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

October 2, 2019
10:09 a.m.

PRESENT

HONORABLE BOYD RUTHERFORD

Lieutenant Governor

HONORABLE NANCY KOPP

Treasurer

HONORABLE PETER FRANCHOT

Comptroller

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CONTENTS

Subject	Agenda	Witness	Page
Update on Procurement Reform		Lieutenant Governor Rutherford Robert Gleason	5
Update on Chesapeake Bay Bridge Construction		Pete Rahn	25
Southern Maryland Pre-Release Unit Wastewater Treatment Plant Preliminary Engineering	SEC 10, p. 11	Withdrawn	43
Emergency Modification of Contract for Janitorial Service to add Sweeney District Court and Courts of Appeal Buildings	SEC A1, p. 14	Sheila McDonald Ellington Churchill	49
Emergency Repairs of Heat Exchangers at Baltimore Central Booking and Intake Center	SEC A2, p. 16	Sheila McDonald Ellington Churchill Chris McCully Kate Dixon	54
Emergency Repairs to 30-Ton Chiller at Jessup Correctional Institution	SEC A3, p. 17	Sheila McDonald Ellington Churchill Chris McCully Kate Dixon	56
Emergency Replacement of Sanitary Line at Western Correctional Institution	SEC A4, p. 19	Sheila McDonald Ellington Churchill Chris McCully Kate Dixon	56
Architecture and Engineering Modification for Reconstruction of Lawyers Mall	DGS 2-AE- MOD, p. 57	Ellington Churchill	64
Grant to the Board of Directors of the Ronald McDonald House Charities of Baltimore, Inc.	DGS 4-CGL, p. 83	Ellington Churchill Emily Zikorus	68

Modification to Lease for Comptroller's Office in Waldorf	DGS 5-LT-MOD, p. 78	Ellington Churchill Wendy Scott-Napier	73
Program Open Space Local Share Projects in Wicomico County	DNR 5A, p. 24	Jeannie Haddaway-Riccio Del. Carl Anderton	79
Potomac-Garrett State Forest Timber Sale	DNR 9A, p. 28	Jeannie Haddaway-Riccio	81
On-Call General Contracting Services for Small Projects	USM 2-C-OPT, p. 31	Joe Evans	86
Generator Replacement at SHA Facility in Owings Mills	DOT 3-C, p. 41	Mark Newgent Yasin Mohammed	87

PROCEEDINGS

LIEUTENANT GOVERNOR RUTHERFORD: Good morning.

ALL: Good morning.

LIEUTENANT GOVERNOR RUTHERFORD: We actually should have less chairs around this table now --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: -- given that we've had some reorganizations taking place. We'll see how that plays out. And then if we had a little less chairs around, maybe we can have another row of --

TREASURER KOPP: Real people.

LIEUTENANT GOVERNOR RUTHERFORD: -- real people.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Citizens. Citizens. I'm going to just talk briefly about the reorganization of the State's procurement process that took place. And the result of that is that we don't need the, you know, to waste the time of two cabinet secretaries who are very busy and could be doing a lot of other things. You know, making sure that we're operating efficiently.

But the Office of State Procurement was established within the Department of General Services and it reorganized and consolidated State

procurement within two primary control agencies: Transportation and Department of General Services. In fact, this is the way it was many years ago, that, when the Department of General Services was the chief procurement agency for the State. It is transferring the control and the oversight authority to DGS from the Departments of Budget and Management and the Department of Information Technology, as well as the Capital Construction Unit from the Department of Public Safety and Correctional Services.

And over the past couple of years we've been working to improve the efficiency of our procurement within the State. We had a procurement commission, Procurement Modernization Commission, a couple of years ago, which the Treasurer and the Comptroller also were on that commission, that had a number of recommendations, including consolidation to make it less complicated for the vendor community, as well as to make the assessment and determinations and interpretations of regulations much more consistent. And so we've taken that step.

We thank the Legislature for agreeing and passing House Bill 1021. And now we have, and the Governor appointed, a Chief Procurement Officer, who is here today. And you've heard from him before when he was the Senior Procurement Executive, and that's Bob Gleason, or Robert Gleason to be correct. He has now been appointed to that position of Chief Procurement Officer. And if I can ask Bob just to come up for a quick moment? I know

you're probably not prepared to say anything -- oh, okay. Your football. Okay. We've seen that before.

But Bob came to us from the Commonwealth of Virginia, we did a national search, where Bob had been the Senior Procurement Officer in Virginia, where he managed Virginia's enterprise eProcurement System and program and has over 25 years of public and private purchasing experience, is a certified public purchasing officer, and has been very much involved in procurement, as I just mentioned, for many years. He served our country in the Army for 12 years in the field artillery with NATO Central Army Group, and is currently a member of the National Institute of Governmental Purchasing, as well as the National Association of State Procurement Officers, and serves on their board representing our great State. Bob, I could go on, but I'll let you --

MR. GLEASON: No --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: -- just so you're not standing up there being too bored.

MR. GLEASON: Thank you very much. And you have a lot of business to do so I'm going to make this very short. First of all, I want to thank you. For the record, my name is Bob Gleason. I am now the Chief Procurement Officer with the Department of General Services, State of Maryland, and the new Office of State Procurement.

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So this journey began for me two years ago. I brought the ball here simply because it's a visual and it represents sort of a vision of how we come together. Procurement is a team sport and I rapidly realized there's a lot of stakeholders here. This is just not a procurement transformation as much as it is a business transformation in terms of personnel, finance, information technology, and all the other elements of government. So it simply became a way that we could talk about how we do business through procurement, contracting, and commercial management. I thought that was mine. I turned it off.

(Laughter.)

MR. GLEASON: So I just want to thank all of you, everyone who has participated. The ball is available for signature, if anyone wants to be a player on the team. You know, I'd like to thank my wife for this --

LIEUTENANT GOVERNOR RUTHERFORD: Yes, as always.

MR. GLEASON: -- who, you know, gets to listen to procurement, as well as my family. But also, all of the secretaries here, the Secretary of General Services, Secretary Churchill, for all of his support. And I'd like very quickly to recognize anybody who is a procurement officer here in the room, if you would please raise your hand or stand or somehow give a visual --

LIEUTENANT GOVERNOR RUTHERFORD: Jamie --

MR. GLEASON: -- this is what it's about. And so to them goes the credit of what we've accomplished in the last two years. We have a great

story to tell. You mentioned NASPO. I'll mention that our annual meeting for NASPO is going to be held at National Harbor next year. We've already got the attention of all the other states and they are very excited to see what's going on here. And I think we are a model of excellence for the rest of the country. So thank you very much.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.
Thank you very much, Bob.

(Laughter.)

MR. GLEASON: And there's much more work --

LIEUTENANT GOVERNOR RUTHERFORD: Sure. Hey, Bob,
before you leave, I know --

MR. GLEASON: Yes, sir. Questions?

LIEUTENANT GOVERNOR RUTHERFORD: -- the
Comptroller has a couple of questions.

COMPTROLLER FRANCHOT: First of all, since you were a
member of the U.S. Army, which I was many years ago also, I wonder if I could
give you one of my challenge coins?

MR. GLEASON: Yes, sir.

COMPTROLLER FRANCHOT: Yep.

(Applause.)

COMPTROLLER FRANCHOT: And I wondered if you could stay up, Mr. Gleason. I just have a couple of quick questions. But I wanted to start by congratulating the Lieutenant Governor on this newly reorganized procurement apparatus that you are now going to be the steward of. And I want to particularly congratulate Boyd Rutherford for his work, and the members of your team --

LIEUTENANT GOVERNOR RUTHERFORD: Oh, thank you.

COMPTROLLER FRANCHOT: -- who worked on the reorganization. And I, obviously along with the Treasurer and others who have served on this Board, we've always been consistent advocates for reforms within the procurement system that increase transparency, accountability, fairness, guarantees a good deal for the taxpayers' investment. We're dealing with taxpayers' money here. They entrust us with investing their hard-earned money in the most cost effective and efficient services.

So Mr. Gleason, I just wanted to ask a couple of quick questions, because over the years I've worked to address the amount of single bid contracts that appear before the Board on a regular basis. How will this new procurement system work to reduce the number of single bids, and six months from now should we expect any single bids to come before this Board under the new system?

MR. GLEASON: Yes sir --

COMPTROLLER FRANCHOT: And once again, the single bid is
a --

MR. GLEASON: Right.

COMPTROLLER FRANCHOT: -- you know, you never know
whether you are going to get a good deal. Everybody tells us and romances us on
how, what a great deal it is for the taxpayers. But it's a little bit hard to find the
truth --

MR. GLEASON: Well, thank you, and I --

COMPTROLLER FRANCHOT: -- of that if there's no
competition.

LIEUTENANT GOVERNOR RUTHERFORD: Can I give an
opinion on that before --

COMPTROLLER FRANCHOT: Sure. No I --

LIEUTENANT GOVERNOR RUTHERFORD: -- you answer? I
think one possible solution to the single bid, and we've talked about it before, is
utilizing the expertise of the, our procurement professionals to possibly amend or
waive certain provisions in our standard contract provisions. There are some of
the terms and conditions that create a situation where vendors don't want to bid.
Unlimited liability is one of them. And so, we have situations, we had that with
the eMaryland Marketplace Advantage, which I credit Bob for leading the effort
to get the update. But there are vendors who are not doing business in the State

currently that they send the contract back to headquarters, some other state, and they say, we're not going to do business in Maryland. And what happens is the incumbents that are used to doing business here, they'll do it. They'll just say, oh, okay, we're used to seeing that. It's not a big deal. And so we need to have flexibility. And I know sometimes the departmental, you know, attorney generals, assistant attorney generals will talk about these provisions. But really, that's a policy decision and not a legal decision. And I, you know, always press, and this is separate from those provisions, but I always press executives either in private industry or in government that you don't let lawyers make business decisions. They make legal decisions. If it's not in statute or regulation or the courts have their precedent, they have to step back. They can talk about risk. But then it becomes a business decision.

So that's one place that I think can address the issue. Now, Bob may have others.

MR. GLEASON: Well, thank you, Mr. Comptroller. That's a complex question, or a question with many complex answers. In going through the transformation, it became, it's the old people, process, and technology in terms of the transformation and the effort.

The Lieutenant Governor talked about one element of this. The procurement officers and -- no one wants a single bid. It represents a procurement that is not ideal. And so to frame up the solicitation or the ask of the

marketplace in terms of the solutions that the State needs either hasn't been articulated correctly, or there is something that inhibits the marketplace from wanting to be able to respond.

So these are all things that we're going to address through training, through policy, regulation, recommendations to the Procurement Improvement Council, which has occurred to me to maybe retitle with a working title of maybe Procurement Innovation Council. So that we can look at some of these different pieces and parts of the system or the establishment under which we do commercial management with the State and then address each of them as we can.

So six months? I'm fine with that. I'd like to do it next month. But you know, the realities of changing governmental structures and regulations and policies --

COMPTROLLER FRANCHOT: Well, thank you. No, that answer is fine. We're not looking for perfection. But we've had about a 75 to 80 percent drop in the number of single bid contracts. That last chunk that we haven't, that we still see, may benefit from the flexibility that the Lieutenant Governor just mentioned, which I would strongly support also. But anyway, competition is always good if you have two.

MR. GLEASON: One of the things I encountered when I came was we have a lot of lawyers, as the Lieutenant Governor alluded to, and they have a say in a lot of how we develop our rules. And that's a good thing. But on

the other hand, the risk can't always outweigh the opportunities in terms of what the public body has to achieve in a contract. So we're going to work to balance that equation so that opportunity is factored in as much as --

COMPTROLLER FRANCHOT: Thank you. That was excellent. I just have a couple of other questions.

MR. GLEASON: Yes, sir?

COMPTROLLER FRANCHOT: On the aspirational goal of more competition, hopefully we'll be seeing more than two bids on standard contracts. And I'm not, I'm sure you're in support of that. I'm just, I encourage you to look for more competition rather than just the two that we often end up with, particularly on big contracts.

MR. GLEASON: Yes, sir.

COMPTROLLER FRANCHOT: And then I noticed today that our Agenda is quite light. I would hate to think that the reforms and the structure of the procurement system are in any way disrupting the normal flow of contract awards to this Board. Do you have a --

MR. GLEASON: Not that I'm aware of, no.

COMPTROLLER FRANCHOT: No? So let's keep an eye out, if you would, for what I call creative ideas from agencies about how to avoid and bypass the Board of Public Works through retroactive contracts, overly broad State government wide contracts that limit opportunities to a select group of

vendors. Just, if you could, realize that this Board has got a historic responsibility as far as transparency and accountability. And we can't do it if we don't see the contracts.

MR. GLEASON: Yes, sir. If I could also add thanks to your staff and that of Madam Treasurer. They have been very helpful in articulating some of our solutions that we're working towards, mitigating the points that you just raised. So I would say that we will address these things in time. More competition is better.

LIEUTENANT GOVERNOR RUTHERFORD: Yep.

COMPTROLLER FRANCHOT: Thank you. And make sure that we don't see a proliferation of extensions of contracts that we didn't realize could be extended, just so they don't have to come before us. That, I'm not saying that's the case. I'm just saying --

MR. GLEASON: I'm still in discovery mode.

COMPTROLLER FRANCHOT: Yeah, there you go.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

COMPTROLLER FRANCHOT: Keep your elbows up.

LIEUTENANT GOVERNOR RUTHERFORD: Right. Right. Yeah. It is interesting that, you know, we, within the executive branch we often are pushing back -- Bob, thank you very much.

MR. GLEASON: Yes, sir.

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LIEUTENANT GOVERNOR RUTHERFORD: We often are pushing back on our own agencies --

TREASURER KOPP: Could I, could I ask --

LIEUTENANT GOVERNOR RUTHERFORD: Oh, I'm sorry. The Treasurer.

MR. GLEASON: Yes, ma'am.

LIEUTENANT GOVERNOR RUTHERFORD: I'm sorry. I should have turned --

TREASURER KOPP: I don't mean to interrupt.

LIEUTENANT GOVERNOR RUTHERFORD: But we're often pushing back on our own agencies that, you know, propose legislation, I won't name the particular agency, to potentially avoid bringing certain matters to the Board of Public Works. And it's like, mm, no. We want them to come to the Board of Public Works. And I am one person who really enjoys the Board of Public Works, one of the few and the proud and the brave who enjoy it. But I do think --

MR. GLEASON: I'm feeling this, too.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Yeah. I believe you understand government a lot more when you know where the money is going. And if you want to understand what happens at the State level, go to the Board of

Public Works. You've got to go more often because this is a small Agenda and I think they did that because I'm here.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: So but thank you. Do you have questions?

TREASURER KOPP: Yeah. I want to congratulate you and do agree very much with the point the Comptroller made about getting as much competition as possible. Also, however, we have to get the contracts out and get the services to the people. And to shut down things just because you don't have more than two contracts is a problem. So, two bidders, so God bless you. But I am really --

MR. GLEASON: -- it's them.

TREASURER KOPP: -- God bless them. God bless you all.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Real good.

TREASURER KOPP: Somebody said that before me, I think.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Real good.

TREASURER KOPP: Real good, yeah. I'm really interested in your new ability to bring on what's really a procurement core, across the State, in different agencies, with consistent training and perhaps even like an SES with

some movement among the people. I know MDOT has started a, what, Procurement University?

MR. GLEASON: Academy.

MR. RAHN: Mm-hmm.

TREASURER KOPP: And I think that that sort of training will make a huge difference. It won't entirely make up for the fact that we don't have enough people doing the work, I believe, especially in the light of turnover and retirements. But it will do a tremendous amount. And if there's anything we can do to help you with that goal of a consistently and well-trained core of procurement officials, I think it would probably be the best thing that we could do. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: That is, you know, at the foundation of our Procurement Task Force. And even --

TREASURER KOPP: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: -- before then when I was at General Services, I wanted to, what I said, professionalize our procurement operations and make sure that our procurement officers had the training and capabilities that they really need. And so I know that that is one of Bob's mandates, is the training and --

TREASURER KOPP: Well, I hope that over time we can maybe get some reports from the procurement --

MR. GLEASON: Certainly. We're going to provide updates periodically. But I would also add that the administrative work plan that we submitted to the General Assembly as a result of the legislation that the Lieutenant Governor mentioned included the development of the work force --

TREASURER KOPP: Yes.

MR. GLEASON: -- as well as a Maryland Procurement Academy --

TREASURER KOPP: Yes.

MR. GLEASON: -- that would outline certain levels of certification and training, both at entry level all the way through to senior management. So that we begin to sort of inculcate this standardization or harmonization of standards and processes, as well as best practices, as they are done universally in other states and as they can be done here. Working also with our local government colleagues to make sure that we have some consistency in how we develop our contracts and our solicitations for the benefit of our suppliers to maximize competition. Everything is kind of connected to everything else from the people and process perspective. So that's in the plan.

TREASURER KOPP: That's music to my ears. That's great. I mean, that really is very good. Now we have to see the plans actually --

MR. GLEASON: We actually just hired a Chief Learning Officer. She should be joining us next week. So we're on the journey --

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TREASURER KOPP: And I hear, I don't know whether it's with you or with the Secretary, we have a Chief Sustainability Officer or a Director for Sustainability. Is that right?

MR. CHURCHILL: That's in our Office of Energy.

TREASURER KOPP: Okay.

MR. CHURCHILL: Which looks at sustainability issues.

TREASURER KOPP: Because there's got to be a way of working a knowledgeable and focused look at the impact on climate change and the impact of climate change on the ability to sustain the government. And I know you have green purchasing. But this goes even beyond green purchasing.

MR. CHURCHILL: And a Green Purchasing Committee, yes.

TREASURER KOPP: Maryland should be a leader in working these concerns, I believe, into our total procurement process.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

TREASURER KOPP: God bless you.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Very good.

(Laughter.)

MR. GLEASON: Us. It's a team.

LIEUTENANT GOVERNOR RUTHERFORD: Can I have --

TREASURER KOPP: And congratulations on bringing NASPO here. That's a terrific sign.

LIEUTENANT GOVERNOR RUTHERFORD: Yes, very good.

MR. GLEASON: We'll have quite a story to tell them. So.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you.
Madam Treasurer, any other opening comments?

TREASURER KOPP: Well, yeah. I know the Comptroller has some concerns which --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

TREASURER KOPP: -- which I share. But I came across, I thought you would be interested in this, Governor, when I heard you were here.

LIEUTENANT GOVERNOR RUTHERFORD: Oh.

TREASURER KOPP: Because we discussed the --

LIEUTENANT GOVERNOR RUTHERFORD: Oh, the first --

TREASURER KOPP: -- the --

LIEUTENANT GOVERNOR RUTHERFORD: -- can we call them filling stations?

TREASURER KOPP: Filling -- exactly.

LIEUTENANT GOVERNOR RUTHERFORD: They used to call, for the old-timers here, they used to call --

TREASURER KOPP: They are not gas stations anymore.

LIEUTENANT GOVERNOR RUTHERFORD: -- gas stations, yeah, so they used to call them filling stations. I'm going to the filling station. So, okay.

TREASURER KOPP: When you were last here, we discussed the need --

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: -- to increase the electric component in our fleets --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: -- to go electric, if we're going to be clean.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: And one of the concerns, obviously, is the infrastructure of --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: -- filling stations.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: And I would just point out, Comptroller, that Takoma Park --

LIEUTENANT GOVERNOR RUTHERFORD: In your neck of the woods.

TREASURER KOPP: -- is the first location to have a commercial all electric filling station.

COMPTROLLER FRANCHOT: Fabulous.

TREASURER KOPP: Obviously, people think there is a need and there will be a profit. And that goes way beyond the infrastructure which the State itself --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: -- is setting up. So I just thought this was a terrific move. And thank you --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

TREASURER KOPP: -- for sharing it.

LIEUTENANT GOVERNOR RUTHERFORD: No. I like that. We'll see how it plays out. But, you know, one of the things, and when I saw the article I talked to my wife about it, was, you know, I think the great locations would be places where people are going to be there for a little while. Because one of the --

TREASURER KOPP: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: -- challenges that they have is it takes about 20 minutes to do it. And so the person who is used to having a gas powered vehicle, it's like four or five minutes. But if you're at a grocery store --

TREASURER KOPP: Right.

LIEUTENANT GOVERNOR RUTHERFORD: -- and you use it, or you're at a restaurant and you use it, you know --

TREASURER KOPP: Coffee shop?

LIEUTENANT GOVERNOR RUTHERFORD: -- coffee shop, yeah.

TREASURER KOPP: Office.

LIEUTENANT GOVERNOR RUTHERFORD: You stand in line for your --

TREASURER KOPP: Home.

LIEUTENANT GOVERNOR RUTHERFORD: -- four dollar coffee --

TREASURER KOPP: Twenty minutes? Twenty minutes, you can have a nice cup of coffee.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah. So, you know, so that would be, I think, but a place like Maryland House I think would make sense, too.

TREASURER KOPP: Mm-hmm.

LIEUTENANT GOVERNOR RUTHERFORD: Is there any additional --

TREASURER KOPP: No.

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LIEUTENANT GOVERNOR RUTHERFORD: Okay.

TREASURER KOPP: That was the great discovery of the week.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

TREASURER KOPP: It is, by the way, a renovated --

LIEUTENANT GOVERNOR RUTHERFORD: Gas station.

Yeah.

TREASURER KOPP: -- gas station. Which is even better, symbolically.

LIEUTENANT GOVERNOR RUTHERFORD: So you can still call it a filling station. Mr. Comptroller?

COMPTROLLER FRANCHOT: Is it appropriate to ask the Secretary of Transportation? Did you want to start that off?

LIEUTENANT GOVERNOR RUTHERFORD: Yes. Yes.

COMPTROLLER FRANCHOT: If I could get, Secretary Rahn, if you could come up, I would have a few questions to ask about the two-year repair and rehabilitation project for the Chesapeake Bay Bridge. And just for the audience, I think the Secretary has an engagement that he has to leave early to. So I just wanted to get a few facts out on the table, if I could, at the beginning, and then let you move on to where you were headed to, Mr. Secretary.

I think everyone is disturbed and I frankly think there's a lot of anger and frustration from the news report of last Friday's traffic jam and

apparently stretched for 14 miles and lasted for more than 10 hours. It's my understanding that -- this is at the Chesapeake Bay Bridge. It's my understanding that at 8:20 p.m. the tolls for the Bridge were waived until the backups cleared up around 11:20 p.m. And you can imagine what motorists and, I'm not sure how first responders deal with that, but other folks that are either trying to get home from work or get to work.

So I obviously support, and everybody does, the critical importance of maintaining the Bridge. It's been deferred for years and it's very, very important what you have embarked upon. I have to say I'm not at all convinced that suitable foresight was given or that sufficient steps were taken to mitigate the burden and safety risks associated with this massive project. The Chesapeake Bay Bridge is not just a luxury, it's an unconditional economic, social, and public safety necessity. When commuters can't get to work on time, when first responders can't make it to the scene of an emergency, or when products cannot be transported to markets in a timely manner, our entire State frankly suffers. And these are the conditions which we're now faced with. And residents of Kent Island and Queen Anne's County, who experience unbearable traffic conditions during the summer months due to beach traffic, are now being told that westbound Bridge traffic will be halted for what MDOT is describing as short periods until eastbound traffic clears up.

Obviously, we've known the project was coming for a long time. Projects of this magnitude, we're talking about a \$27 million project to be completed over a two-year span, don't happen overnight. I hope that the planning associated with the project involved meetings with stakeholders, exploration of alternatives, local elected officials, etcetera.

Let me ask a few questions. What traffic mitigation strategies were contemplated in advance, before the closures?

MR. RAHN: Mr. Comptroller --

COMPTROLLER FRANCHOT: Yes?

MR. RAHN: -- thank you for the questions. Thank you for the opportunity to address these early and I appreciate the accommodation of my other appointment. I wasn't supposed to be here.

LIEUTENANT GOVERNOR RUTHERFORD: Identify yourself, sir.

MR. RAHN: Oh, yes. For the record, my name is Pete Rahn. I am the Secretary of the Maryland Department of Transportation.

LIEUTENANT GOVERNOR RUTHERFORD: Hey, before you start, just one thing I would say and we were talking about the Board of Public Works. That \$27 million contract does not come to the Board of Public Works. If it had come to the Board of Public Works, there would have been a little bit more attention to the whole matter. So that's my editorial comment, which --

TREASURER KOPP: Well taken.

COMPTROLLER FRANCHOT: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: -- that there are certain things that don't come to the Board of Public Works that should.

MR. RAHN: And Governor, this is actually, so this is a Maryland Department, or I'm sorry, it's the Maryland --

LIEUTENANT GOVERNOR RUTHERFORD: MdTA. No, I know exactly where it is.

MR. RAHN: It's MdTA. So it's not the Transportation Authority.

LIEUTENANT GOVERNOR RUTHERFORD: I know exactly where it is. And --

MR. RAHN: And --

LIEUTENANT GOVERNOR RUTHERFORD: -- for the press to know that this should come to the Board of Public Works. Okay. But go ahead --

MR. RAHN: And I would actually say that I --

LIEUTENANT GOVERNOR RUTHERFORD: -- with your response to the, response to the -- don't respond to me. Respond to the Comptroller.

MR. RAHN: I would just say that I don't believe there would have been any more attention paid to this project had it come to --

LIEUTENANT GOVERNOR RUTHERFORD: I said don't respond to me. Respond to the Comptroller.

MR. RAHN: -- and so --

TREASURER KOPP: But we'll never know.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah. You're speculating. And I could have brought more attention to it. But talk to him, not to me.

MR. RAHN: So --

COMPTROLLER FRANCHOT: Yes.

MR. RAHN: -- Mr. Comptroller, so this project has been started in the planning processes back in 2014. There was a notice given all summer long to expect delays once the project was starting. And of course, it's now no surprise to hardly anyone that the project in fact started last Friday. And I would apologize to those people who were stuck in that traffic. We were faced with actually two incidents. One is that unusually nice weather has brought out more people wanting to get to the Eastern Shore. And the incident, there were actually traffic incidents that impaired the flow of the traffic. And MdTA has very limited ability to respond to incidents within a small area. Typically it is CHART from SHA that is involved in the broader response to traffic crashes that occurred within that general vicinity, which further complicated the traffic that day.

So we anticipated that we would experience traffic typical in a summer, for a summer weekend, not a major holiday, as we did. When it was clear that traffic was not moving, that we responded by waiving tolls, as you recognize. We waived tolls. We deployed SHA CHART vehicles and MdTA Police to expedite the movement of traffic, expecting clearing before 11:00. It was a miserable day for people trying to cross the Bay. And we are, we have a number of responses to that.

One of the early concepts was what you had referred to as holding westbound traffic to allow eastbound traffic. We believe we have a better plan than that now and we are going to be able to accommodate contraflow on the westbound lanes as we had previously, however these are going to be narrowed lanes and we are going to have to slow traffic to somewhere in the range of 25 to 35 miles an hour.

COMPTROLLER FRANCHOT: Yeah. So I want to associate myself with the remarks of the Lieutenant Governor. I can guarantee you that there would have been more mitigation planned in advance if something like this had come before the Board, because it's obvious that there are all sorts of planning items that should have been looked at before the closures occurred. And I know that you've announced a series of traffic mitigation initiatives. Beyond cashless tolling and two-way traffic on the westbound bridge, is MDOT considering additional traffic mitigation strategies, given the situation that --

MR. RAHN: So the one that I had just mentioned, which is that we will introduce contraflow when we have especially bad traffic. We can't afford to have contraflow all the time because we cannot have commercial vehicles mixed into the contraflow when one of the lanes is under construction. So the use of contraflow in those instances when traffic backs up significantly will be used when necessary. We believe that the cashless tolling will allow vehicles to get through the toll plaza faster when it's implemented on Thursdays and Fridays from 10:00 a.m. through 9:00 p.m. in the evening. So that will allow the traffic to move through faster. Ultimately, there still is a merge. I mean, I think we all know when there's a merge, merges always slow the traffic down. But we are going to be channeling that traffic in a more tight pattern to accommodate that higher volumes.

We fully expect that when normal temperatures come into the season and we have less volumes of traffic, as we normally would see in September, certainly by October, not a 94 degree day like today, that we will see less traffic utilizing the Bay Bridge and that that should allow us to get through the planned construction season that will take us into April of next year. We will be clear of that by late April and the lane would be available then throughout the summer.

We are doing what we can to accelerate that project. We're working with the contractor to see if there is a way to accelerate it and to bring it

into a single year of construction. It will require a number of things as to the specification of how the work will be done. But --

COMPTROLLER FRANCHOT: Okay. So speaking of the weather, was there any consideration given before the project started of starting it in November?

MR. RAHN: It's going to take a certain amount of time to get this work done. And so we have to have the contractor in place. They are laying a temperature sensitive material that has to be applied when temperatures are at 45 degrees and rising. So that by the time we get into late, I mean, frankly we're hoping that we will be able to continue to do this work into November if we can keep those sorts of temperatures. If temperatures dive on us and stay low, it's going to limit what kind of work can be done in place. So the reason it started in September was to allow enough planned days to apply a temperature sensitive treatment.

COMPTROLLER FRANCHOT: Okay. Were there meetings and consultations with local government officials on both sides of the Bridge, residents, and other stakeholders ahead of the closures? And what feedback did you receive from those meetings, if any?

MR. RAHN: Yes, there were meetings. Yes, and particularly with the school districts was recognized as one of the critical stakeholders, as far as getting students to and from their homes and school locations. So yes, those

were. We have had a very active public information program that's been going on since the beginning of summer warning people of when the events were going to take place. Warning people that we expected traffic to be bad. We knew when we take out 20 percent of the, you know, deck space on the Bridge, it's going to impact traffic. So we provided that.

COMPTROLLER FRANCHOT: Okay. I'm just trying to learn what happened in advance. Was there also a survey of, for example, State and local employees that work here on this side of the Bridge and live on the other side of the Bridge? I have a number of them in my agency. Did anybody survey them as to what their concerns might be?

MR. RAHN: I'm not aware of an actual survey, but I can tell you that I have people that report directly to me that live in St. Michael's and they made me very much aware that this was going to be, you know, a complication for them and that it very well could cause them to have to change their hours of when, you know, how early they would come in and when they would leave.

So we know, just like any project, that when you reduce the lanes available for traffic, we know it creates issues. And we've approached this from the standpoint, very much so, of notifying the public that it was going to occur, trying to concentrate that work as much as possible so that we would impact the least amount of people. The problem is, is that when we do a project like 895 right now is under construction, major construction, but there are two different

alternatives to get across the Harbor. And so people have options. The problem with the Chesapeake Bay, you know, the only option is you drive to Delaware and come down. So that's the problem, is that there's reduced capacity for traffic to cross the Bay and there are not alternatives so that people are, yeah, were very frustrated --

LIEUTENANT GOVERNOR RUTHERFORD: Let me, this is a question and I'm going to direct it over to Secretary Brinkley. Has the personnel office sent anything to our departments to encourage telework, as well as ride sharing, things of that nature, that could at least reduce a couple of vehicles on the road?

MR. BRINKLEY: We already have a policy of promoting --

LIEUTENANT GOVERNOR RUTHERFORD: Right. But maybe there should be another push to agency directors and where it's appropriate, I know if you're, you know, a correctional officer you can't telework, but you know, where it's appropriate, that, you know, encourage people, including your staff, to encourage if appropriate to telework, particularly on those high traffic days, as well as, you know, ride sharing. So that we can reduce at least some of the vehicles that are going across the Bridge, short of a third Bridge span. So.

MR. BRINKLEY: It's already been a direction that the Governor has sent out to try to promote telecommuting when we are can, not just to help with traffic issues here but also in the D.C. area --

LIEUTENANT GOVERNOR RUTHERFORD: Well, I'm saying that you need to do it now with regard to the people that are coming across that Bridge. I know it's a general policy. But we may need to send a reminder to some of the managers to talk to their employees and those that can telework one or two days a week, that we encourage some of that as well.

MR. BRINKLEY: And Governor, that's the point I was getting to, was that I can then direct Cindy to have another conversation with people based on --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, thank you.

MR. BRINKLEY: -- this history of it --

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

MR. BRINKLEY: -- and encourage that.

COMPTROLLER FRANCHOT: If I could just --

TREASURER KOPP: Could I --

COMPTROLLER FRANCHOT: Go ahead.

TREASURER KOPP: -- because I know there is some mass transit, some buses that go back and forth. Is there any way to increase that, particularly for people who work in the concentrated area --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: -- around here, to have pick up and drop off on the sides of the Bridge?

MR. RAHN: We have eight commuter buses --

TREASURER KOPP: Right. And we have people who take them.

But --

MR. RAHN: Right. So we have eight commuter buses that run back and forth, you know, that serve that route. The problem is when traffic is jammed, it just means the bus is sitting in that same traffic. So the key for us --

TREASURER KOPP: Right. But there are 20 less cars, or however many.

LIEUTENANT GOVERNOR RUTHERFORD: And they have a bathroom.

TREASURER KOPP: And they have a bathroom.

(Laughter.)

MR. RAHN: That would be the benefit to many people. But the issue is for us is that even 20 fewer cars right now is not going to have a great impact --

TREASURER KOPP: I made up that number.

MR. RAHN: I know --

TREASURER KOPP: But you understand. If there's a way to increase that capacity, people may be more interested in it because they don't like sitting in all that traffic in a car, although they can listen to books on tape or whatever. But to look at that afresh.

MR. RAHN: So, I mean, we've looked at, I mean, as we have had conversations with communities, there's been, of course there's the conversation that's going on with the NEPA study for, you know, an additional Bay crossing. There's conversations that have been brought about would, you know, electric ferries work, whatever. I mean, there's all kinds of ideas that have come --

TREASURER KOPP: I'm just talking about an emergency capacity that people might be more open to right now than they will be presumably after the construction.

MR. RAHN: I fully understand what you're saying. I still think, for us, the immediate solution or the best solution that we have available to us is going to be to try to keep that traffic actually moving.

TREASURER KOPP: Moving, yeah.

MR. RAHN: Even if there are backups, if those backups are moving, then it's not the same frustration levels as if you are parked.

TREASURER KOPP: Yeah.

MR. RAHN: And so what we are doing is we are also implementing our CHART system on side routes that are some work arounds that are out there, typically not served by CHART. So we have brought to bear SHA to help that traffic moving as well. We have brought, we've had communication with local law enforcement, State law enforcement. And so we are applying whatever we can to help keep that traffic moving and how can we further shorten

the time that we will be out there impacting that traffic overall, trying to get to one year of impact versus two.

COMPTROLLER FRANCHOT: But let me just continue to ask because it, my concern here is that we're doing a lot of after the fact mitigation, which obviously everybody supports. We want you to try to clean up this horrible traffic mess that we have. And I don't know whether it's a one-way mess being turned into a two-way mess, or what exactly all of the mitigation is that you're talking about. But I guess my concern is, how can we not address some of these issues in advance? For example, the Treasurer mentioned the choke point of the toll plazas. This is an antiquated 1970s system. Even Delaware doesn't have it. So this is, let's get into the modern age here. What's the problem?

LIEUTENANT GOVERNOR RUTHERFORD: They don't care about Delaware.

(Laughter.)

COMPTROLLER FRANCHOT: Why wouldn't we get rid of these toll plazas that are slowing everything down as, you know, it's causing a lot of the traffic congestion that is adding to the frustration of the current situation.

MR. RAHN: Excellent point. And this month we are implementing all electronic tolling at the Hatem Bridge and at the Francis Scott Key Bridge, as our first two uses of all electronic tolling, with a plan to roll out that same technology along all of our facilities eventually. But you have to have

the back office that can accomplish that. And the changes that have been taking place at MdTA as far as the service providers behind the scene, that is ongoing right now and will allow us to handle that sort of volume of all electronic tolls.

The option that we have right now is that on Thursdays and Fridays we will apply a cashless system. But what we are really doing at that point is we are doing video tolling minus the additional fee of the video toll itself. So that we, people that would normally pay their four dollars will be able to drive straight through the toll plaza and they will receive a bill from us for four dollars.

COMPTROLLER FRANCHOT: Okay. Well, just in conclusion, I think you're hearing from all three of us different versions of opinions, I believe. But all of them are based on this there wasn't enough advance planning done with either the local communities or with the local businesses, or as the Lieutenant Governor was mentioning, with State and local employees who perhaps could have been put on different work schedules. Obviously, we need to do this maintenance because we have to have a functional Bay Bridge. And obviously, it's something that requires careful planning because this is not something, as you mentioned, on the Beltway, where you can direct alternative routes to be taken, etcetera. This is something that is particularly problematic. And I hope that you are going to get it right, having not gotten it right so far with the advance planning. And I'd ask that MDOT keep our offices informed about any and all efforts it intends to pursue to address the serious economic, social, and public

safety issues that have arisen resulting from in my opinion insufficient planning in advance of a obviously very important but very difficult to implement project.

And Lieutenant Governor, I think you put your finger on it. If this had been before us, there would have been questions about mitigation, about perhaps changing the toll booths while we're doing the rest of this work, and doing telecommuting of State and local employees, and working with the businesses, and the Treasurer mentioned bus service. What about high speed ferry service or something that used to work very well? I'm not sure that's a pragmatic idea. But there should have been a lot more advance planning. And somebody dropped the ball and I hope that you can keep us informed as to how you're going to fix it.

MR. RAHN: And I would agree. You have to look at what occurred and you have to, I mean, I recognize and I admit that clearly what happened was not anticipated and we did not have a response already in advance planned for it. And I think that goes to your point. And I do, I apologize to the Board of Public Works. I apologize to the public that they experienced what they did last Friday. And we are doing everything we can. I assure you, we are doing everything we can to address this going forward. And I've never said before that I was hoping for snow. But I can assure you, I am hoping for snow.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: It is in Montana.

Thank you, Mr. Secretary.

MR. RAHN: Thank you. And I do apologize that I do have to leave.

LIEUTENANT GOVERNOR RUTHERFORD: Right. See, you have Mark over there. You can put Mark in the chair to cover your agenda later.

MR. RAHN: And you --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: We're going to come back to this one. No. Okay. Well, thank you very much. And given the change in procurement consolidation, I've asked that the General Services Agenda be moved up and start. And I believe we are, are we doing General Services or the Secretary's Agenda first?

SECRETARY MCDONALD: It was up to you. We're prepared either way?

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Let's go with the Secretary's Agenda, and then General Services.

SECRETARY MCDONALD: All right. We'll stay with tradition there, thank you. All right --

LIEUTENANT GOVERNOR RUTHERFORD: And I was going to mention to, you know, Sheila is talking about threatening to retire and, you

know, unfortunately then I won't have that resource that I can go to and say, why in the world are some of these agencies, some things don't come to the Board of Public Works? And she can pull out the records that show that --

SECRETARY MCDONALD: Somebody --

LIEUTENANT GOVERNOR RUTHERFORD: -- A and E came over, but they kept roads, and they kept certain things out. And so --

SECRETARY MCDONALD: Well, thank you. And that was. So I was thinking about the State Roads Commission --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

SECRETARY MCDONALD: -- and how the roads, bridges, and highways never came to the Board of Public Works at all ever, because of the State Roads Commission. So thank you very much. This morning on the Secretary's Agenda, and I have to say it's also, 2006 was the last time we changed the order of the Agenda. And when I pulled out my emails from 13 years ago, they were, the first person on that list distribution was to Boyd Rutherford.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

(Laughter.)

SECRETARY MCDONALD: So anyway, we used to change the organization more. But in the last 13 years, it's been in this order. So I'd say it's high time to go ahead and do whatever we need to do.

LIEUTENANT GOVERNOR RUTHERFORD: Exactly. We need to go back to the way it was, the good old days.

SECRETARY MCDONALD: Exactly. So anyway, we have a dozen items on the Secretary's Agenda this morning. We have four reports of emergency procurements. We are actually withdrawing Item 10. So we will have 11 items ready for your action.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, Item 10 is being withdrawn.

SECRETARY MCDONALD: It is being withdrawn, right.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

SECRETARY MCDONALD: And we'll look at that further.

LIEUTENANT GOVERNOR RUTHERFORD: That was one that I had marked because it was in the Small Business Reserve, and I was, you know, pleased to see that, an A and E contract in the Small Business Reserve Program. And I was going to use it to also stand on the soapbox to talk about the Small Business Reserve Program, that we need to encourage more contracts to go into these and they can be larger. The University System has done a pretty good job of moving some things into the Small Business Reserve Program. I think they can increase that threshold, but that's, we can talk about that in another time.

But also, with the MBE program, and I've had this conversation with Jimmy Rhee just recently, actually at a fair. I sat there and we're sitting

there eating food and I talked about this. Is that I plan over the next several weeks to bring in a couple of the cabinet secretaries and their heads of procurement, along with Bob, to talk about some of the complaints that I have been receiving directly with regard to how the MBE program is working, and particularly how prime contractors are treating the MBEs. That often what is, well not often, but at least the ones that are being brought to me, which are probably egregious cases, where they are squeezing the MBE. There was one particular case where the MBE was to provide a certain type of services and the people that they had providing the services, the prime was poaching those individuals from the MBE and then trying to say that the MBE wasn't delivering the services that they were supposed to be delivering, and essentially squeezing and squeezing them so that the prime was doing more of the work than what they had promised to the State.

I feel that if it doesn't violate their contract with us, it violates the spirit of the contract with us. And we need to start looking at how we can bring the hammer down on these types of companies where it may be a situation where we terminate the contract either for cause or terminate it with our convenience clause. Let them challenge it if they want. And we award an emergency contract, if we need to, to someone else.

So we're going to talk about how we respond but it's to take some serious steps with regard to what is often happening, that happens under the radar. And the State traditionally had said, we don't have privity of contract with the

sub. And so we kind of stay out and leave them to, you know, deal with the wolf at the door. So we're going to take a closer look at that. But I do want to encourage the Small Business Reserve Program. I don't have any other questions on the Secretary's Agenda.

COMPTROLLER FRANCHOT: I just wanted to comment on the Secretary's Agenda, that you may have noticed that in the last couple of days Maryland was identified as the richest state in the United States of America.

LIEUTENANT GOVERNOR RUTHERFORD: They didn't check with me and my family.

(Laughter.)

COMPTROLLER FRANCHOT: So that's high status for the State. But we happen to, at the same time, have five individuals, and we've talked about this before, who were wrongfully convicted and incarcerated in our State. And they are asking for compensation. And we've discussed this on the Board. I believe there's bipartisan, unanimous agreement among all of us and in the Legislature there is certainly strong support that we need to take action on this issue expeditiously for these five individuals and render a plan that is reasonable, responsible, and compassionate.

So they need to be compensated as soon as possible. They were deprived of years of freedom, opportunity, and time with their family and friends, and the very absolute least we can do is compensate them in a timely and fair

manner. Time is of the essence. I know the Board staff is working on the Governor's proposal collaboratively. But as an equal voting member of the Board, I would like for us to agree on a path forward at our next meeting on October 16th. It's my hope that by next week the Board members will have the final details of what the Governor's plan would look like. So we will have, and we will have an opportunity to carefully review it, whether it's the Governor's plan or a different plan. I think we can no longer wait or ask these five innocent, wrongfully convicted Marylanders to wait any longer for a fair and compassionate payment. And I referenced the wealth of the State just to indicate that the contrast with these five individuals is even more stark. And I'm hoping that all of us working together can come up with something that makes sense.

TREASURER KOPP: Could I, could I, Comptroller, simply underline the words that you have just spoken. We went through this last time. I understand that there is a desire to set up a system for the future. I think it's a good idea to set up a system for the future. I don't think we have to wait on these five gentlemen for all of the lawyers to get together and set up a system. And I couldn't agree --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, they would never get to it --

TREASURER KOPP: -- I couldn't agree more. I think we should see this and be done with it.

LIEUTENANT GOVERNOR RUTHERFORD: Well I understand, I was told that there is a process that I wasn't involved in, but a memoranda that is floating around. And there had been some statements that the Governor's office was holding it up, which was absolutely wrong and was not the case. It was a misstatement, at best, and maybe a downright another word that I'm not going to use. So it seems as though at least a direction that had been contemplated is this memorandum that is pretty much ready to go. And I would think in a short period of time they can get this issue resolved and get to the point of how to address these particular individuals who were wrongly incarcerated. So I look forward to seeing that go forward.

TREASURER KOPP: I would point out that this Board has in the past made such grants in such cases and done it quite legally, according to the process that's set out in the law.

SECRETARY MCDONALD: As a matter of fact, I do believe the Lieutenant Governor was sitting over there for General Services. Do you remember when Mr. Michael Austin came up --

TREASURER KOPP: 2004.

LIEUTENANT GOVERNOR RUTHERFORD: Oh yeah. Oh yeah.

SECRETARY MCDONALD: -- it was very inspirational. But I mean --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, that's a good --

SECRETARY MCDONALD: -- but I also noticed going back to it that Secretary --

LIEUTENANT GOVERNOR RUTHERFORD: I have to go back and look at that item in the record.

SECRETARY MCDONALD: It was because --

TREASURER KOPP: Sitting right there.

SECRETARY MCDONALD: -- inspirational transcript, Comptroller Schaefer and Governor Ehrlich and Treasurer Kopp all asked questions. But Mr. Austin was, I have to say, it was probably the most memorable Board of Public Works meeting I've ever been at. And you were there.

LIEUTENANT GOVERNOR RUTHERFORD: I was there. Okay. I don't remember.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Sorry, I guess I'm getting older. I don't remember that. But okay. One of the things that we're doing when some things were brought to my attention this morning is, for one of the individuals that has substance use disorder, we have contacted directly our Whitsitt Center, which is in Chestertown, to see what beds are available to

potentially get that individual in there if he is willing and able. But we can arrange the transportation to get him to Whitsitt. We still haven't verified the capacity. There is another facility in Western Maryland, I can't remember the name, that I've been to that is specific in treatment of substance use disorder and behavioral health issues. And so we're looking to see if there's something we can do for one of the individuals who is suffering right now. Okay.

TREASURER KOPP: I have a couple of questions on the --

LIEUTENANT GOVERNOR RUTHERFORD: Secretary's Agenda?

TREASURER KOPP: -- Secretary's Agenda. Item A1 --

SECRETARY MCDONALD: The emergencies.

TREASURER KOPP: Just the Department of General Services.

SECRETARY MCDONALD: Yes. And this will be probably Secretary Churchill, I would imagine.

TREASURER KOPP: This --

LIEUTENANT GOVERNOR RUTHERFORD: Oh, this --

TREASURER KOPP: This is a --

LIEUTENANT GOVERNOR RUTHERFORD: This is an emergency contract?

TREASURER KOPP: This is an emergency modification.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, yeah.

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TREASURER KOPP: Which is very difficult to read. Could you tell us exactly what happened?

MR. CHURCHILL: Sure. In looking at our housekeeping service, we identified two critical items, one that the level of service, the perceived level of service with our clients was low. And two, the level of work, the increased level of work by our crews was high. And so we engaged a plan to better our housekeeping service. And to do that required consolidation of the 22 housekeepers that we have presently into less buildings. They are currently covering six buildings, and so we were shifting crews around.

TREASURER KOPP: Big, old, not in great shape, buildings. Mostly.

MR. CHURCHILL: Correct. There's about a million square feet of space in Annapolis that our State housekeepers were maintaining. And if you look at, you know, the numbers, it needs to be smaller. So the appropriate amount of buildings for the size crew that we currently have would be in three buildings. So 500,000 square feet identified in the State House, HOD, and Miller.

At the time of the session last year, we didn't place them in those three buildings. We moved the housekeepers out of Miller James and into HOD, and backfilled with a contract. So, moving forward, looking at efficiencies for housekeeping service, we would like, or our plan is to engage all of the Annapolis complex in a new housekeeping contract, all aligned. And that is more than a

year out. So, the need to backfill the buildings that we removed housekeepers from is part of this emergency contract, to get us out to a year. We're using the existing contract if it's covering another building and expanding their territory. And that's what the emergency contract is about.

TREASURER KOPP: And could I just ask is it a policy to privatize these services? Is that why we're not hiring --

MR. CHURCHILL: Well I'm going to give you, historically, housekeepers have been in the Annapolis area. Now, the Governor may recall some other things. But across our three campuses, Annapolis, Baltimore, and our multiservice centers, Baltimore and the multiservice centers are all covered by vendors. And some of those vendors are preferred providers. So the Annapolis campus has a mix, has some vendors and some State housekeepers. The, if you look at our crew, the average, and we are, we have some very dedicated housekeepers. It's one of our best crews. The average age of a housekeeper today is over 50. The average tenure is over 10. And so, because the crews are shrinking, this is, you know, a job that's key, but it does have challenges to recruit folks to backfill. The response would be to put the forces consolidated in areas so that we can increase the service. So long answer, we've always used vendors. We've always used vendors. They are in the majority of our portfolio. Annapolis is a special case because we do want to keep State workers in service.

TREASURER KOPP: And you've done studies of the cost benefit to the agencies, to the State, and to the employees of going, privatizing rather than using State workforce?

MR. CHURCHILL: Internally we have analyzed numbers to say what the cost of our State workforce produces per square foot versus what the national average for housekeeping services produces. I don't have those here but it has been looked at. And we believe that we can get better use of dollars by going through vendor service.

TREASURER KOPP: So that's part of, part of the question.

MR. CHURCHILL: Yes.

TREASURER KOPP: Have you looked at the wages, benefits, of lives of, these are all Maryland citizens, I assume?

MR. CHURCHILL: That is correct. Sure. Like --

TREASURER KOPP: I'd love to see your study

MR. CHURCHILL: Yeah. I mean, we can, we have some, a brief that we can send over and --

TREASURER KOPP: Great. Terrific.

MR. CHURCHILL: -- and have you look at that.

TREASURER KOPP: I would like to see this.

MR. CHURCHILL: Sure.

TREASURER KOPP: Because it's a question of on the one hand if it's a matter of policy, you decide to go in that direction. Or on the other hand, for whatever reason we're not filling the State positions.

MR. CHURCHILL: Sure.

TREASURER KOPP: It --

LIEUTENANT GOVERNOR RUTHERFORD: Well, you know, the Secretary mentioned a lot of the vendors, particularly in the other locations, are preferred providers.

TREASURER KOPP: That's very good.

LIEUTENANT GOVERNOR RUTHERFORD: And so from an economic standpoint, that's not economical. But it's a policy decision to utilize the preferred providers because --

TREASURER KOPP: But not in all the cases, I assume.

MR. CHURCHILL: No, not --

LIEUTENANT GOVERNOR RUTHERFORD: No, but generally the preferred providers need more people than what you would have if it was a State employee doing the work or if it was a contractor. And there are certain things they can't do, the individual can't do --

MR. CHURCHILL: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: -- and they need more supervision. So that is a, you know, a policy decision.

TREASURER KOPP: It would be interesting just to take a look at that.

MR. CHURCHILL: Sure.

TREASURER KOPP: I have another, the second on, A2, which is also an emergency. The --

SECRETARY MCDONALD: This is the Public Safety Department.

TREASURER KOPP: Yeah, heat exchangers at Central Booking.

SECRETARY MCDONALD: Ms. Dixon --

TREASURER KOPP: This sounds very much like items we've had in the past, emergencies. What are you all doing to prevent this sort of emergency breakdown of old equipment, which will have a significantly negative impact on the people working and living at this facility?

MR. MCCULLY: Good morning. For the record, I'm Chris McCully. I'm the Deputy Secretary of Administration for the department. With me is Kate Dixon, who is the Director of Capital Construction and Facility Maintenance. To address your question specifically, we have been working with our partners at Budget and Management. Our budget actually has been increased to help deal with maintenance and the age of our infrastructure. We actually have \$3 million more that was added for specialized projects. And I know the Department of General Services has some extra funds. They are going to be

tackling some of our big projects. So we are going to be addressing more preventative maintenance issues going forward.

MS. DIXON: And this emergency was actually discovered while performing preventative maintenance on the heat exchangers.

TREASURER KOPP: Well I'm glad you discovered it but it --

MS. DIXON: And without it we would not have hot water and heat.

TREASURER KOPP: -- yeah. Right.

MS. DIXON: In the building.

TREASURER KOPP: Right. So is there a, you know how old the systems are, or do you have a system which brings these periodically to your attention? Or do you just --

MS. DIXON: Yes.

TREASURER KOPP: -- when you have money for preventative you go someplace and find it?

MS. DIXON: We have a computerized maintenance system that we do preventative maintenance on a monthly basis, all of the mechanical equipment. And then we also submit for infrastructure upgrades through DGS.

TREASURER KOPP: And had that been submitted for? I mean, we just hear about pieces of systems in different agencies which are supposed to be working together. And yet, we have what seems to me a pretty high incidence

of emergencies, some of them after things blow up and some of them while you are looking at them and realize they are about to blow up. And I just don't, I don't have a strong feeling that all of the parties in all of the agencies which are setting up this system, which the Secretary has spoken to us before about, are equal players and that it's feeding then into the budget, into plant renewal funds, preventative maintenance, ongoing --

MS. DIXON: We are, we're working really closely with DGS right now on our preventative maintenance and our maintenance and construction upgrades to the infrastructure. We have several projects going on at Central Booking to replace the chiller, because we know it's not going to last very much longer. It was built in '95 and it's almost at the end of its useful life.

TREASURER KOPP: Right. Right.

MS. DIXON: So that plays into this same system. And replacing these two bundles will repair the heating system.

TREASURER KOPP: And is that the same sort of situation in the next item, at Jessup?

MS. DIXON: That was air conditioning for the administration building. We had a wave, a week of a heat wave. And we worked on replacing parts of the air conditioning system and it didn't, it didn't work. So --

TREASURER KOPP: And the next one had to --

MS. DIXON: -- condenser and the coil need to be replaced.

TREASURER KOPP: Yeah. And the next one -- you're just very busy, I can see.

MS. DIXON: The sanitary line is not something that you normally do preventative maintenance on or replace.

LIEUTENANT GOVERNOR RUTHERFORD: It's underground.

MS. DIXON: It was 25 years old --

TREASURER KOPP: Right. So you wait until it --

MS. DIXON: -- iron that just crumbled in the base soil.

TREASURER KOPP: Right.

MS. DIXON: And we're replacing it as it fails. It's 20 feet underground.

TREASURER KOPP: I understand that it's underground. I understand we have a lot of crumbling infrastructure underground all over. But nonetheless, you do know how old it is. You do know what it's made of. Ought there not to be a system where all of these are brought together? You know our State infrastructure.

MS. DIXON: Yes, we do that. We have a list of everything that we know needs to be replaced.

TREASURER KOPP: All right. So it's a question of funding, is that it?

MS. DIXON: Sometimes, yes. Funding --

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TREASURER KOPP: I'm, I'm --

LIEUTENANT GOVERNOR RUTHERFORD: You know, let me help answer that because she's --

TREASURER KOPP: You have limited resources --

LIEUTENANT GOVERNOR RUTHERFORD: -- and she doesn't want to throw, you know, anyone under the bus on this, particularly, you know, our internal budget process, or also the Legislature. But I said this years ago when I was testifying as General Services Secretary in one of the Budget hearings. And I said to the Chair of the Subcommittee, and I said, "Senator, you guys don't come out when we are, you know, putting in a new HVAC system or we're putting a sanitary line in or we're doing any type of major infrastructure" --

TREASURER KOPP: You don't put a ribbon on it.

LIEUTENANT GOVERNOR RUTHERFORD: You don't put a ribbon on it. You don't want to come out. You want something new. You want to dig a hole. You want to act like you're digging. And he, he admitted it. He said, "Yes you're right." Because we were talking about the fact that they were going to cut our maintenance budget. And so those things, and it, I mean, it happens internally at the executive branch level and it happens when we take the budgets, you know. It can be capital budgets or whatever --

TREASURER KOPP: It always has.

LIEUTENANT GOVERNOR RUTHERFORD: It always has. Because they're not, you know, they're not children. They're not roads that don't come to the Board of Public Works -- sorry, I went off the rails there.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: You know, or education or things that people at home generally think about. You know, the constituents are sitting there, and they are thinking, things that affect me, or my kids in school, or you know, older folks like me. But they don't think about State facilities that have State employees and personnel in there. So you don't have to say it, I'll say it.

TREASURER KOPP: Just people, it seems --

LIEUTENANT GOVERNOR RUTHERFORD: So we all get --

TREASURER KOPP: -- to me people will be more comfortable recognizing and paying, coming up with money, to maintain the infrastructure if they know there's a system in place that's locating the problems, that has a set of priorities, that's integrated across the State. That's why I keep nagging about this.

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

TREASURER KOPP: I think once you have that, once people can see the rationality behind the lists of requests --

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: -- it is more difficult for them to say, awfully sorry, no, we can't put the money in even though we know your pipes are crumbling and your roofs are falling in.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, I mean, you are doing a lot of that now. And I would think with the consolidation, the fact that capital from there is coming over to DGS, you'd have a better grasp of that.

MR. CHURCHILL: Yes, sir. A couple of things. One, we have a presentation that we drafted that we're going to present to the Treasurer --

TREASURER KOPP: Great. Well, not just the Treasurer.

MR. CHURCHILL: -- concerning how the current system. Because there is, we're going to try to pull back the curtain about how the system works presently. But a couple of things. One thing that we have learned in having conversation with all the departments is that, one, we're very siloed historically. We run different systems. And Public Safety has a system in place. It's very good. But in order to have a conversation about those types of things to move the facilities and capital programs forward, we're not in common language. So that's what we're working right now, is to make sure that we're in common language. And so there are departments that aren't as sophisticated as Public Safety and they have just as many issues. But Public Safety has more property, more inventory --

TREASURER KOPP: Right.

MR. CHURCHILL: -- so we see them. And so we're trying to get everybody up to a level playing field so that we can have a constructive conversation. And right now, we're in the building time. We're evaluating. We're identifying where our risks are so that we can move toward a more productive system for managing our facilities. It's just going to take some time. And I ask, you know, everyone to be patient. But we know it's an issue. We know it's, you know, that there's risk there. And we're trying to do our level best to move forward as quickly as we can to a common system.

LIEUTENANT GOVERNOR RUTHERFORD: A very good point that he made is that it has been and still is to a large extent siloed. And so that is something that we need to talk about with, you know, the Budget Department, with Information Technology, and the different agencies that keep records on their facilities and making sure we consolidate that in a central place, which it should be at General Services, so that, and that this be something that is transparent and open to the public to see. So I think you're a lot more hopeful that the Legislature and other policy makers will say, oh, you're crumbling something. But I'm getting calls about this. You know, that's the challenge that's always going to be there.

TREASURER KOPP: Sure.

LIEUTENANT GOVERNOR RUTHERFORD: Is that the calls they are getting in their office are not about, you know, fixing, you know, the --

TREASURER KOPP: The sanitary line under --

LIEUTENANT GOVERNOR RUTHERFORD: -- yeah or the elevators at 6 Saint Paul. They are going to, you know, they are calling about roads, bridges that don't come to the Board of Public Works, and things of that nature. So.

TREASURER KOPP: Well it may be because the State's insurance is in the State Treasurer's Office --

LIEUTENANT GOVERNOR RUTHERFORD: Ah.

TREASURER KOPP: -- but we do see it.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

TREASURER KOPP: And how averting a catastrophe is also saving money.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. Yes.
Anything else?

MS. DIXON: Thank you.

MR. MCCULLY: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.
Anything else on the Secretary's Agenda?

COMPTROLLER FRANCHOT: Move approval.

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LIEUTENANT GOVERNOR RUTHERFORD: Second that?

Okay. We're all in favor of Madam Secretary.

SECRETARY MCDONALD: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Mr. Secretary?

MR. CHURCHILL: Well, good morning, Governor, Mr. Comptroller, Madam Treasurer. For the record, I'm Ellington Churchill, Secretary of the Department of General Services. Yesterday was a very exciting day for General Services, where we announced the Office of State Procurement.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MR. CHURCHILL: And Governor, as you noted, this modernization and the way that Maryland handles procurement will create efficiencies by standardizing the entire procurement process throughout the State. The Comptroller has already acknowledged your leadership in this affair. As the Chair of the Governor's Commission to Modernize State Procurement, I speak for the office where we also thank you for your leadership to be able to move procurement into the next generation.

And today is exciting as well. It's the inaugural Board of Public Works meeting for our Office of State Procurement. You've already acknowledged Bob. We're very proud to have Bob. If I could just for a second, I would ask that the other leadership team, just rise, wave. You already know their faces, Mike Haifley, Danny Mays, Sachin Bhatt, Jamie Tomaszewski, and Eric

Lomboy. They were truly instrumental behind Bob in terms of getting us to today.

So today we have --

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

MR. CHURCHILL: -- 22 items on our Agenda. Item 10-IT is a supplemental. And we have representation on hand to answer any questions that you may have at this time.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

TREASURER KOPP: There's got to be some question.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, I do. I do. I just didn't know if I wanted to jump into going further back. But let me ask about the modification in 2-AE, Lawyers Mall.

MR. CHURCHILL: Lawyers Mall, yes sir.

LIEUTENANT GOVERNOR RUTHERFORD: It's a significant modification and some of the background that I was given tried to say that there was something to do with the Procurement Modernization meant the original not to exceed \$500,000 would mean that it's going to be more than \$500,000. I just wanted to make sure the record was correct that it had nothing to do with the modification. It just was decisions on how to do the procurement.

MR. CHURCHILL: Well, that is correct. It wasn't to do with -- the new legislation increased or did away with the threshold. We always would

have to, since the contract was authored before that time, the way to deal with that is through a contract modification. Squesto, no, the modernization is not the item that has spurred this item on. It really was just the process to get here since it was an emergency from the start.

LIEUTENANT GOVERNOR RUTHERFORD: And there were some delays because of, you know, unfortunately the illness of the Speaker and in terms of getting decisions from the State House Trust. I know there were some delays in the process that may have caused some additional expenditures from the A and E firm.

MR. CHURCHILL: Lawyers Mall has basically joint jurisdiction. It requires the approval of the State House Trust to move on projects and this is the only area, the State House and Lawyers Mall, that have that structure in place. So, yes.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MR. CHURCHILL: Due to events there were things that were way beyond our control --

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

MR. CHURCHILL: -- that helped delay the process.

LIEUTENANT GOVERNOR RUTHERFORD: And we're on time now?

MR. CHURCHILL: We are doing very well on the project. As a matter of fact, I'm going to pass this so you can see. A lot of folks don't know what goes on underground, but those are pictures of what goes on. This project is particularly challenging and complex because we are trying to weave a new system in between an existing system. So what you see is, people ask, well, why does it take so long? You've got a 20-foot pipe that's trying to be threaded through existing pipe at certain elevations and new pipe. And so that's, it's a real spider web underground.

LIEUTENANT GOVERNOR RUTHERFORD: And it's not a standard size. How old are the other, the old pipes?

MR. CHURCHILL: The pipes in this system were more than I believe 40 years old. And I've shown the condition of the pipe. They were in pretty bad shape.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

TREASURER KOPP: This whole process is being recorded as you go, is it, so there will be --

MR. CHURCHILL: Yes. Yes. As a matter of fact, anyone can, I believe anyone can see. We have it on a web cam so you can see what's going on in the box. We call Lawyers Mall the box for construction. And so, we're doing really all of our projects that are General Services projects are, use photographs and video to document our doing things. So --

LIEUTENANT GOVERNOR RUTHERFORD: One of the issues is that --

TREASURER KOPP: It's really interesting.

LIEUTENANT GOVERNOR RUTHERFORD: -- you know there weren't any records --

TREASURER KOPP: Yeah, right.

LIEUTENANT GOVERNOR RUTHERFORD: -- that were accurate to tell us where the pipes were.

MR. CHURCHILL: Yes. Yes.

TREASURER KOPP: So when our great-grandchildren come back and do it again --

LIEUTENANT GOVERNOR RUTHERFORD: And have to do it again.

TREASURER KOPP: -- it won't probably take that long.

MR. CHURCHILL: That's right.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. The systems won't be compatible.

TREASURER KOPP: Exactly.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: It will all be digital and they won't be able to --

TREASURER KOPP: And you will be back to the Board for the next phase?

MR. CHURCHILL: Yes. Yes. And I would note that moving forward, you know, the Office of State Procurement will be a little more focused to alert the Board of when there are going to be returning items so it's not interpreted as a one-off, similar to what was done with Item 1 on our Agenda.

TREASURER KOPP: I appreciate that.

COMPTROLLER FRANCHOT: Lieutenant Governor, if I could --

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

COMPTROLLER FRANCHOT: -- on Item 4, just indicate my strong support for the \$500,000 capital grant to the Ronald McDonald House Charities of Baltimore City. This is a home away from home for seriously ill children and their families. And --

LIEUTENANT GOVERNOR RUTHERFORD: That's 4-CGL.

SECRETARY MCDONALD: Correct.

MR. CHURCHILL: Yes, that's the grant.

COMPTROLLER FRANCHOT: Yes. And --

MR. CHURCHILL: We have representation. We have Emily Zikorus, the Director of Annual Giving here.

COMPTROLLER FRANCHOT: Oh good. Come on up and tell us how great you are. Seriously, you bring a lot of pride to the State of Maryland --

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MS. ZIKORUS: Thank you.

COMPTROLLER FRANCHOT: -- for what you do for families and kids. So --

MS. ZIKORUS: I'm Emily Zikorus from the Ronald McDonald House. Thank you all for all of your support throughout the past couple of years as we built our brand new house in Baltimore City.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MS. ZIKORUS: For those of you who haven't seen it, we would be happy to have you at any time. We built a brand new 55-bedroom home in the east side of Baltimore, closer to Johns Hopkins and Kennedy Krieger, but still in a general location to be located to all of the Baltimore area hospitals. And we help children from all over the world who are seeking medical treatment. In our new house, we built a floor dedicated to oncology patients, which has been at full capacity since we opened. That features nine two-bedroom suites to give them a home away from home while they are seeking treatment to be with their families.

LIEUTENANT GOVERNOR RUTHERFORD: It is a beautiful location. I don't know if you all have had a chance to go there. I was there for the ribbon cutting, or whatever it was --

MS. ZIKORUS: Yeah --

LIEUTENANT GOVERNOR RUTHERFORD: -- on the introduction of the new --

MS. ZIKORUS: -- our grand opening.

LIEUTENANT GOVERNOR RUTHERFORD: -- the grand opening of the building over on Fayette. And it's a wonderful location, and thank you for all --

MS. ZIKORUS: I do have a few photo books, if you'd like me to leave them for anyone to see our facility. Yeah, I can leave them here.

COMPTROLLER FRANCHOT: Yeah, no, I just want to thank you and your staff.

MS. ZIKORUS: Thank you.

COMPTROLLER FRANCHOT: Genuine unsung heroes of Maryland. Thank you.

MS. ZIKORUS: Thank you.

TREASURER KOPP: Can I ask you about the Ronald McDonald House?

MS. ZIKORUS: Sure.

TREASURER KOPP: Is there a network? I mean, do you, we have our house in our part of the State. Is there any sort of --

MS. ZIKORUS: So our Ronald McDonald House is the only one in the State of Maryland, the one in Baltimore. So there is a network. There is about 250 houses in the state, in the country, sorry, not the state, and about 350

worldwide. So ours is the only one in Maryland. But we do have a global Overarching Charities, that we work under. Is that --

TREASURER KOPP: But beyond that, is there any sort of --

MS. ZIKORUS: Do you mean like other --

TREASURER KOPP: -- network of support and yeah --

MS. ZIKORUS: Other organizations? Is that what you mean?

TREASURER KOPP: No, I'm talking about the other --

LIEUTENANT GOVERNOR RUTHERFORD: Amongst the, do you talk to the other Ronald McDonald Houses?

TREASURER KOPP: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: Do you all like get together in a convention or something?

MS. ZIKORUS: Yeah, there's a global conference every three years --

TREASURER KOPP: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. ZIKORUS: -- as well as our executive director goes to a leadership conference every --

TREASURER KOPP: Okay. So you gain by exchanging information?

MS. ZIKORUS: Mm-hmm. We actually had the St. Louis House visiting yesterday, looking for best practices as they built a new house.

TREASURER KOPP: Thank you. I just wondered.

MS. ZIKORUS: Mm-hmm.

TREASURER KOPP: Thank you.

MS. ZIKORUS: Yeah. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Very good.
Thank you.

COMPTROLLER FRANCHOT: And then also, Lieutenant Governor, if I could, Item 5 concerns the Comptroller's agency and we happen to have 12 branch offices around the State --

TREASURER KOPP: Well wait a minute.

LIEUTENANT GOVERNOR RUTHERFORD: Wait a minute --

TREASURER KOPP: You know, this is a little confusing.

MR. CHURCHILL: We recognize that it's --

LIEUTENANT GOVERNOR RUTHERFORD: We need to number them consistently, just one through whatever.

MR. CHURCHILL: Absolutely.

LIEUTENANT GOVERNOR RUTHERFORD: And you can call it 6-IT, or whatever, but it need to be one through 30, or how many.

MR. CHURCHILL: This is part of the --

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LIEUTENANT GOVERNOR RUTHERFORD: And now switching the numbers.

MR. CHURCHILL: This is part of the growing pains for the office.

LIEUTENANT GOVERNOR RUTHERFORD: Right. This is the first day.

MR. CHURCHILL: So we were trying to do something that would be more efficient. It wasn't. So --

LIEUTENANT GOVERNOR RUTHERFORD: And I can just say, Secretaries, if you all have other things to do, you don't have to be here today. You know, Secretary Brinkley, Secretary Leahy, unless there's items that DBM has or that, you know --

TREASURER KOPP: But as soon as you leave, there will be --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: And then we'll fuss about it but --

MR. LEAHY: I'm not going if he's not going.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. BRINKLEY: We've got --

LIEUTENANT GOVERNOR RUTHERFORD: I'll just you go, if you want to.

MR. BRINKLEY: We've got the flag.

LIEUTENANT GOVERNOR RUTHERFORD: I'm just saying, you can go.

MR. CHURCHILL: This is the supplemental item, lease for the --

SECRETARY MCDONALD: So it's not a supplemental item. I just want to clarify, it's Item 5-LT-MOD and it is --

LIEUTENANT GOVERNOR RUTHERFORD: Oh, it's a lease?

SECRETARY MCDONALD: -- on page OSP23, if anybody is looking at your top upper right corner, those are page numbers.

LIEUTENANT GOVERNOR RUTHERFORD: Page 23, yeah.

SECRETARY MCDONALD: It's OSP23 for 5-LT. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. The Comptroller's --

TREASURER KOPP: Ah, so we should get used to looking that that.

LIEUTENANT GOVERNOR RUTHERFORD: No, they are going to renumber it so it's item number. It will be in a consecutive.

MR. CHURCHILL: Straightforward.

LIEUTENANT GOVERNOR RUTHERFORD: Straightforward.

MR. CHURCHILL: Straightforward, yes.

LIEUTENANT GOVERNOR RUTHERFORD: Simple.

COMPTROLLER FRANCHOT: So this expands an existing lease for the taxpayer services office in Waldorf. These branch offices do incredible work. This particular branch office assisted more than 15,700 taxpayers last year, prepared 2,500 State tax returns for free, processed nearly \$6 million in payments. They do consummate customer services, where they respect the taxpayer, respond to the taxpayer, get results for the taxpayer. I'd like to salute the office manager, Ramona Bowen, and also Gary White and Dennis Gwynn here in Annapolis, who serve as Director and Deputy Director of the Comptroller's Offices of Taxpayer Services. They do great work. Lieutenant Governor, I know you prioritize that. I know the Treasurer does.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

COMPTROLLER FRANCHOT: But it's what the citizens of the State deserve.

LIEUTENANT GOVERNOR RUTHERFORD: Good. And so they do tax prep work? I didn't know that.

COMPTROLLER FRANCHOT: For free, if you bring your federal tax return in.

LIEUTENANT GOVERNOR RUTHERFORD: All right. I'll be there.

COMPTROLLER FRANCHOT: Just come on in. We'll --

LIEUTENANT GOVERNOR RUTHERFORD: Why do I need an accountant?

COMPTROLLER FRANCHOT: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: Geez.

COMPTROLLER FRANCHOT: We'll do your State return for free, guaranteed accurate.

LIEUTENANT GOVERNOR RUTHERFORD: Guaranteed accurate, yeah. Right.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: You know are you guys just going to sit there with the IRS when they are coming after me for all those deductions?

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Any other questions?

TREASURER KOPP: This is at the bank?

COMPTROLLER FRANCHOT: Excuse me?

TREASURER KOPP: Is this --

LIEUTENANT GOVERNOR RUTHERFORD: The bank is the landlord? I don't think it's, I don't know if it's the same. Certain suites? I don't know. Do we have anyone from real estate here?

MR. CHURCHILL: Yes. Wendy Scott-Napier --

LIEUTENANT GOVERNOR RUTHERFORD: Wendy?

MR. CHURCHILL: -- of the Office of Real Estate. And the question is, the landlord, Community Bank of the Chesapeake?

MS. SCOTT-NAPIER: Hi, good morning.

LIEUTENANT GOVERNOR RUTHERFORD: Hi, Wendy.

MS. SCOTT-NAPIER: Wendy Napier, good morning. Yes, this is a property owned by the Community Bank of the Chesapeake.

LIEUTENANT GOVERNOR RUTHERFORD: Is it in the bank building, this office?

MS. SCOTT-NAPIER: I have to clarify that for you. I understood it just to be a property owned by the bank.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, okay.

MS. SCOTT-NAPIER: I wasn't aware it was --

TREASURER KOPP: I think it is not, looking at it.

LIEUTENANT GOVERNOR RUTHERFORD: The suites?

SECRETARY MCDONALD: The address is different from the property address.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

COMPTROLLER FRANCHOT: We have a huge sign,
Comptroller of Maryland.

MS. SCOTT-NAPIER: Yeah. Now the Comptroller --

LIEUTENANT GOVERNOR RUTHERFORD: You're in the
banking business, too?

COMPTROLLER FRANCHOT: Yeah. Yeah.

TREASURER KOPP: Yeah.

MS. SCOTT-NAPIER: But I will confirm.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. This is a
different address.

TREASURER KOPP: Thank you.

MS. SCOTT-NAPIER: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you.

MS. SCOTT-NAPIER: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Any other
questions?

COMPTROLLER FRANCHOT: Move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Okay, do we have
a second? Okay. We're all approved, all done there. Thank you, Mr. Secretary.

TREASURER KOPP: Good work.

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LIEUTENANT GOVERNOR RUTHERFORD: Now we move on to Department of Natural Resources.

MS. HADDAWAY-RICCIO: Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record --

LIEUTENANT GOVERNOR RUTHERFORD: You might want to give it a second. I think we have some people --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. HADDAWAY-RICCIO: For the record, Jeannie Haddaway-Riccio, Maryland Department of Natural Resources. We have nine items on our Real Property Agenda today for which we are seeking approval. And I would like to acknowledge that Delegate Anderton is here in support of Item 5A, which is a Program Open Space Local Share project in Wicomico County. I'm happy to answer any questions.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. Delegate, do you want to come up and say anything about it?

DELEGATE ANDERTON: Sure.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Don't stand between a microphone and a politician.

DELEGATE ANDERTON: Woo-woo, he's on fire today. So yes, of course, absolutely. Anything that benefits the Lower Shore, you know, we're going to find our way to be up here. And these parcels in particular are good for future growth for parks in Delmar and the expansion --

LIEUTENANT GOVERNOR RUTHERFORD: Please identify yourself, sir.

DELEGATE ANDERTON: Oh, I'm sorry. Yes. My name is Carl Anderton, Jr. I am blessed this morning, this afternoon, whatever time it is, to represent the folks of Wicomico County in the Maryland House of Delegates. And as we go forward, growing Delmar, you know, having these parcels available for expansion are great. And so I want to thank everybody here for always being there any time I've needed you. Especially this guy right here. He cleared your schedule for me a couple of weeks ago. I appreciate that. And I promise not to waste a whole lot of time, just a little bit.

VOICE: I needed a reason to --

(Laughter.)

DELEGATE ANDERTON: Yeah, absolutely. Absolutely. And I appreciate the comments about the Bridge. Coming across today, seeing the narrow lanes, I'm not sure how contraflow is going to work on that. But we've got to do what we've got to do. But anyway, I appreciate it and I, since standing

in the back as you guys were having, expressing your feelings towards the situation, I just realized that the three of you, I'm glad you all like me. So --

(Laughter.)

DELEGATE ANDERTON: -- I just wanted to --

LIEUTENANT GOVERNOR RUTHERFORD: We didn't say all that, but that's --

DELEGATE ANDERTON: Whew, man. I'm going to tell you right now. Because if you didn't, I would not be here today. But anyway, thank you so very much and I'm going to go hide out in the back. Thank you, Secretary. Yep.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

TREASURER KOPP: He didn't know.

LIEUTENANT GOVERNOR RUTHERFORD: Any other questions?

TREASURER KOPP: I just have a question on Item 9small busin, the timber sale.

MS. HADDAWAY-RICCIO: Yes?

TREASURER KOPP: Madam Secretary, just a high level question. When you look at the sales, particular of State trees, vegetation, etcetera, do you look at it now also through the lens of the impact on climate change?

MS. HADDAWAY-RICCIO: Yes, we absolutely do. And in terms

--

TREASURER KOPP: I think I've asked you this before.

MS. HADDAWAY-RICCIO: Yes. And in terms of how the Department of Natural Resources intends to address the Greenhouse Gas Reduction Act Plan, a large part of our mitigation activities will be through sustainable forest management, as well as looking at how we can get more forest buffers in place.

TREASURER KOPP: So you're looking at, even though -- this question was actually asked of me. Even though this is a sale of mature hardwood, broadly, it is part of an ongoing program to in fact enhance the carbon, green carbon sink?

MS. HADDAWAY-RICCIO: So each of our State forest lands do have management plans associated with them and they are managed for a variety of different reasons, whether it be habitat, wildlife, and in this case timber.

TREASURER KOPP: But this, the latest, really, to be candid, we didn't look at this 25 years ago. The carbon, the use of carbon --

LIEUTENANT GOVERNOR RUTHERFORD: Carbon sequestration.

MS. HADDAWAY-RICCIO: The sequestration abilities --

TREASURER KOPP: Yeah.

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MS. HADDAWAY-RICCIO: -- yes.

TREASURER KOPP: But we do now?

LIEUTENANT GOVERNOR RUTHERFORD: Don't young trees actually take in more carbon than mature trees? I might be mistaken. I thought I had --

MS. HADDAWAY-RICCIO: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: -- or that a part of healthy forests is to, you do have to thin forests so the younger trees can come up and, you know, and you have to be careful about disease and rot. I did work in Agriculture and we had the Forest Service.

TREASURER KOPP: Right. Right, yes you did.

LIEUTENANT GOVERNOR RUTHERFORD: The Forest Services was, one of the problems that they have in the West, particularly when it comes to forest fires, is because they are restricted in some areas in terms of being able to thin the forests. And so when you get disease, you get some of these trees that are just basically tinderboxes. And local jurisdictions have allowed people to live closer to these areas and it has caused a lot of problems. Whereas, in the olden days you'd let the forest burn itself out and clear. But now, they are so hot that it creates a real challenge.

TREASURER KOPP: So I can tell people that you are looking, as the owner of the carbon sink, essentially, at that impact as well as all the other impacts and questions, like habitat and --

MS. HADDAWAY-RICCIO: Yes, ma'am.

TREASURER KOPP: Thank you.

COMPTROLLER FRANCHOT: Governor, if I could, I just wanted to thank the Secretary for her attention to the oyster population of the Chesapeake Bay, which has dropped, unfortunately, by a tremendous amount in the last 20 years as far as the market size oysters. And these are invaluable vacuum cleaners and filters for the Bay and obviously are economically important to thousands of Marylanders who are watermen or work in that industry. But they've gone significantly downhill. And I know DNR is working with federal, State, and local agencies, as well as nonprofit organizations, to address the situation with oysters.

Restoring the population is really an all-hands-on-deck approach. One incentive that I particularly like is the oyster shell recycling tax credit. The tax credit allows an individual or a company to claim credit on their Maryland State tax return that equals five dollars per bushel of oyster shells recycled, with a maximum annual cap of \$1,500.

This is mostly taken advantage of by restaurants around the State. There are currently 200 Maryland restaurants participating in the Shell Recycling

Alliance. Each have committed to recycling the discarded oyster shells and that's critical to restoring some of the population.

I'm going to be traveling around the State visiting restaurants -- somebody has to do this tough job -- and talking about the oyster shell recycling tax credit. It is a win-win for everyone. More oysters, less taxes, and a better Bay. So thank you, Madam Secretary, for prioritizing that.

MS. HADDAWAY-RICCIO: All right. Thank you for your support of that program.

LIEUTENANT GOVERNOR RUTHERFORD: And while we're thanking the Secretary, thank you for hosting me as I did my Lieutenant Governor bucket list, giving the State Parks. I have to say, I don't think I'm going to hit all 75 State Parks. And yesterday, I was at -- not yesterday. Monday I stopped through the Wye River Natural Resource Management Center and I said to my staff, wait a minute, this is not a State Park so I'm not going to be able to check this off. And they said, because it's managed by the Park Service, you all include that as your 75 number. So it's still, it's something, we're bringing attention to outdoor recreation and our wonderful State Park system to let more people know that it's a family friendly, low cost entertainment. And I look forward to continuing that. And so thank you very much for hosting me.

MS. HADDAWAY-RICCIO: Thank you. We're very proud of our Maryland Park system and we're really fortunate to have your support in

helping to showcase all of the great assets that we have across the State. So thank you for making it a priority to visit our State Parks.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Any other questions?

COMPTROLLER FRANCHOT: Move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. We're all, thank you very much, all in favor. University System?

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

LIEUTENANT GOVERNOR RUTHERFORD: Joe, I already mentioned with Item 2, the Small Business Reserve. I'm glad to see that the University System is utilizing that. And I hope the other agencies will follow your lead. I do think, however, that you could probably increase the threshold for the companies, particularly on these on call contracts. But I appreciate the effort. I don't have any other questions.

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. They are in favor, so thank you. Maryland Department of Transportation.

MR. NEWGENT: Good morning, Madam Treasurer, Mr. Comptroller, Lieutenant Governor, my name is Mark Newgent, MDOT TSO Director of Procurement. For the record, we have nine items today. Item 10-RP is being withdrawn and we have agency representatives here for any questions.

LIEUTENANT GOVERNOR RUTHERFORD: About that Bridge...

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: My only question with regard to Item 3 is State Highway Contract, and with this one my only question is why was this not put into the Small Business Reserve Program?

MR. NEWGENT: Absolutely. We have representatives here from SHA, Ms. Duncan and Mr. Mohammed, to answer your question.

MR. MOHAMMED: Good morning, sir. For the record, I'm Yasin Mohammed from the Office of Procurement and Contract Management for State Highway Administration. We also have Krystal Duncan. She's our BPW Manager. So the reason why this particular contract wasn't put forth as a small business was that at the time of, when they were planning the contract, they did the search at the time in eMaryland Marketplace and found a limited number of, as the project manager stated, that it was one that he recalled available small businesses that actually could do this work. We did actually get bids from more than one. However, that could be as a result of the NICS codes used. If they are

not signed up for the specific NICS code, then they won't show up during the search. So --

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. MOHAMMED: -- this particular one was not put forward as that.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Okay. Jimmy, we need to make sure that the small businesses are aware of the program. It's kind of the chicken and egg, and it's similar to your request with regard to electrical vehicle infrastructure. Is that we're finding that there are small businesses who bid on the fair and open contracts but they are not registered in the Small Business Reserve Program. And so we need to make sure that we're doing a good job of encouraging, but also that we have to have those items come up in the procurements that come up so that somebody says, oh, I could have bid on this and I'm not competing with, you know, large company XYZ. I'm competing amongst like sized companies. So --

MR. MOHAMMED: So if I could add that since we implemented eMaryland Marketplace Advantage, part of the process has been to get companies to re-sign up into the system. And as the Small Business Liaison I have been encouraging them to make sure that they do, you know, sign up under the right codes. And so --

LIEUTENANT GOVERNOR RUTHERFORD: Okay, good.

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MR. MOHAMMED: -- we're trying to clean up the data and make sure we have good data going forward.

LIEUTENANT GOVERNOR RUTHERFORD: That's good. Yes, that's another benefit of going to the new system, is that companies had to re-register.

MR. MOHAMMED: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: And so, it makes them think more about this, that, oh, wait a minute. I didn't realize I could be part of the Small Business Reserve. So thank you for that effort.

MR. MOHAMMED: Yes. And we're going to outreach events every month as well.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. And particularly the MBEs, to let them know that they should be, you know, registered, if they meet the size category, to register for the Small Business Reserve Program.

MR. MOHAMMED: Yes. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you.
Any other questions on the Transportation Agenda?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All in favor. Thank you. And about that Bridge -- no, just teasing. Thank you very much.

(Whereupon, at 11:52 a.m., the meeting was concluded.)