful job with this procurement in my view. I've reviewed it. What has been represented to you is accurate and Danny can elaborate further.

MR. MAYS: Thank you, Dana. Good afternoon, Mr. Governor, Mr. Comptroller, Madam Treasurer. For the record, Danny Mays, Director of Procurement for the Maryland Department of General Services. It's important to note that the emergency contract is actually a six-month contract with an option if

the emergency still existed to move forward. It's also important to note that many of the counsel's points that they have raised have already previously been adjudicated through the MSBCA during the initial protest and appeal process. Simply because the incumbent decided that they could find more effective counsel should not grant them a second bite at the apple, as Mr. Gnall mentioned. So many of the issues they are raising in terms of the actual IFB process and the responsibility of CMS --

GOVERNOR HOGAN: Well it's nice of you to call him more effective counsel, though.

(Laughter.)

MR. MAYS: But it's important to note the difference between what's already been before the MSBCA and what's in this supplemental protest. And there's an overarching concern that the precedent of allowing an endless loop of protests from incumbents to delay the award to the rightful awardees in contracts is a problematic procurement process to lay out. So, I think that we're at the point now where we have gone slow. We have been methodical. We did give that six-month emergency period for the original protest and the original appeal to be fully adjudicated. That happened and now they have their day in court. Mr. Governor, as you said in open session, they can have their day in court. But we need to award contracts when it's right to do so. And COMAR gives the Board the right once an appeal has been fully adjudicated by the

MSBCA to award the contract regardless of if the protestant feels that they want to go to Circuit Court.

So, from our standpoint, we have an awardee that is ready to start work. They have been delayed greatly which has affected their capability to retain staff. They thought they were starting the contract in February. If I told you I had a great job for you in February and then said, oops, it's not starting until August, I'm not going to retain those folks anyway. So, to allow this to continue is problematic and quite frankly potentially harmful to the person who gave us the lowest responsive responsible bid.

GOVERNOR HOGAN: Great. Thank you very much.

MR. MAYS: Thank you.

GOVERNOR HOGAN: Any other questions on the DGS Agenda?

Is there a motion?

COMPTROLLER FRANCHOT: I'd like this item pulled out because I just don't buy the scenario here that this is trying to prevent --

GOVERNOR HOGAN: So --

COMPTROLLER FRANCHOT: -- an abuse of the procurement process. Just if I could just conclude. And you know, this is something that is a very sensitive institution that we're dealing with and the fact that you've got information coming in that there may be performance problems, that's going to take you guys months to ascertain. And I just, given the fact that this seems to be,

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from the counsel's perspective, a legitimate effort not an illegitimate effort to stretch out the season. In fact, the State will be saving money according to his testimony if we extend this. And it gives you time to ascertain what --

MR. MAYS: If I may --

GOVERNOR HOGAN: That's okay. So, you want to make a motion to pull this out?

COMPTROLLER FRANCHOT: Yes. Please.

GOVERNOR HOGAN: Is there a second? No. So, it dies for lack of a second. Is --

TREASURER KOPP: Could I just ask one question of your department? No, your department. You all have looked at this and you are perfectly comfortable keeping the recommendation that you're making to us?

MR. MAYS: Yes, Madam Treasurer. It's important to note this was an Invitation for Bid. So, it's if you meet the minimum qualification, it becomes the lowest responsive responsible bidder. We've done a very thorough vetting process and it was upheld by the MSBCA. We are very confident that we have a responsible contractor ready to start work on August --

COMPTROLLER FRANCHOT: Terrific. That's a great thing.

TREASURER KOPP: And who will be able to do the job with the sort of people, this is your chance, that your department needs?

MR. MAYS: Our department has no concerns about the responsibility and the ability of this vendor to perform. And to speak to the Comptroller's point, we simply don't know the performance issues until they are given the opportunity to perform --

COMPTROLLER FRANCHOT: Well let me suggest that you'd better pray at night that there aren't. Because I'm going to be all over this. I'm adopting this little contract. And if there is a peep or squeak from, whatever, what's it called?

MR. MAYS: Clifton T. Perkins.

COMPTROLLER FRANCHOT: Clifton Perkins Hospital, I'm just going to be all over it. Because it is just blinking yellow lights right here.

TREASURER KOPP: And quite candidly I'll be right behind him.

COMPTROLLER FRANCHOT: Yeah. Well I need a second vote now.

(Laughter.)

GOVERNOR HOGAN: That's funny.

SECRETARY MCDONALD: It does look like we need a separate vote on Item 2-M, though.

GOVERNOR HOGAN: Right. So --

SECRETARY MCDONALD: Just on Item 2 --

GOVERNOR HOGAN: -- we just need to know if there are any other questions on the DGS Agenda. And if there's a motion, I'll move that we approve the rest of the entire Agenda.

SECRETARY MCDONALD: Okay. Well my suggestion is maybe somebody make a motion to approve 2-M and then we go to the balance of the Agenda. That way they can have a separate vote on 2-M if the Comptroller --

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR HOGAN: Oh yeah, that's a good idea.

SECRETARY MCDONALD: Okay so --

GOVERNOR HOGAN: I'll move that we approve 2-M.

SECRETARY MCDONALD: So, approve 2-M.

GOVERNOR HOGAN: Second? Two to one. The Comptroller --

SECRETARY MCDONALD: And it's two to one.

COMPTROLLER FRANCHOT: Thank you, Governor.

SECRETARY MCDONALD: Thank you. And now the balance.

Thank you.

GOVERNOR HOGAN: And now would you like to make a motion for the balance --

COMPTROLLER FRANCHOT: Move for the approval of the balance.

GOVERNOR HOGAN: Second? Three-nothing on the balance. Now that is the conclusion of the meeting by one last item. At this time, I just want to give, it's been a long meeting, but I want to give a special shout out to our outgoing BPW liaison Mark Newgent. Mark --

SECRETARY MCDONALD: Yes --

(Applause.)

GOVERNOR HOGAN: He really has done an incredible job for us and for the taxpayers for the last four years. And he's going to continue to be a part of the administration. He's going to be going over and taking over as the Director of Procurement at the Maryland Department of Transportation. So --

SECRETARY MCDONALD: Yeah.

(Applause.)

GOVERNOR HOGAN: -- I am, I am looking forward to bringing him up to this podium and grilling him --

(Laughter.)

GOVERNOR HOGAN: -- relentlessly in the future. I have a Governor's Citation. Thank you --

(Applause.)

(Whereupon, at 1:45 p.m., the meeting was concluded.)