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STATE OF MARYLAND
BOARD OF PUBLIC WORKS
ANNAPOLIS, MARYLAND

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PRESENT

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Lieutenant Governor

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Treasurer

HONORABLE PETER FRANCHOT

Comptroller

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PROCEEDINGS

LIEUTENANT GOVERNOR RUTHERFORD: Good morning.

Good morning, Madam Treasurer and Mr. Comptroller.

TREASURER KOPP: Good morning.

COMPTROLLER FRANCHOT: Yes. How are you? I have a big, a big thing on my screen that completely blocks me. So that's A-Okay as far as I'm concerned.

TREASURER KOPP: Okay --

LIEUTENANT GOVERNOR RUTHERFORD: No, you look fine -

-

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: -- people at home will be saying the same thing, that you look okay.

COMPTROLLER FRANCHOT: I'm glad someone knows what they are doing around here. Okay. Here I am. Thank you. It's a pleasure to be with you, Lieutenant Governor and Madam Treasurer. Tough times, but always good to see everybody.

LIEUTENANT GOVERNOR RUTHERFORD: Right. Well, I do want to welcome everyone back to another virtual episode of our Board of Public Works, an exciting episode there that we have every couple of weeks. You know,

and although we introduced, the Governor introduced Phase 1 of the Roadmap to Recovery last week, you know, we still are monitoring the numbers associated with the COVID-19, the coronavirus and the COVID-19. And I'll just mention briefly the Health Department announced a few minutes ago, actually, that our total confirmed cases are now up to 42,323 in Maryland. That's 777 new cases. Unfortunately, we have 42 new fatalities, raising our confirmed deaths associated with COVID-19 to 2,004. So we're over the 2,000 mark. Unfortunately, we also reported our first pediatric death from an inflammatory syndrome linked to the coronavirus.

We knew that we'd have, with increased testing, we knew we'd see a rise in our total number of positive cases. But what gives us hope is seeing the consistent downward trend that we've seen over the last couple of weeks with regard to hospitalizations, as well as ICU beds. Since May 1st, our hospitalizations are down 15 percent, ICUs are down five percent. So we're thankful for, you know, the Governor's leadership with regard to preparing for the worst while hoping for the best. And you know, those aggressive actions that were taken very early on have been helpful in terms of not overwhelming our healthcare systems, and that was the big concern that we had. As mentioned previously, what we saw in Italy and to a lesser extent in New York City, that we were concerned that as this bubble or as these peaks of infections come in that it could overwhelm our healthcare

systems. And so far, we've been able to address that, flatten the curve, to the point where we can start gradually and cautiously reopening the State.

And so what happens next with regard to the Roadmap is really going to be dependent on Marylanders, our fellow Marylanders: their willingness to be patient, to continue to practice physical distancing, and do their part to avoid new outbreaks or spikes in cases and hospitalizations from the virus. I will say that I did notice a lot of people out and about this weekend. It was a nice weekend. Plenty of folks at the Clark Hardware Store and Home Depot in Ellicott City, where my wife and I were shopping for plants for our yard. We spent Sunday planting.

But, you know, before I go further and turn to my counterparts, I do want to take a moment to recognize an outstanding State employee, and I hope I pronounce her name correctly, Jaimonese Clark from the Taxpayer Service Unit of the State Department of Assessments and Taxations. We're going to award her a Customer Service Hero Award for her stellar leadership during this pandemic. And I see Jaimonese Clark there, as well as Santa Clause -- oh no, that's Secretary Higgs, Corbett, good to see you, Corbett, as well.

In nominating Ms. Clark for this recognition, her colleagues and customers at SDAT have described her as positive, empathetic, and innovative, and have detailed how she as well as her team have been on the front lines of interacting with businesses to help them become eligible for COVID relief, all while adjusting

to mandatory telework for the first time, as well as a new phone system. Heaven forbid, I know, that can get -- as well as adopting the innovative processes for improvement and adjusting to the increased call volume some ten-times greater than what it was in the pre-COVID days. Clearly, her work has paid off, as evidenced by dozens of positive emails and phone calls from business owners expressing their gratitude and sharing their positive experiences with Ms. Clark and her team.

So at this time, I'm very pleased to virtually present the Customer Service Hero Award to Ms. Jaimonese Clark. Thank you. And I put the award -- oh. The award is here. I'm sorry. I should have been better prepared.

(Applause.)

MR. HIGGS: Great job, Jaime.

MR. WEBB: Congratulations --

MS. CLARK: Thank you so much.

LIEUTENANT GOVERNOR RUTHERFORD: -- we have it framed, Ms. Clark. So we'll get this to you.

TREASURER KOPP: Thank you so much.

MS. CLARK: -- thank you so much.

TREASURER KOPP: We don't often hear people call in praise, and certainly not for SDAT, actually. Because people usually aren't happy about assessments. So it's just terrific, and thank you very much.

MS. CLARK: Thank you.

COMPTROLLER FRANCHOT: Ms. Clark, this is the Comptroller. Congratulations. Could you just give us a little bit of your background, how long you've worked for the State, and what is your secret to good customer service?

MS. CLARK: Sure, absolutely. So first I want to say, thank you so much. It's such a pleasure to be here today. And I'm really honored. And I humbly accept this award on behalf of the many SDAT employees, as well as State employees, who have adopted a mindset where they get to serve our customers as opposed to they have to. So definitely, I am appreciative of that shift in the mindset that is definitely needed during this time in this pandemic.

I have been with SDAT for, since June of last year. Definitely a newer employee, but it's been such a pleasure, again, to serve the citizens of Maryland.

One thing that I think that is very, very much still important during this time is that we prove that we are capable of doing extraordinary things, even when we have restrictions. And one way, and several ways in which we can do that is just being human, being empathetic and compassionate and listening and

implementing that customer service promise on every single call and with every single interaction. And not only with our external customers, but internally as well. So I'm definitely passionate about customer service and I believe that that is, you know, again, the key to staying consistent with providing that type of service, and also being a serving leader and putting my employees on the front line as well. When they are involved and we are all engaged to win, everyone wins. So I would say that is the secret there. You know, again, and to have a good leadership team behind me, again, I'm very appreciative of this award. I can't thank the Board of Public Works enough for this recognition, as well as my leadership at SDAT as well. So thank you again for this opportunity.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Secretary Higgs, anything you want to add?

MR. HIGGS: Thank you, Lieutenant Governor. Jaime, you guys did amazing work. As you guys can see, her enthusiasm is really infectious and her team shares that passion that she brought to SDAT. And the amount of interagency cooperation that we were able to receive throughout these difficult times to help these businesses come back in good standing is also a testament to everyone in the administration pulling together. So we want to thank all of our colleagues out there and our friends in the Comptroller's Office as well for helping us to bring so many businesses back into good standing and help them get the federal help that they all

need in these tough times. So again, thank you, Jaime, for your amazing leadership in this effort.

MS. CLARK: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Corbett, do you want to add anything?

MR. WEBB: I'll just be very quick. I interviewed Jaime about a year ago and we immediately knew what she could do to open up a call center and a customer service center for our department. She has exceeded expectations and pulled a number of her team members along with her. So congratulations, Jaime. It's a team effort and all of your employees and all of our staff are doing a great job as well.

MS. CLARK: Thank you, Corbett.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you, again, Jaime. Congratulations.

MS. CLARK: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Well deserved.

MS. CLARK: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: All right. I just want to switch gears for a brief moment and touch on one of the major items that we have on today's Agenda, which is the proposed \$120.8 million reduction in the

State's FY 2020 budget. I'll let Secretary Brinkley go into more detail on that in a few moments as we get to that Agenda item, but I wanted to point out that we will be talking about this today. And we as a State will have some very difficult decisions, financial decisions to make in the coming weeks and months as we begin to grapple with the fiscal consequences of the coronavirus pandemic to our State. And of course we as leaders, this body, and frankly all of our State leaders, will inevitably have to make some tough choices to contend with the fact that while we may not be able to do everything that we want to do, or fund everything that we want to fund right now in the short term, we do have a fiduciary responsibility to all Marylanders to be responsible not only to them but to future generations, and to operate within our means, and to have, and I'll say it, the political courage and will to make those tough decisions that are going to need to be made now so that we will be able to be more prosperous in the future.

And then finally, I do want to take this time to once again raise an issue that I first raised in our first virtual forum, virtual BPW meeting on April 1st, and was reminded about that in the last week, thanks to articles in the *Sun* papers. And that is the seeming inability of our State Board of Elections to effectively get ballots into the hands of voters, particularly in Baltimore City. You know, and we saw in time for the recent special elections, as well as having concerns with regard to the primary of June 20th. You know, some may recall during that first virtual

BPW meeting, I expressed concerns about the Board of Elections' plans with regard to mailing ballots. And then again on May 6th in the meeting, after questioning staff, the Elections staff stated that they did not have the information with regard to returned ballots for faulty addresses. The following week it was reported in the local media that some 20,000 City ballots were returned as undeliverable, close to if not about one in ten, I think was reported, one in ten of the ballots sent to that precinct, or not that precinct, I should say that congressional district, were returned as undeliverable ballots. And it was further reported Monday in the papers, and I think again today, that voters not only didn't receive ballots, but some of those who requested absentee ballots did not receive them, or they received them on Election Day, and in some cases after Election Day. And I find it really incredible that the Administrator of the State Board of Elections would say that, you know, and this is reported in the paper, that "they forgot" to send the list of voters to the vendor.

Now, I know that, you know, 20,000 ballots that were not delivered in the City, as well as 5,100 or more that were left uncounted, 80 percent of those were ballots that were received after the 28th, or on or after the 28th, you know, is something that is, we should all be concerned about. And particularly when you think back in the 2018 primary in Baltimore County that was decided by 17 votes. So in this case we literally had tens of thousands of people who were unable to vote by no fault of their own. And this is just one issue in one election. But I recall in,

six years ago in 2014, there was an issue with calibration of voting machines and we were told that it was due to people with fat fingers and long fingernails were causing the problem. In '16, there were issues with voting machines and irregularities in the Mayor's race. In '18, precincts were kept open and some precincts were running out of ballots and there was confusion in terms of reporting the results. It's been one issue after another with the State Board of Elections.

And now some of the Baltimore City ballots are being received late. Which is something I'm not quite sure I understand that. We received our ballots on the 8th and 9th. I received mine on the 9th, my wife received hers on the 8th of this month, which was well after the primary. And I know one of the reasons they said that they were mailing out ballots to Baltimore City or the 7th Congressional District a little later as not to overlap with the primary. But the ballots in Howard County started coming in, or at least our part of Howard County, came in on the 8th and then again on the 9th, well after that date.

And so, you know, the Board was warned of the challenges associated with mailing. Unfortunately, it seems like they didn't need that warning. And I know we've been getting calls from various sources, individuals, citizens, and even some elected officials saying that the Governor should fire the leadership over at the State Board of Elections. You know, just to remind people it was back in 2005 that the Legislature changed that and effectively placed that responsibility

in the hands of the Senate. I said effectively because they basically, the legislation requires that they participate, basically, in that process.

So I just want to say it's very disappointing. It's, you know, to the point of being outrageous with regard to what's going on over at the State Board of Elections. And we will see what takes place in two weeks, two weeks from yesterday, when the next primary is current. And I know the Senate leadership has expressed some concerns and they have written letters asking for additional polling sites and drop sites, ballot drop box sites because of their concerns. And so, it is not just myself raising this, but other elected officials are concerned about it as well. And we hope that it will be corrected in time so that everyone has an opportunity to vote.

So thank you for indulging me with your time and now I'll turn it over to the Comptroller, I mean to the Treasurer, excuse me, for her opening remarks. Thank you.

TREASURER KOPP: Thank you, Governor, you actually checked off several of the things I was going to mention. There was another article this morning in the paper about State officials scrambling to get Baltimore ballots. I do think that most of our elections, as the Comptroller knows, have been run well. And most of the polls have opened and closed on time, and the ballots counted on time. But we're in a different, we're in a very different world now. And most

particularly, if we are going to be dependent on mailed ballots in November, as well as in June, this has got to, this is, I agree, has just got to change. People have to have faith in the electoral system or we're in very dangerous territory.

I don't know what the Board, it's not just the Administrator, the Board can do to assure us that things will be run -- we'll see the first week in June what happens. But that will only be a hint to what could happen in November. And I see the Comptroller nodding. He has said this before. I know that. But just I too am very, very troubled by what's happening. And most particularly when you read in the paper that the President of the United States is now trying to dump the Post Office, which is going to be totally critical in this next election, Maryland has got to lead the way to see how things can be done well.

I do agree with the legislative leadership about making more opportunities available, either the mailbox, the drop box, or well monitored safe voting places. Because people have to be able to vote. And it looks like at the moment there are several thousands, hundreds of thousands, of ballots in the Baltimore area which the vendor for some reason didn't understand he had to send, so they are now being picked up and brought back here and put in the mail. It's not the sort of thing that Maryland should be used to, and is not used to.

In terms of the budget cuts, I hope when we start talking about this, Governor, and I know the Secretary knows my feelings, that after we get through

these immediate cuts for 2020, because after all not only are we good fiduciaries but the Constitution mandates a balanced budget, that we look not only at the cuts, which at the moment are only about \$120 million when we have to meet a goal of perhaps \$900 million, according to the revenue estimates, but that we look at the whole range of alternatives to meet our needs. Which include accessing, perhaps, the federal facilities, looking at federal money, looking at the whole range of things, in addition to pure budget cuts.

Governor, the Comptroller and I were here in 2008 and 2009 and went through this, and we understand that it's a very, very difficult process. We also understand we are going to have a balanced budget. So I hope we can all work together positively, same priorities, and look at all the alternatives. What we should not be doing now is putting more people out of work and cutting necessary services to our citizens. And with those priorities in place, I'm certainly here to work with you all.

And thirdly, the question of State employees, I know we're going to get to that when we talk about the prisons. But we have, Jaime Clark was a great example, but we have wonderful State employees working for our State. They deserve the support and the protection that they need. They deserve us to work with them. We are all working for the same people of the State of Maryland. And

I am looking forward to hearing some of our concerns addressed directly. So thank you, and good morning.

LIEUTENANT GOVERNOR RUTHERFORD: And to you, good morning. Mr. Comptroller, Grandpa?

COMPTROLLER FRANCHOT: Thank you, Lieutenant Governor, and Madam Treasurer. I did want to --

TREASURER KOPP: -- the new baby --

COMPTROLLER FRANCHOT: -- as of Monday of this week, my office resumed processing paper tax returns as opposed to electronically filed returns. We had briefly suspended the paper process to ensure that our employees, reference what the Treasurer was just talking about, had the proper safety equipment and proper health measures in place so that they should be safe, and we value that obviously as a top priority.

I know that I've expressed how proud and grateful that I am of our 1,100 employees in the Comptroller's Office. But these challenging times obviously have given me even more opportunity to feel pride and gratitude to them.

The Lieutenant Governor is aware, and I believe everyone else is, I know you are, Madam Treasurer, that the tax filing season was delayed from April 15th to July 15th. That allowed billions of dollars to stay in the control of families and small businesses to keep their businesses going and weather the economically

uncertain times that we live in, which unfortunately continue. But for many Marylanders who were owed a refund or who want to file their returns before July 15th, I want to let you know that we are open, particularly to the e-filing returns and on a delayed basis for the paper returns. We've already processed in the last several months 2.1 million tax returns. We've disbursed \$1.6 billion in refunds. This is all within the last two months. On average, it's 2.2 business days upon receiving a tax refund request and putting your money back in your bank account. We've answered more than 208,000 phone calls and responded to 56,000 emails. I see I have a slow network connection. Am I being heard okay?

LIEUTENANT GOVERNOR RUTHERFORD: Yes --

COMPTROLLER FRANCHOT: Okay. We've responded to not only 208,000 phone calls, but also 56,000 emails asking us for information. We continue to lead the nation in combatting tax fraud and identity theft. Our employees continue to ensure, for example, that all of the State employees continue to be paid on time and get their paychecks. We're responsible for cutting the vendor payment checks that are authorized by the State agencies, including DGS and MSDE. And we're responsible for getting checks written for the State's response to COVID-19. We process them on the same day that they are received.

Despite the disruptions caused by the pandemic and the adjustments that our employees have had to make, I'm pleased to report that we are continuing

to operate efficiently in the Maryland Comptroller's Office. We stand ready to assist all taxpayers who contact our office. So I want to thank the dedicated men and women of the office.

And if I could briefly, Lieutenant Governor, just once again compliment the Hogan-Rutherford administration for the way in which the pandemic is being handled. These are very confusing, contradictory areas right now as far as advice that people are getting vis à vis their own personal safety. And I just want to congratulate the aggressive clarity of the Hogan administration and frankly everybody in Maryland who remind people that you need to be safe. You need to wear your mask when you are inside a business, whatever businesses are open. You need to wear a mask when you are interacting with people. You need to wash your hands. You need to keep social distancing. That is what will control the virus. The virus has to be controlled before we get back to normal economic activity. My sleeve is tugged all the time, Lieutenant Governor, by small business people who understandably are frustrated, particularly restaurants, who say, look, we're dying out here. We can't survive. You've got to loosen things up. My response to them is no public health, no economy. You've got to have people feeling confident that they can go out and engage in economic commerce. And right now, that is very up in the air.

So hats off to the Hogan administration. I would suggest from my small perch as the Chief Fiscal Officer that we move as quickly as possible to allow our restaurant sector where possible, with patios or out in front of their restaurants, in the open air, which is a lot safer than being inside a closed restaurant environment, we should sooner rather than later experiment with allowing the restaurants to reopen their direct business, not just their curbside. I say that not in an effort to be cavalier about the health issue. I'm just saying this particular sector really needs a little bit of attention. And I think if we do it gradually and based on data, as the Governor, as the Lieutenant Governor indicates we're operating under, I think that would be very important to do. And we also might consider opening up small Main Street mom and pop retail stores that have less than ten employees because we can monitor that.

This idea, though, that we can just be cavalier and take our shirts off and walk down the Boardwalk and act as if the virus has been defeated, that's wrong. And I hope that we can create a smart way of relieving some of the pressure. And I can't think of anything -- well, I trust Governor Hogan to do the right thing. And I thank him for his clarity. But I know he's taking a lot of criticism from people who are very frustrated. I want to make sure people understand that we're trying to protect their safety. And if they are not safe, they are not going to have any economic prosperity.

LIEUTENANT GOVERNOR RUTHERFORD: Well, thank you.

TREASURER KOPP: Well said. Could I just add, Governor, I understand how people feel. I understand what the Comptroller is saying. There are many different communities and neighborhoods and regions in this State. And I understand that the Governor has essentially said to the county executives in areas that are more densely populated and have higher rates both of positive contagion and death that he recognizes that they have authority in those areas. I would hope the Governor would also be more positive and stronger, recognizing that in fact there is a need for different parts of the State to act differently. And Prince George's County is not Western Maryland. And I would hope that the people in Prince George's County understand that, the people in Montgomery County, the people in the City, the people in the more densely populated neighborhoods, that when people act irresponsibly, they are not just endangering themselves, Comptroller, they are endangering other people, too. And while we rely on people to use good sense, we rely on the leaders to lead them, too.

COMPTROLLER FRANCHOT: You know, Madam Treasurer, I couldn't agree with you more about your point about personal responsibility. But the problem here is that we've got one bunch of evidence and recommendations coming from the federal government which is contrary to what most public health people are advocating. Then the fact that we have all of this kind of patch quilt

approach all over the State, I think frankly, respectfully I think that the Governor should take a statewide approach to some of this hospitality sector that has just been absolutely crippled and hammered. And I understand where we got into this situation, but we need to yesterday loosen up a little bit. In Montgomery and, where I live and where you live, we cannot keep these restaurants completely throttled, because none of them are going to be able to survive. So could we do something that respects the density, respects the location, even in Montgomery, with some of these restaurants? Yes. But I'm afraid right now we're in a situation where in many parts of the State they are just going to be strangled to death. They are not, they are never going to reemerge based on the current thoughts. And my thought is that outdoors is a lot safer than indoors. Let's keep the indoor prohibition. Let's experiment very carefully with allowing some patio or on the sidewalk in front restaurant reopening. If we don't do that, we're just going to have a wasteland of these, unfortunately. And so I agree greatly, conceptually, Madam Treasurer. But I just think we need a little bit of statewide action here. Because otherwise everybody is going to be vulcanized.

LIEUTENANT GOVERNOR RUTHERFORD: Well, you know, the two of you represent the discussions and debates that we've had with the experts, even as recently as yesterday, with the Governor's Recovery Task Force, a mix of the medical and scientific professionals that he brought on very early on,

as well as bringing now in some of the business interests. A lot of discussion on restaurants, and particularly outdoor dining, and how to address that. So those discussions, and at the same time recognizing that particularly Prince George's and Montgomery County, which represent -- I don't remember the exact number. But it's probably close to half of our infections are in those two counties. I know Prince George's I think is around 12,000 infections, and we have 40,000, and Montgomery is somewhere in the 9,000 range. So recognizing that those jurisdictions are going to probably want to be more restrictive than what we would be doing, let's say, in some parts of the Eastern Shore or Western Maryland, or even in Baltimore County, for that matter. So it's, you know, it is a debate that is going on, a discussion that is taking place with these professionals, and understanding exactly what you said, you know, Mr. Comptroller. That the restaurant industry, the service industry in general, is being really hammered by this, and no fault of their own. And the discussions have been a lot of centered around outdoor dining and what we can do there to help. Some of us have, all of us I think have liked some of the ideas, particularly down here in Annapolis. The Mayor was talking about shutting down a couple of the streets. I think he said Main Street and/or West Street, or West Street and/or Main. I think that would be really nice to do, and allowing for the outdoor dining, and allowing for some of the small shops to open up and provide their wares out on the street.

So those are all being discussed. And I'll just say in due time, like we said earlier, patience is a virtue. Just like your --

TREASURER KOPP: -- any of us are known for that particularly.

LIEUTENANT GOVERNOR RUTHERFORD: -- I'm sorry, Madam Treasurer?

TREASURER KOPP: I said I'm not sure that any of us are well known for our patience.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: No. And probably just Americans in general are not.

COMPTROLLER FRANCHOT: Well, but Lieutenant Governor, I want to make sure you understand that this is -- I think you're doing the right balancing. I just think, you know, living in Montgomery and having lived in Prince George's before, there tends to be a little bit of right now I think somewhat of a resistance to possibly experimenting safely to open up outdoor restaurants and, as you say, close down some streets. I think we need to consider that very strongly and do it sooner rather than later, and ask Montgomery and Prince George's if -- obviously they control their local jurisdictions -- to really take a strong look at this. Because you know, the longer we wait, the more permanent the damage. And if

we can do it safely, that's the key. So thank you for having that under consideration.

I assumed it always was. But I hope it happens yesterday, I guess.

LIEUTENANT GOVERNOR RUTHERFORD: That's --

TREASURER KOPP: Could I ask a question and then we can get onto the Agenda? You mentioned when we opened up that there were a very large number of cases, COVID positive cases, yesterday.

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

TREASURER KOPP: And my understanding was that some of that count, some of that trend, is because of the time of testing and the time it gets, it, that we need to get the test results back. Is there any way of separating that out so you could see actually what the infection, how the infection rate changes over time? Rather than simply the test results that may not be reported with the same lag every day.

LIEUTENANT GOVERNOR RUTHERFORD: I'm not sure I understand the question. Are you saying -- maybe repeat your question, I'm sorry.

TREASURER KOPP: I may be wrong. I was told that one of the reasons there was a very large increase in the number of positive test reports yesterday or today was because of the time it took to get, the time between the actual testing and the reporting of testing, and that that time was not consistent

always. And so it was not as clear that the trends were true trends. And I just wondered --

LIEUTENANT GOVERNOR RUTHERFORD: Yes, the best data is more on the hospital data because we get that from the CRISP system, and that's accurate. Generally it's a 24-hour difference between what we're reporting. We get the information, that's what I reported with what I reported with hospitalizations being down and what's on the website is based on information that came in late last night in terms of hospitalizations.

What often happens, and what we've seen the trend, is Tuesdays we see a surge in reported cases. And a lot of that is due to just delays occurring over the weekend. And some of it is -- because there are different places that are testing. Hospitals are testing people that come in. The test facilities that we have via what used to be a FedEx but now is at the Prince George's Hospital over in Cheverly, the VEIP stations, over the weekend there tends to be somewhat of a delay. And so those, that information is reported late on Monday, which comes out on Sunday, and then we report it or the Health Department publishes it on Tuesday. And so Tuesday we always see an increase. Tuesday's report said 1,784 cases. And a lot of that is weekend cases that weren't reported until late Monday. So that has been a consistent challenge. I'm not sure how we address the weekend, you know, delay

that happens. There are probably less people, you know, in, you know, at the -- I don't know. I don't want to guess on that.

TREASURER KOPP: Right. I appreciate that --

COMPTROLLER FRANCHOT: Yeah could I --

TREASURER KOPP: -- getting calls from businesses. I've gotten just yesterday and one this morning calls from people who were very upset because it was their impression that the rate of infection was going up. And I said, you can't just judge on one day or two days.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah --

TREASURER KOPP: But that's the genesis of my question.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

COMPTROLLER FRANCHOT: Well, if I could just jump in, Lieutenant Governor, not to, you know, you're the expert on all this stuff but --

LIEUTENANT GOVERNOR RUTHERFORD: I'm not the expert.

COMPTROLLER FRANCHOT: -- you know, the fact of the matter is that the hospitalizations and the, you know, intensive care patients are going on a downward thing. It's probably due to increased testing that we're getting identified before cases. Let me just say, the asymptomatic testing that the Governor announced, I guess, recently, or you did, Lieutenant Governor, that's terrific. I'm going to ask all my employees when they come back to get tested, because that's, I

know it's just a snapshot, a photo at that point. But it's a pretty helpful one. The most bizarre thing I've heard on the national news lately are people that say, oh no, we're not in favor of testing because it just shows that more people are infected. I mean --

TREASURER KOPP: Who would say a thing like that?

COMPTROLLER FRANCHOT: -- I can't make this stuff up, that obviously we need to test. Obviously we need to do contact testing. Obviously we need to wear masks. But this idea that the, you know, we just put our head in the sand and don't test -- I would like to get tested. I'm not, I don't think, suffering from the coronavirus. But I think it would be entirely appropriate, once we get started, that folks, Lieutenant Governor, I don't know if you've been tested, or Madam Treasurer, but I think everybody deserves to have access to a test that hopefully is accurate.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm. Yes, so, it was announced, as we've been getting more tests coming online, we have the ability to open it up. It's interesting, the *Washington Post* yesterday, a front page story, and they were talking nationally, not necessarily Maryland, is that as testing is opening up, some places are finding less people signing up to get tested. But we are making it available to a wider group. Initially we were testing people who had symptoms, people who were sick or they were essential workers, healthcare

workers, we were testing them. Of course, we announced that we were testing at the nursing homes. But now, as we are able to bring more tests online, we are able to open it up to on demand, essentially, on demand testing.

COMPTROLLER FRANCHOT: Good for you guys. Keep it up.

LIEUTENANT GOVERNOR RUTHERFORD: -- we probably will see more infections. There are going to be people who, and we heard this anecdotally, that there are people who, you know, they are asymptomatic. There are people who probably already had the coronavirus and really thought that they had some kind of, they were, a cold or a little -- it just wasn't severe. Now, we won't know about that until we have a perfected antibody testing. But, you know, so there, we are probably going to find more and continue to see a lot. But the, like we said, the big concern we had was with the hospitalizations. But the testing helps us control the spread, because then with contact tracing, as we are expanding contact tracing, you know, when we find a person who tests positive, it's tracing back who they've had close contact with over the period of time, probably the prior five days, to be able to see if they are passing them on and if others are going to be infected. So it's a new, new not so normal, normal, that we're facing. A brave new world, as someone once said.

TREASURER KOPP: Right. Well, now that you've raised that, I hope at some point during this hearing, Governor, we will address the question of

appropriate testing and appropriate protection of our State employees. There is an item on the Agenda that deals with Corrections --

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: -- but we have State employees in many sorts of densely populated institutions, ranging from small group homes to large prisons and hospitals. And we hear from them and their representatives that they do not have access to testing and to proper protective equipment. I hope this is not true. But I think it should be addressed openly and clearly, and we should have a system for monitoring to make sure that they do have this protection. We have a responsibility for them.

LIEUTENANT GOVERNOR RUTHERFORD: No, no, you're absolutely right. And I know that we'll get to that item, that Secretary Green is going to be available to answer questions with regard to Corrections, what is happening in their facilities.

TREASURER KOPP: Right.

COMPTROLLER FRANCHOT: After they get tested, I want to get tested. Let me know where I go.

LIEUTENANT GOVERNOR RUTHERFORD: You can go to Eastern Correctional Institution -- no.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: But before we get to the Secretary's Agenda, I just want to congratulate publicly the Comptroller, who is a new Grandpa. He's been a Grandpa, but he's had an addition to his crew from San Francisco, as his son and daughter-in-law have a brand new baby girl, did you say?

COMPTROLLER FRANCHOT: A baby girl named Lily, and I couldn't be happier for my son and my daughter-in-law that, you know, it just gives you hope for the future. I tell them it's a message their DNA is now moving beyond them. And it's just very exciting. And they are obviously very appreciative. But thank you for mentioning that. I will make a clip of this and send it out. I think now the Blue Angels --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, the Blue Angels are flying over.

COMPTROLLER FRANCHOT: They are saluting Lily. Thank you.

(Laughter.)

COMPTROLLER FRANCHOT: And first responders.

LIEUTENANT GOVERNOR RUTHERFORD: Well, this was for the Naval Academy. They are doing graduation week, and so, and not the full

program that they normally would do. But this was just a fly over. So if I leave, that means I'm going up to the dome to watch them. Okay. Secretary's Agenda?

SECRETARY GONTRUM: Good morning, Governor, Madam Treasurer, Mr. Comptroller. We have 16 items on the Secretary's Agenda, and eight reports of emergency procurement this morning. Items 9, 12, and 16 have been revised. I'm happy to answer any of your questions.

TREASURER KOPP: I have a brief question on 7, the broadband projects.

LIEUTENANT GOVERNOR RUTHERFORD: Yes, I was going to talk about that, too.

SECRETARY GONTRUM: That is Secretary Holt and joining us is Rick Gordon, I understand.

MR. GORDON: Good morning.

TREASURER KOPP: We are all very supportive of it, absolutely, and particularly in these times of enforced distance. I have two questions. One is, have we looked at using the CARES money rather than other funds for this? Because it really is spurred by the need to respond to COVID and distancing. That was the first question. The second question, Mr. Secretary, is, do you or does anyone examine the cost per household or the cost per connection? Which seemed to vary very significantly. And I know the work done varies very significantly. But

do we have a check in fact on what is spent per connection? Or whatever the metric is?

MR. HOLT: Well, good morning, Madam Treasurer, Lieutenant Governor, Mr. Comptroller, thank you. To your first question, the CARES Act has provided really limited funding for broadband extension. There are a number of programs that at the U.S. Department of Agriculture, they basically got \$100 million that they could expand broadband with, but they've chosen to use that for older applications that were sort of in their queue. There's \$187 million going to local governments in Maryland, and there could be the ability for educators in those local jurisdictions to use some of that money for not just educational purposes, but also for broadband expansion. That's going to be up to the education system, how they want to appropriate that money. But fundamentally, there's not a lot of designated CARES money. So I think in some ways, and we're not able to expend money and then get reimbursed unless it's a non-appropriated expenditure.

So what we have decided to do here in Maryland is to move forward with the general obligation bond appropriation, which is represented here today, approximately \$9.6 million. This has been in process for a long time. Rick Gordon, who is head of the Governor's commission to roll out broadband in rural communities, has done a great job to reaching out to all the locals and municipalities and to get them on board. And that's sort of a two-pronged approach. One is for

infrastructure build out. The other is that last mile extension. So to your question about the cost associated, it's one thing if you're dealing with building out a large infrastructure network. It's another cost associated with adding 20 or 30 homes at the end of the backbone. And those costs can be extraordinarily variable. On the infrastructure program, we have a range between \$1 million and \$3 million that can be allocated. We have here four separate jurisdictions that have applied. Charles County has been really the most aggressive and they are providing about 90 percent of the construction costs. So I think Rick in reaching out to everybody has sort of filtered the group that want to engage in the pilot, which is sort of this last mile extension involving Planning and up to about \$200,000 expenditure cost, where they have to match up to 50 percent of the construction costs. So we're getting good uptake. And what you have before you is basically the final approved results based upon a (indiscernible) two years of roll out. We had FY '19, about \$2 million that was deployed mostly in the form of the pilot, and then this year expanding to use geo bond funding for infrastructure construction, which is a little over \$7.2 million.

TREASURER KOPP: Well, please understand, I support it very strongly. I think it's very exciting that we're actually moving on this now. I think everyone supports it. What I hear you saying is that between your department, between Rick's group, and the counties, yes, they are looking to assure that the

costs are correct and that there are metrics to be used. Understanding that there are different purposes, the infrastructure, the last connection, etcetera, so we can feel assured that in fact the general obligation bond funds are being used prudently.

MR. HOLT: Yeah, no, I mean, I think it's imperative to be responsible from a cost standpoint. And as you just pointed out, the beauty of this is there is significant participation by the locals in matching. You know, they have to match up to 50 percent of the construction costs. They get a little break in priority funding areas or sustainable communities, where their match is 25 percent. But, and we've employed the Maryland Broadband Cooperative, which represents a consortium of, I don't know, 70 or so internet service providers. And so there's just this teamwork that's going on. And I think everybody has got a stake in it. Everybody is very cautious about the costs associated. They could just be variable, you know, when you're dealing with last mile versus --

TREASURER KOPP: And you're saying also that this is something that's been in the works for a long time and therefore not appropriate under the Treasury's requirements or OMB's requirements for the use of CARES?

MR. HOLT: Yes. Well, I mean, CARES, we cannot have appropriated capital that's being reimbursed from CARES. And this is appropriated capital. So CARES is not going to be able to reimburse for these particular expenditures. To your question about CARES in general, the U.S., and

I'm going to look at some notes here, but at the USDA ReConnect Program, they got \$100 million from CARES, which is not a whole lot, and they used that for existing applicants from FY '19, earlier years that they hadn't been able to fund. The Economic Development Administration, through the federal Department of Commerce, received \$1.5 billion, but not specifically for broadband and they have incorporated that into their EDA Grant Program. So there's really not a lot of specific CARES money that's dedicated to broadband. And so.

TREASURER KOPP: Thank you, Governor.

MR. HOLT: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. I want to point out in Item 12, continuing with the 21st Century School Construction Program, the James Mosher Elementary expansion. And this is the construction package. So just see that that is continuing, the effort to modernize a number of our schools. I know that the Secretary of Education is looking at and working with the local jurisdictions in terms of what we'll be doing, coming back in the fall, late summer. A lot of discussions, year-round school, and that's been discussed, or at least thrown out there. So I don't, I no longer get the concern from my children about school. So it's not the direct impact, where some kids are happy and some kids are not so happy. But it is something that we really have to recognize, you know, what we're going to do going forward. And you know, there is the typical

summer period where kids kind of lose a little bit, lose that concentration area, and come back and so it's been an extended period of time. So I know the educators and education communities are really looking at how they are going to address that issue, if and when the kids come back and in what form.

TREASURER KOPP: Yes. As the grandmother of two third graders in Montgomery County Public Schools, let me tell you, it's not easy on anyone.

LIEUTENANT GOVERNOR RUTHERFORD: No, I'm quite sure. These parents are, you know, they could have a greater appreciation for the teachers, and probably are saying, you know, that teacher was right about what they said about little Johnny or Janey.

(Laughter.)

COMPTROLLER FRANCHOT: Well, Lieutenant Governor, could I just request that we pull out Item 16 and vote on that separately? This is your administration's --

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

COMPTROLLER FRANCHOT: -- to cut the budget for the fiscal year we're in --

LIEUTENANT GOVERNOR RUTHERFORD: Well, let's talk to the Secretary of Budget and Management to talk a little bit about that.

SECRETARY GONTRUM: We do have Secretary Brinkley, as well as Deputy Secretary Nicole, here to address the item, sir.

MR. BRINKLEY: Good morning, Lieutenant Governor Rutherford, Madam Treasurer, Mr. Comptroller, and Mr. Comptroller, congratulations on the birth of Lily. We're very excited for you. I know you are, too.

COMPTROLLER FRANCHOT: Thank you.

MR. BRINKLEY: For the record, I'm David Brinkley. I'm the Secretary of the Department of Budget and Management. And I have with me Marc Nicole, the Deputy Secretary. We are here this morning to propose a series of reductions to the Maryland FY 2020 State budget. For those that are watching remotely, everyone here pretty much knows that, but that's the current budget year that we are in and we think we have -- well, not think -- we have about six weeks left on it.

In the wake of new data on the impact of COVID-19 on our economy, the Board of Revenue Estimates last week projected that we could lose upwards of \$1.1 billion in the current year revenues. On top of that come even costlier revenue losses in FYs '21 and '22. I praise the Governor for a swift and decisive response to the revenue downturn: the order to budget freeze on spending not related to fighting the coronavirus, he instituted a hiring freeze to keep

personnel related costs down, and he vetoed several new and increased mandates which were passed by the Legislature in their rush to adjourn sine die.

The reductions proposed today represent the next necessary step in the administration's plan to protect our State's finances. The administration's general strategy is to harness general funds that have been set aside for capital projects and that have not been spent or allocated to specific projects, or that are not needed at this time. As such, no projects are being cancelled. And the State can use the unallocated funding to help cover this year's shortfall.

Let me briefly now describe some of the significant reductions that DBM is proposing. Most of the savings come from the Dedicated Purpose Account, two reductions that total \$97 million. We are also reducing the Maryland State Department of Education's capital grant program by \$6.7 million that, again, has gone unallocated through this year. And we are bringing the Heritage Structure Rehabilitation Tax Credit in line with our projected cash flow, freeing up \$7 million in the Department of Planning. Our grand total recognizes more than \$120 million in general fund agency reductions.

So in spite of the progress that we've already made, and the actions that you take today, we still do have a long way to go. We are committed to doing what is necessary and using the tools at our disposal in order to continue providing

essential government services and to get our citizens and State on a glide path to recovery.

I appreciate the opportunity to present this item to you today, and at this time we'll take any questions that you might have.

COMPTROLLER FRANCHOT: Lieutenant Governor, I would like to commend the Budget Secretary for he and his team carefully went over all of these items with our staff. I assume he did that with the Treasurer's staff. Obviously the reductions that we're looking at today are, as mentioned, \$120,661,000 in the current fiscal year. That's just the beginning. I mean, we're going to have significant reductions down the road. I don't, obviously, I don't want to leave any false hope for people that this is going to be a minor bit of surgery. But it's a new fiscal reality that we're going to have for the next several years. And Lieutenant Governor, if you would be so kind, I would love to have this item pulled out and let us vote separately on it because otherwise it just gets buried in the Agenda. And I think it's an important start to a very constructive approach and I look forward to working with everyone.

LIEUTENANT GOVERNOR RUTHERFORD: Madam Treasurer?

TREASURER KOPP: Yes, Governor, thank you. I want to thank the Secretary and the Deputy Secretary, Mr. Nicole --

LIEUTENANT GOVERNOR RUTHERFORD: Deputy Secretary,

yes.

TREASURER KOPP: I'm not sure about titles around here. I apologize. For your briefings and for answering questions and, indeed, for making some adjustments. I just want to make sure about a couple of items. You say here that in terms of the unused funds, unused, unallocated funds, that consideration will be given to, will be made for additional funding in future capital budgets. I assume it's more than just consideration will be given? But some sort of agreement that with these priority items they will in fact be given serious consideration and near the top of the list for when the funds are available next year or the following? That's right, isn't it?

MR. BRINKLEY: That's correct. That's correct.

TREASURER KOPP: Yes.

MR. BRINKLEY: And with the \$97 million in the dedicated purpose account, \$62 million of that are for two projects. One is the University of Maryland Eastern Shore, the Pharmacy School. The other \$31 million is for the Southern Maryland program. The Southern Maryland one is on track, but we still feel that, you know, we can take care of that in the '22 capital budget as it moves forward. The one on the Eastern Shore has been slowed down. So from a timing point of view, it is still moving forward. We're still going to ensure that that

happens. Because I know that that's very important, not just to the school, not just to the community for the training of those students, but certainly, you know, for that whole environment at UMES and what we need to do for that.

LIEUTENANT GOVERNOR RUTHERFORD: I know Dr. Anderson down there is very, you know, anxious and very proud of the fact that we will be moving forward with the school there and the new facility. And so that is something that is important to the administration, to make sure that we get that completed. So --

MR. BRINKLEY: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: -- this does not affect --

TREASURER KOPP: And -- I'm sorry?

LIEUTENANT GOVERNOR RUTHERFORD: I said this does not affect the timing of the construction.

TREASURER KOPP: Right. And for a number of these other ones, where you are reducing funds that were unneeded, apparently unneeded. There's only about six weeks left for this fiscal year, anyway.

MR. BRINKLEY: -- exactly.

TREASURER KOPP: So I just want to say that I appreciate the thought that was given to this. Somebody said it's almost like scrounging around for the coins behind the cushion on the couch.

MR. BRINKLEY: Within the sofa. Within the sofa, right. Right.

TREASURER KOPP: It's \$120 million. It's not nothing, but the Comptroller is absolutely right. Coming in 2021, I fear, will be very different sorts of cuts than these. You also mentioned that we're aiming for perhaps \$900 million, perhaps up to \$1.1 billion. This is \$120 million. Can you just touch on where else you are looking?

MR. BRINKLEY: Sure. So at this point in time, you know, this is the first step in what we have to propose to you for '20. Whether or not there will be more remain to be seen. We -- and I can tell you, Marc might be able to jump in, literally some of the decisions that we are getting, or the information we are getting from the federal government is changing overnight. There were some new decisions that were rendered 48 hours ago, and another decision rendered 24 hours ago, which is continually changing how we are seeing or being told to interpret the receipt of some of the CARES funding from the federal government.

Our mission here is to ensure that our agencies have the supplies to ensure public safety, that's particularly through the Health Department, and ensuring that testing can be ramped up and sustained. You see that we have

tremendous hospital capacity. That was one of the Governor's early on missions, was that should we get a lot of sick people, we can accommodate that. And at this point in time, what we're trying to do is try to wrap up this year so that we can then move forward. We don't know what our final balances are yet to be, because again we're getting this literally hourly change from the federal government. We have sufficient funds in the Rainy Day Fund to get us to move forward through this year and to the beginning of next year. That is when we're going to have to see some critical decision making in moving forward. But until we can close this year out, and as you both or all three of you know, that the Constitution requires the balanced budget. We have the resources to be able to do that. And we're trying to identify what we have to do to get across to the starting line for '21. And then at that point in time, once we have a picture for what that is, we can then wrap our arms around some of the decisions that need to come to your attention.

Marc, do you want to chime in with any of the federal changes? Because I just find it interesting that as you have all of your calls, you are getting new information almost hourly and that's also impacting Department of Health and some of the other agencies that we have.

MR. NICOLE: Sure, Secretary. Good morning, everyone. Governor, Comptroller Franchot, Treasurer Kopp, Marc Nicole, Deputy Secretary, Department of Budget and Management. To your question, Treasurer Kopp, and

to the points that the Secretary made, he is correct. There are many sort of pieces to our fiscal year '20 balancing plan. It does include the use of coronavirus relief funds from the federal government, where we are allowed to use some of those funds to cover some State costs. So that will be saving us some money in the fiscal year '20 budget. We will obviously be using that.

Additionally, as the Secretary noted, the Governor instituted a budget freeze early on. And there are some savings that we expect from our State agencies, probably in the magnitude of \$300 million to \$350 million in the current year. Much of that is coming as a result of assistance that the federal government provided us with an enhanced federal matching rate on Medicaid. And as the Secretary mentioned, the, sort of the final sort of pin in our fiscal year '20 balancing plan would be to draw on the State Rainy Day Fund to sort of get us to balance. Hopefully the numbers are better so we don't need to use as much, or hopefully any of the Rainy Day Fund. Because we certainly, as the Governor has mentioned previously, we may need to use it, well, we will need to use it a lot to balance the fiscal year '21 budget.

TREASURER KOPP: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: And I know there were, you know, recommendations that would have hit many of the counties particularly hard that came in. And there was some general feeling, you know,

amongst I think all of us, and the Governor included, that that really would not give the local jurisdictions enough time, given that we're, like I said, six weeks from the end of the fiscal year to adjust for such a hit. But as I think everyone on this line has said, we're going to have look at virtually everything for the '21 budget and how we address that. And so the counties and the locales are likely to be asked to participate in all of this as well. So it's going to be a challenging year.

TREASURER KOPP: I hope that we will all be working together, the counties, the State, the different branches of government --

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

TREASURER KOPP: -- in the interests of the people. I believe we will be.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. We'll work hard at it. Now, we have a motion on the floor to take this item separately. Do we have a second on that motion?

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. And we might as well vote on 16-GM right now.

COMPTROLLER FRANCHOT: I vote --

TREASURER KOPP: Favorable.

LIEUTENANT GOVERNOR RUTHERFORD: Favorable? So

we're all in favor. So John, we're favorable on that and we continue --

TREASURER KOPP: Unhappily, but favorable.

MR. BRINKLEY: Thank you. Thank you all three of you.

MR. NICOLE: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. And Secretary Brinkley, probably you should stay around at least at some point, because there will probably be some other CARES Act questions. And I have a question. I know early on, before CARES was passed, there was some discussion of reimbursements from FEMA. Was that absorbed into the CARES Act? Or --

MR. BRINKLEY: Well, it's interesting. That was one of the changes that just took place, I think in the last 48 hours. We were required to put up some matching funds for FEMA, and now we're told that we can utilize some of the federal funds to meet our matching funds. So that's why this is a continually changing dynamic that we're staying on top of.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Okay. Okay. And so we will, you know, get to, we have some emergency items, and I know the Treasurer, you had expressed -- was there anything else before we get to the emergency items?

TREASURER KOPP: Not for me.

COMPTROLLER FRANCHOT: No, I'm fine. Except that, yeah,

A1 is the one I wanted to --

TREASURER KOPP: Yes.

COMPTROLLER FRANCHOT: -- defer to the Treasurer or defer to you, Lieutenant Governor. And I have some comments on that.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. John?

SECRETARY GONTRUM: I believe A1 is the report of emergency procurement for the Department of Public Safety and Correctional Services. We have Secretary Green available to answer questions. We also have Mr. Stuart Nathan from the Office of the Attorney General.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. And you had two witnesses, I think, as well.

SECRETARY GONTRUM: Yes, sir. That's correct.

LIEUTENANT GOVERNOR RUTHERFORD: Good morning, Secretary Green.

MR. GREEN: Good morning, all, Governor, Mr. Comptroller, Madam Treasurer.

COMPTROLLER FRANCHOT: So if I could just start out, Madam Treasurer, I'm happy to defer to you, but this is an emergency procurement, as you noted. This is a contract that we have seen quite a bit of over the years. It's a large

contract regionally. But according to the department, in response to the COVID-19 pandemic, this company is requesting to increase the current monthly fee by 30 percent over the next six months, which amounts to \$3.2 million per month. Corizon also secured an additional three-month option to those monthly fee increases should the state of emergency still be in effect. This is modifying the current contract, which was originally \$680 million for medical care for prisoners. This is bumping it up to \$709 million.

Obviously ensuring the safety and well-being of inmates is a moral imperative as well as a statutory obligation, and particularly during a health emergency. So I appreciate the fact that additional measures might be put in place. I guess what I'm struggling with, Mr. Secretary, is why are the taxpayers of Maryland the ones being asked to pick up the tab? According to the item's background documents, the contractor is responsible for providing all emergency medical care services to the inmate population. That's what we gave them \$680 million over five years to do. So I'm a little curious as to why, when Corizon submitted their bid, apparently they must have understood that \$680 million, \$136 million per year, that was what they were going to get for taking care of the inmate population's medical needs. So in my view, this is simply, you know, my personal opinion, I happen to think that the responsibility for these extra costs falls on the vendor and not only Maryland's taxpayers. And so I'm just curious as to the hazard

pay that nurses and medical staff are getting. How is that they justify all of this? I understand there are extra expenses. But these are Corizon's employees. This is Corizon's problem, not the State of Maryland's problem. And I sympathize, obviously, with companies that have, are struggling with the pandemic. But this contract is very clear. The contractor is responsible for providing all emergency medical care services to the inmate population. So I'm not sure why you found it appropriate to ask for another \$19 million, and possibly \$9.6 million more on top of that if they are granted a three-month extension. And I just do not believe that because of the size of this contract, and I think it's very crystal clear in the contract, that they submitted a bid for and won and signed.

So I do have a couple of specific questions. How many inmates are there currently under the custody and care of your division? How many inmates have been tested? How many have tested positive? What are the protocols in place when an inmate tests positive for COVID-19? How is the department ensuring the virus is not spread further in the prisons? Who is currently paying for the COVID tests, the State or Corizon? When a vaccine is available, who is going to be responsible for paying for the vaccines, is that the State or the company? And it's my understanding that discussions regarding increasing the cost of this contract did occur prior to the declaration of state of emergency. So I guess my question is, is that correct? And can you provide any insights as to why these discussions would

have taken place if it was before the emergency? You know, this was a hotly contested contract where there were all sorts of accusations of deliberate underbidding by the winner. So that's the background for this. And I don't mean to give you a whole number of different questions. You can feel free to just kind of give us the outline here, I guess, as far as what's going on.

TREASURER KOPP: Could I just add on to that another perspective, too, about this particular contract. We have heard, as I'm sure you have, from employee representatives who, I think I sent you in fact the letter that we received, have concerns ranging from the fact that Corizon has not provided the appropriate protective equipment to their staff, who are working there, that they have been intimidated, that they have simply been treated in a way that is not at all acceptable in the State of Maryland. And that in fact their health and the health of the people that they are working with is severely threatened. So you have the treatment of their staff, you have the point that the Comptroller made. This was a contract that was hotly debated. I supported it. It was at a low rate. Now all of a sudden they are coming in with a 30 percent increase. So the other part of my question is, in addition to the response about the way they've treated employees, is how did you come to the round figure of 30 percent? We've seen no serious background information.

MR. GREEN: Very good. So for the record, my name is Robert Green. I'm the Secretary of the Department of Public Safety and Correctional Services. Thank you for your questions. Can you hear me okay? I just want to confirm --

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

MR. GREEN: -- my microphone is on. Very good. Thank you. This emergency modification was established with a great deal of thought and sense of absolute urgency and emergency. This worldwide health crisis and the declaration of a public health emergency began to unfold in December of 2019. The department made a critical point in time decision based on this crisis. This was a pandemic of such potential magnitude, never experienced or anticipated in my generation, nor thought about. Governor Hogan first took steps on this pandemic on February 27th to protect Maryland citizens. At the time that we made this decision, DPSCS had nearly 21,000 individuals across 23 correctional facilities to maintain, as well as the daily intake point of all new arrests coming into Baltimore City.

Again, it was a point in time decision driven by what we knew at the moment, where we were, and what was forthcoming. I see the decision that we made as one that I don't know you would have anticipated a pandemic of this magnitude. We have an absolute obligation to the constitutional care and custody

of the individuals in our facilities. In a congregate facility such as we have, the integration and the intersection between operation and the medical crisis in this virus and how it spreads was critical to us. And those were the decision points.

There were models, reflective models of what could occur inside of correctional facilities. I believe we made the absolute right decision at the time for our medical and the future of the medical care inside our systems and the future of the operation of our facilities.

If I may be direct on your, I believe, on your questions, both Mr. Comptroller and Madam Treasurer, were around PPEs. When this crisis unfolded, we all read with great interest of the shortage of PPEs across the country and the ability to gain access to those. DPSCS was no different in that. We were fortunate to gain access to PPEs through State contracts and other opportunities, some of which those opportunities to make them for ourselves. But I clearly acknowledge, we still have an issue with gowns and disposable gowns nationwide. We absolutely provided and we continue to do so if any of our vendors, Corizon or Centurion, needs PPE. In the very early stages of this crisis, the contractor provided some PPE to us that was unavailable in some of our medical and congregate areas. And I looked into those supplies based on inquiring from you, Madam Treasurer, as we do every day on a morning call to make sure that we are doing that.

Our medical and congregate care is managed by Dr. Sharon Baucom, our Clinical Director. And I spoke to Dr. Baucom as late as last evening about the performance of the vendor in this crisis. And she is pleased with their proactive ability, their ability to be nimble and responsive to every aspect of what we are trying to manage that absolutely evolves daily and at a moment's notice, changes within different facilities. As you have discussed, regions that are, have outbreaks that are more serious than other regions of our State, and that applies to our facilities.

So all of that ties into this decision of how we needed to operate for the future when we saw a pandemic at our doorstep, managing the healthcare of 21,000 individuals within our system. And that's why that decision was made. It's a flat rate contract and using that flat fee is how we came up with the number and the percentage of increase.

COMPTROLLER FRANCHOT: Is it your observation that the pandemic was the reason for the initial negotiations to increase the monthly payment for six months and I guess an additional three months on top of that?

MR. GREEN: That's not an observation, sir. It's factual basis on which we did this. This was declared --

COMPTROLLER FRANCHOT: And did --

MR. GREEN: -- March 16th was the day that we began this emergency procurement. And the paperwork filed on April 3rd. The timelines of the pandemic, we had no control over what was coming and the Governor declared the state of emergency on March 5th.

COMPTROLLER FRANCHOT: Okay. So when exactly does the emergency contract begin? I assume it is already taking place. But what are we on the hook for if we were to ask you to stop this immediately, or defer it at least for a couple of weeks?

MR. GREEN: The date of the declared emergency was March 16, 2020, Mr. Comptroller.

COMPTROLLER FRANCHOT: So that's, we're already obligated for two payments at least of \$3 million plus, and you're looking for the authority to do an additional seven months, I guess, of that, if I'm not mistaken.

MR. GREEN: It's a six-month contract, Mr. Comptroller, with a three-month opportunity to re-up that. We would suspend any opportunity for re-upping without coming before the Board and we would be happy to do that prior to re-upping --

COMPTROLLER FRANCHOT: -- here just for my edification, I asked for what the authority of the Board is. An emergency procurement greater than \$50,000 has to come to the BPW. The BPW may remand an emergency report

back to an agency with specific instructions. While the contract would have already started, which it has in this instance, at the time of the reporting, the BPW could have the agency modify or terminate a contract as it sees fit. So I'll turn it over to the Treasurer and the Lieutenant Governor if anyone shares my concern that this is a payment that should have been absorbed by the company in its original \$680 million, five-year contract.

LIEUTENANT GOVERNOR RUTHERFORD: Well, I can't speak to, you know, the exact amount of the need for the \$3.2 million per month in additional. But I don't think that the, at least how I would read a contract to say, you know, emergency medical care in the pre-pandemic world, emergency medical is similar to going into an emergency room in a hospital, meaning something happened right away that a person needs to go to a hospital going through the emergency room, versus a state of emergency in a pandemic where you are having this substantial spread of a potentially fatal virus. So I can see a distinction in that language.

I do want to point out, and Secretary Brinkley might be able to help us on that, there is a plan to seek reimbursement for these funds as they weren't originally appropriated funds, that we would seek reimbursement for this from the federal government through the CARES Act or through FEMA that we talked a little bit about. But at least seek reimbursement for these additional funds.

COMPTROLLER FRANCHOT: Well I'm going to vote no on this, period. And I just think it's an unnecessary mistaken assignment of costs. And I believe that the vendor should have assumed these costs, particularly, you know, as this unfolds. If there is some kind of federal flexibility, I would urge the State to spend those flexible dollars not on this particular obligation. I think they should spend it on other worthy items if they are able to get some flexibility. But I respect what you say. And obviously, the Secretary has got an enormous responsibility. But I'm, to the extent I can vote no, I'm going to. To the extent, if the Treasurer would like to defer it for some reason, and would not like to vote it down, I think we should send them specific instructions to renegotiate this and have the company absorb these expenses, whatever they are. I'm not even sure what the \$30 million has been spent on.

TREASURER KOPP: That's right. I am between the Governor and the Comptroller on this, and was going to suggest a deferral. Mr. Secretary, I appreciate what you said. You had a flat rate and decided to raise it 30 percent. That's really not sufficient, from my perspective, an explanation of why these funds are required.

I do understand that this is an unforeseen emergency, and that more assistance and more equipment may well be needed. But we can't tell from this item what in fact is being paid for with the 30 percent increase. And I also would

appreciate a point by point response to the questions that were raised regarding the employees and their protection. So I would, I would move to defer this and allow the Secretary the opportunity to respond appropriately.

SECRETARY GONTRUM: Madam Treasurer, if I could clarify the Board's options, the Comptroller's summary earlier is correct. Under COMAR 21.05.06.02, the Board does have the authority to take any action it deems appropriate in directing the procurement agency to alter the procurement in any way it deems necessary. The way these reports come to the Board, the Board has the option to accept the report and it has the option to remand a report. It is as binary as that, or it can be as broad as the Board wants to assert its authority. So, if you'd like to remand the report with an instruction that the department resubmit the report in a certain time period that is absolutely within the Board's authority. You can also --

COMPTROLLER FRANCHOT: I would support the next two weeks coming back with --

TREASURER KOPP: Right. That was my intent.

LIEUTENANT GOVERNOR RUTHERFORD: I'm fine with deferring the item and giving the Secretary time to respond to the questions that the Treasurer and the Comptroller have requested.

COMPTROLLER FRANCHOT: That would be, I would like to bring it before the Board the next time, because you know, obviously if there is something that doesn't occur and isn't apparent to us right now, we should be aware of that. But thank you, Lieutenant Governor. I think that's a minimum approach and I look forward to seeing this item again two weeks from now.

SECRETARY GONTRUM: The department can withdraw the item if it wishes, or there can be a vote by the Board to remand.

LIEUTENANT GOVERNOR RUTHERFORD: The department is going to withdraw this item.

COMPTROLLER FRANCHOT: Okay. Thank you.

TREASURER KOPP: Could I suggest that the Secretary also contact our staff for all the specific --

LIEUTENANT GOVERNOR RUTHERFORD: Good point.

SECRETARY GONTRUM: We do have a request for public comment if the Board would like to hear from the two individuals who have requested to speak, or that is of course at the discretion of the Board.

LIEUTENANT GOVERNOR RUTHERFORD: I think we can wait on that. They can come back in two weeks to speak or submit written comments to the Board. Because the item is no longer on the Agenda.

COMPTROLLER FRANCHOT: And if I could just, since you brought up, Lieutenant Governor, the Election Board, I completely concur with you about the need for a much tighter operation right now on mailing of these ballots and the contents of what's being mailed. And so I share everything that you and the Treasurer said about the Board of Elections. We just need to up our game a little bit as far as making sure that the U.S. Mail system and the vendors and everybody is paying attention to what they need to do in order to get these ballots mailed on time.

LIEUTENANT GOVERNOR RUTHERFORD: Have you both gotten your ballots in Montgomery County?

COMPTROLLER FRANCHOT: I got mine. It was a couple of days ahead of my wife. I have to admit, they must have been doing it alphabetically. Both of ours, though, are in the mailbox. But what you said about Baltimore City is very troubling. Obviously, and there were some reports that, you know, the Spanish version of the ballot was --

LIEUTENANT GOVERNOR RUTHERFORD: Right --

COMPTROLLER FRANCHOT: -- you know. That is just --

LIEUTENANT GOVERNOR RUTHERFORD: -- I think you have to request that, if you request a Spanish version of another language version. I don't know how that --

COMPTROLLER FRANCHOT: -- have that flexibility. But for people that are not Spanish speaking to get a ballot that is in Spanish is not right. But as the Treasurer says, I just urge everybody to up their game and raise the level and get on the phone with these mail shops and vendors and whoever it is and, you know, every day make sure that the rest of the ballots are being delivered. I assume you got yours, Madam Treasurer, did you say that?

TREASURER KOPP: I got mine on Saturday, and Robert, my husband, got his on Monday.

COMPTROLLER FRANCHOT: Well, there you go. So --

TREASURER KOPP: Two days --

COMPTROLLER FRANCHOT: -- Montgomery County is working okay.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah. Well, I guess I beat you because it's two Saturdays ago now I received mine, and my daughter received hers two Saturdays ago in Howard County. My wife got hers on the Friday before. She got hers the day before we did. So --

TREASURER KOPP: We were alerted that Montgomery County was coming later, that --

LIEUTENANT GOVERNOR RUTHERFORD: Really?

TREASURER KOPP: -- not as a --

LIEUTENANT GOVERNOR RUTHERFORD: Hm.

TREASURER KOPP: Yeah. But I would urge also, if the Board or the Administrator believes they need support or assistance in some way, to come and tell us, to be transparent.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah. No, I mean that's a good point. And we asked that question back on the 1st of April, and asked about their outreach. And I know they have a big contract doing outreach. But I don't know. Okay. But in any event --

COMPTROLLER FRANCHOT: Okay. Sorry. But thank you for bringing the subject up. It's an important one.

TREASURER KOPP: Governor, could I just add, make a point or ask a question, we don't need a discussion, on the Department of Transportation's items on this Agenda.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. I was going to ask about that as well.

TREASURER KOPP: I would just ask whether these are things that would be eligible for CARES rather than the Transportation Trust Fund.

SECRETARY GONTRUM: Secretary Slater as well as Mike Zimmerman from the Department of Transportation are available to address the emergency reports.

MR. SLATER: Good morning. For the record, Greg Slater, Secretary of the Maryland Department of Transportation. I'm happy to address your question. But absolutely, Madam Treasurer, a lot of this stuff is reimbursable through the CARES Act as well as some of our Federal Emergency Management type funds that we are working through those processes now. And in fact, we're so familiar with some of the federal processes on the emergency funds, we're entering into agreements with some of the other departments to help them kind of flow that money as well.

TREASURER KOPP: Good. (Indiscernible). Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: You were echoing for some reason.

TREASURER KOPP: I said only you might make a note on these items of the fact that you are looking into that and then I wouldn't be bugging people by asking questions.

COMPTROLLER FRANCHOT: You're not bugging anybody, Madam Treasurer.

LIEUTENANT GOVERNOR RUTHERFORD: No, that's a good question. And really bringing up the Transportation Trust Fund, I would imagine, Secretary Slater, that is, I don't want to say taken a hit, but it has got to be a reduction because, you know, people aren't driving. There's just less, you know,

fuel costs, fuel tax. So is there anything you want to say about our Transportation Trust Fund and concerns there?

MR. SLATER: Yes, sir. Great question. We are certainly have a little bit of a grim outlook right now. Our traffic is down about 45 percent. Trucks are down about half of that. So, you know, keeping that supply chain moving. But if you look at like core bus in Baltimore is down 65 percent. Our MARC and commuter bus are down 95 percent. Light Rail is down 90 percent. Even our mobility is down 75 percent, and paratransit is down 45. So you know, we have BWI Marshall, our air traffic is down 95 percent. The only piece that has really been stable is the Port of Baltimore. Our container activity is only down two percent. So we have a lot of activity flowing in and out of there. But the revenue situation is just not great right now. We have a little bit of a lag in our reporting for most of MDOT revenues. So we're largely using estimates and operational stats. We just received all of our March revenues so now they are available. And really what is significant about March is not necessarily where we started, but where we ended. So it gives us a better picture. And then on Thursday when we heard from the Bureau of Revenue Estimates on the general fund and those revenue estimates for FY '20 to '22, we wanted to make sure that we were really in line before really talking about the impact. So we're taking a similar approach to estimating the revenues in these uncertain times looking at ranges rather than

pinpointing a specific number. So the recovery timing will largely depend on kind of the public health actions and those types of things. And they are going to vary from revenue source to revenue source. So we're looking at them individually and then collectively. But in FY '20, so you know, in the next six weeks, we're working to close a revenue decline of around \$550 million. And then in FY '21 we're looking at around \$490 million to \$550 million. And then also a reduced bond sale ability of about another \$355 million to \$500 million in '21. So we have some challenging times ahead of us.

But fortunately, when the CARES Act was passed it included a good amount of money for transit and aviation. So we were able to use that to balance FY '21 and really work across the department and make that critical. So the CARES Act in '20 gave us about \$479 million across the department, so that was hugely helpful in being able to balance that. Of course, we have a hiring freeze and other operating budget reductions. And but we're actively assessing every single procurement and our fiscal constraints right now. We're looking at our operating budget in '21, looking at potential cuts of anywhere from five to ten percent from the legislative appropriation, and then looking at capital expenditure cuts in '21, and then trying to build our CTP from there.

So it's a very challenging time. I lived through the last recession we had. I was a brand new planning director so I had to rebuild a highway program

in the middle of that recession. So that experience is serving me well right now and bringing in some of those experts that helped at that time to help.

COMPTROLLER FRANCHOT: I'm asked from time to time, Mr. Secretary, about the, mainly by critics of two projects that I support, Purple Line in Montgomery County and Prince George's and the Beltway widening project, for lack of a better word. Are these big projects somehow back on the chopping block because of the, or is this something different from, because they are public-private partnerships?

MR. SLATER: No, sir. They are, because they are public-private partnerships, they really offer us opportunity to continue to make progress on some of those. We certainly have some challenges that we're working through with the Purple Line. I am actually meeting with them really on a daily basis to talk through some of the challenges to make sure that we can bring that to success for our citizens in that region and continue to work through. In the Beltway component, we're really mindful of the situation that we're in right now publicly. So we want to make sure that we're out there in a way that we can safely engage with the community and really get their input as we're moving forward. So, you know, we're looking to have a draft environmental document out at some point towards the end of the summer to really get, maybe even sooner depending on the availability of the federal government. But also, we want to be really mindful of an environment

where our public has the right amount of input in the project as we're going forward.

And so certainly a lot of changing times for a lot of those major projects.

COMPTROLLER FRANCHOT: Well, keep up the good work. But make sure at least the Treasurer and I are kept in the loop.

MR. SLATER: Sure.

COMPTROLLER FRANCHOT: Because I'm not sure about you, Madam Treasurer, but I get a lot of people inquiring. Hopefully they don't like the project generally. I do like the two projects as they are currently configured. But I don't really have, I'm just going to tell them that these are largely in a, being closely examined and considered process, I think is the best way to describe it --

LIEUTENANT GOVERNOR RUTHERFORD: Are they literally knocking at your doors to express their concerns --

COMPTROLLER FRANCHOT: Well, I live in the, in Takoma Park. And, you know, it's, people are not bashful, put it that way.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right.

TREASURER KOPP: Could I just add, Greg, at some point, it, I'm just curious with the P3s, not these particular projects necessarily, how the economic is affecting them and how you hear from around the country. It might be impacts going into this year and next. I don't mean, not right now, but as things proceed.

MR. SLATER: Sure.

TREASURER KOPP: Sort of uncharted territory.

MR. SLATER: I'm happy to, you know, it's really about the bond market and the interest rates and how that all works. Right now, the interest rates are very good. The TIFIA interest rates are really good. We are all watching that as, you know, you start talking about (indiscernible) recessions and things like that and see how that all impacts it, if it's impacted. But yes, ma'am, we will.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. Thank you, Mr. Secretary. I do have a question on A2 and A3, and it's a simple question. I don't know if the Health Department is on.

SECRETARY GONTRUM: We have William Tilburg, who is the Executive Director of the Medical Cannabis Commission, as well as Ugo Osoh.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. It's a fairly simple question. When I saw these items, the hiring of investigators and a law firm to do some investigations regarding the licensing process that was handled by Morgan State and the Commission, did this grow out of the criminal case or allegations that basically led to the criminal case? I don't know if you can answer that but that is my question.

MR. TILBURG: Sure. Good morning, Mr. Lieutenant Governor, Mr. Comptroller, Madam Treasurer. For the record, Will Tilburg, Executive

Director of the Maryland Medical Cannabis Commission. The two emergency procurements that are before you today predate any criminal charges related to Delegate Glenn or a later lobbyist that in some measure implicated medical cannabis more broadly.

So the General Assembly in 2018 passed emergency legislation increasing the number of grower/processor licenses and the Commission developed an application process based off of that which occurred over the summer. And as you referenced, Morgan State University was contracted with to complete that evaluation. Certain concerns were raised by the public and legislators prior to the award of stage one pre-approvals in September of 2019. And at that juncture, the commissioners determined that, that's when they declared the emergency and requested staff develop these RFPs in order to fully investigate the concerns that were made by the public.

But to your question specifically, these predate any of the charges that were brought or any knowledge that the Commission or anyone else had of charges.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right.

That was my only question. Okay. All right.

COMPTROLLER FRANCHOT: Move approval --

LIEUTENANT GOVERNOR RUTHERFORD: -- the Secretary's

--

COMPTROLLER FRANCHOT: -- it's appropriate --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, there are no other questions on the Secretary's Agenda? Okay. I think, I spoke over you, Comptroller. Were you --

COMPTROLLER FRANCHOT: Moving approval. No, I was just moving approval for the Agenda. Is that okay?

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Yes. That's what I --

COMPTROLLER FRANCHOT: (Indiscernible).

LIEUTENANT GOVERNOR RUTHERFORD: And I think the Comptroller was second on the items, and we're all in favor. We voted separately on 16-GM. So okay. Thank you. Department of Natural Resources?

MS. HADDAWAY-RICCIO: Hi, good morning, Governor, Madam Treasurer, and Mr. Comptroller. For the record, Jeannie Haddaway-Riccio, Secretary of the Maryland Department of Natural Resources and we have eight items on our Real Property Agenda today for which we are seeking your approval. And we're happy to answer any questions you may have.

TREASURER KOPP: I would appreciate, Madam Secretary (indiscernible) get the time to get, to understand 7A, the valuation system. It was very helpful. Thank you.

MS. HADDAWAY-RICCIO: Great. Thank you.

COMPTROLLER FRANCHOT: Well, I don't mean to --

TREASURER KOPP: Second.

COMPTROLLER FRANCHOT: -- I guess we're not quizzing the Secretary a lot but move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Nothing today, but okay. And we have a second. And thank you, Madam Secretary. All approved.

MS. HADDAWAY-RICCIO: Thank you for your support.

COMPTROLLER FRANCHOT: You're welcome.

LIEUTENANT GOVERNOR RUTHERFORD: The 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: Good morning, Joe.

MR. EVANS: Good morning.

LIEUTENANT GOVERNOR RUTHERFORD: Or afternoon. No, it's still morning.

MR. EVANS: No, it's still morning. I was watching the clock.

LIEUTENANT GOVERNOR RUTHERFORD: I don't have any questions on their Agenda.

COMPTROLLER FRANCHOT: Nor do I.

TREASURER KOPP: However, 2-C, are we going to make the MBE participation rate?

MR. EVANS: The response from University of Maryland College Park is that they will make that --

TREASURER KOPP: Thirty percent.

MR. EVANS: -- participation rate. They are only 13 percent complete with the project at this point right now. So it is just a snapshot that's on the Agenda as far as compliance.

TREASURER KOPP: And will this, if it meets LEED Silver and not more, will this be a significant contribution to the net zero goal for 2050? It will be sufficient?

MR. EVANS: With that, I would have to ask Bill Olen from the University of Maryland College Park.

TREASURER KOPP: I don't want to take up everybody's time. But

--

MR. EVANS: I could get the information and forward it to you,
Madam Treasurer.

TREASURER KOPP: I certainly recognize the need for the
dormitory to proceed. But we do have goals in law and in policy. And the
University does as well on its own. Let's see how this contributes. Thanks.

MR. EVANS: We'll do a follow up.

LIEUTENANT GOVERNOR RUTHERFORD: Joe, it's probably,
this is probably something that may not be directly in your area. But I know a lot
of the universities are concerned about, you know, reopening. And if, if you do
reopen, how many kids will actually show up on campus versus, we have a lot of
students who live probably in 45-minute drive to the University. I mean, and as
I'm going to say the particular old guy comment, in my day, a lot of people who
lived within a 45-minute drive, they didn't live on campus. And I could tell from,
you know, from when my kids were starting to go to school, many of their
classmates and my neighbors that their kids were going to either Towson or College
Park, they would live on campus when, you know, there would be no way in the
world I could ask my parents to let me live on campus when I lived 30 minutes or
so away from the campus. I just wouldn't, I wouldn't even have thought about

asking that question. But now it's an expectation. Now of course I told my kids, you've got to be two hours away to live on campus. So and they did that, too. They went two hours away. So the concern that I have is that you may find yourself with, you know, not necessarily this dormitory, but particularly some of those developments that have occurred around the campus that are privately owned but in some cases the universities, not just College Park, guarantee a certain amount of occupancy as part of their basically a public-private partnership. Has there been any concern expressed to you guys, you and the construction procurement side?

MR. EVANS: I haven't. I know at my campus I haven't heard anything on my side. But I'm not sure about College Park and them as a service center supporting the other campuses. I can certainly ask the question of the System and get you a response.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. I can talk to the System about that. But it's something that I'm quite sure they are looking at.

MR. EVANS: -- more around P3s.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. More so than probably your, you know, university-owned dormitories. Because you can fill those up probably pretty quickly. So okay. I don't have any other questions.

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: And a second.

MR. EVANS: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you, Joe.

Department of Transportation? You're back.

MR. SLATER: Well, I'm one minute over so it's good afternoon.

LIEUTENANT GOVERNOR RUTHERFORD: Good afternoon.

MR. SLATER: Governor, Madam Treasurer, Mr. Comptroller, for the record, my name is Greg Slater, Secretary of the Maryland Department of Transportation. The Maryland Department of Transportation is presenting 17 items for your consideration today and we have representatives as well as myself here to answer any questions you may have.

LIEUTENANT GOVERNOR RUTHERFORD: I don't have any Transportation questions for you.

COMPTROLLER FRANCHOT: No, I'm very pleased with the leadership of the Secretary. I will say that and just leave it at that, that he represents the kind of transparency and accountability and communication skills that I'm envious of. And thank you, Greg, for that. And, you know, keep an eye on all the modes that you are in charge of, please.

MR. SLATER: Absolutely, sir.

TREASURER KOPP: I couldn't agree more. And I thank you for all you've done reaching out to people, Mr. Secretary.

MR. SLATER: Thank you.

TREASURER KOPP: Great job. I do have one question. If somebody can get back to me on 9-RP, I have no issue with the thing, but it says it's located in the Town of Bethesda in Montgomery County. And I'm not sure what the Town of Bethesda is. So if you could get back to me on that.

MR. SLATER: I certainly will. The Town of Bethesda is not a term that I had heard before.

TREASURER KOPP: Town with a capital letter. Yes, thank you.

MR. SLATER: I'm happy to.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. So --

COMPTROLLER FRANCHOT: So I would move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you, Mr. Secretary. It sounds like people are envious of your communication skills. So --

TREASURER KOPP: And credibility.

MR. SLATER: Thank you all.

TREASURER KOPP: Governor, people trust your Secretary.

That's very good.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. Okay.

MR. SLATER: I will never take that for granted.

COMPTROLLER FRANCHOT: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you very much. His wife is an educator. I think that helps, too.

TREASURER KOPP: Well, that must be it.

LIEUTENANT GOVERNOR RUTHERFORD: Department of General Services? Oh, who is this man?

MR. CHURCHILL: I am so happy to be back. I have missed this Board and I say that in all sincerity. Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record, I'm Ellington Churchill, Secretary of the Maryland Department of General Services. Today we have 35 items, including one supplemental for your consideration. Revisions have been submitted for Items 5, 11, 19, 24, 32. And a revision has been recently submitted for Item 35, revisions including clarifying the term extension and outlining the renewal option period for potential future execution, as well as additional details regarding system enhancements. The department has also withdrawn Item 16 and 34. And we are available to answer any questions you may have at this time.

LIEUTENANT GOVERNOR RUTHERFORD: Yes, I was going to ask about 16 only from the standpoint of, you know, given that there's going to be some difficult decisions with regard to the budget going forward, just how public television is prioritizing how they are using viewer funds. And I know getting Nielsen information is important. It's just a question of timing. So I guess they will get that information to us.

COMPTROLLER FRANCHOT: Lieutenant Governor, I don't want to take up your time because everybody knows my view on Pearson and standardized testing. But if I could get marked in opposition to Agenda Item 17, I'm not going to go through my criticism of standardized testing, but you know, I do have a lot of concerns about what I view as negative consequences coming from our what I describe as a fetish, you know, often justified by federal requirements, I guess. But I just find the whole out of state standardized testing programs to be troublesome and so I'd like to be registered as in opposition to that contract.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

COMPTROLLER FRANCHOT: Item 17. Otherwise, I would move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Madam Treasurer, would you want to hear information with regard to 17 or any of the other items?

COMPTROLLER FRANCHOT: She has already heard me speak many times in the subject, so --

TREASURER KOPP: I'm comfortable that I could say the words. I would move favorable on all the items, except Item 17.

COMPTROLLER FRANCHOT: Second.

LIEUTENANT GOVERNOR RUTHERFORD: So we should pull Item 17. It's a retroactive contract.

TREASURER KOPP: I intend to support 17.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, oh, oh. I thought you said --

TREASURER KOPP: No. Just to take it out so the Comptroller can vote against it.

LIEUTENANT GOVERNOR RUTHERFORD: Oh. All right. So we have a motion to vote on 17 separately.

TREASURER KOPP: Yes.

COMPTROLLER FRANCHOT: I would.

LIEUTENANT GOVERNOR RUTHERFORD: All right. And so I will second your motion. I'm in favor of 17. Madam Treasurer?

TREASURER KOPP: Move favorable on 17.

COMPTROLLER FRANCHOT: I'm opposed. Thank you. Thank you for letting me register that.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. Okay. And any other, do we have a motion on the floor with regard to the remainder of the General Services Agenda, or questions?

COMPTROLLER FRANCHOT: So move.

TREASURER KOPP: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. Well, thank you, stranger -- oh, Mr. Secretary.

MR. CHURCHILL: Thank you, Governor. And see you the next time.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you, everyone.

TREASURER KOPP: Thank you.

COMPTROLLER FRANCHOT: All the best.

TREASURER KOPP: Have a great day.

LIEUTENANT GOVERNOR RUTHERFORD: Take care. And congratulations again.

COMPTROLLER FRANCHOT: Thank you very much.

(Whereupon, at 12:08 p.m., the meeting was concluded.)