
STATE OF MARYLAND
BOARD OF PUBLIC WORKS
ANNAPOLIS, MARYLAND

February 24, 2021
10:07 a.m.

home stretch. We are much further along than when you saw it, Lieutenant Governor Rutherford. But we do need to be able to use the updated appraisal to cover the match in our bond bill, I think it's GO 64.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah. You're not, you don't need to convince me. I just wanted to point it out because I did see it when it was still just a vacant facility. You know, a reminder of the entertainment establishment that it was many years ago in a different era. And you know, support the vision that the Town has for that establishment. So I just wanted to thank you and point that out as a very worthwhile venture and something that will be very good for the Town of North Brentwood.

MS. GOODALL: Thank you so much. And there also will be an access to this whole community and the arts district.

LIEUTENANT GOVERNOR RUTHERFORD: Yes. Absolutely.

TREASURER KOPP: And I assume that the increased assessment is good news. I mean --

MS. GOODALL: It is. It is good news. Especially when that only showed it when we were 90 percent complete. And so now we have the electric in. We have the gas in. We're getting ready to finish the floors and finish the interior, and move to the design. So when all is said and done, the Town will have not only

a building that will be an increase to the properties that the Town owns, but also a very good example of restoring our history and keeping our history alive.

TREASURER KOPP: Congratulations to you.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you. Mr. Secretary, I'm not, I just want to thank you. I'm not going to point out all of them. But a number of your contracts are being awarded to certified MBEs or small businesses, both A&E and construction contracts. And I really appreciate seeing that.

Can I turn to Item 12-IT? The NIC USA contract.

MR. CHURCHILL: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: This, there was an extension that was done, and this is I think the second extension on the NIC contract. There are a lot of challenges. I know the Treasurer has some concerns about it. A revenue contract. Now, the last time it came before, I think I was, I know I was sitting on the Board. And I had said that I wanted the Office of Procurement to take over the procurement and basically get it done. Now I envisioned that the, when I said that, that we would be coming back with a procurement on the table that's something that would be issued by Maryland and not developing a procurement as a cooperative agreement.

It's one thing -- and I do support cooperative agreements if they are already out there and they are on the shelf. In this case, they are not already out there. And so the movement has been to work with NASPO, National Association of Procurement Officers, to develop a national cooperative agreement. And there are benefits associated with entering into the national agreement. But they take too darn long. And you are going to have nine states or more that will have to agree on provisions, which would include some of the terms and conditions of the contract. They all have to agree on this. And the timeline of 12 to 18 months, which I think is probably short, and then some period of time for transition, we're looking two years away. I am not supportive of that concept.

I believe, and if they can't do it there's a problem, that within the next six months, and I would say nine months, that the State can and should issue a procurement and have it on the street and be evaluating within nine months. There was already an RFI done, which is great. And there was some 20 or more, I think it was 31, vendors that expressed interest. Now, they may not all express interest in Maryland doing this. But I would think we would get two or more that would be interested in bidding on ours and waiting for the national group to come up with their cooperative agreement.

So I am requesting that the Office of Procurement, you know, if they can do it parallel, they can, but I'm requesting they get a Maryland contract out and

on the street and be in the position of evaluating within the next nine months. And I don't see any reason why that can't happen.

COMPTROLLER FRANCHOT: I completely agree with the Lieutenant Governor, with the one addition. I hope that you can get an audit, which is what the Treasurer --

LIEUTENANT GOVERNOR RUTHERFORD: Now that's, that's the other issue, and I know the Treasurer still has --

COMPTROLLER FRANCHOT: Yes. Yes, please.

LIEUTENANT GOVERNOR RUTHERFORD: -- I'll leave that to the Treasurer --

COMPTROLLER FRANCHOT: Otherwise, I think it's a great suggestion. I'm not sure how to implement it, however.

LIEUTENANT GOVERNOR RUTHERFORD: The audit, that is?

COMPTROLLER FRANCHOT: No, not the, I know how to do the audit, and I know how to do the procurement. I'm just not sure how to go from where we are right now to where you articulated, Boyd. I think it's --

LIEUTENANT GOVERNOR RUTHERFORD: They can do it. I have trust in the procurement operation. They have already done this RFI, so they pretty much have an idea of what the scope can be. So I would imagine in the next three months they should be able to have the procurement and issue it on the street,

and then a period of time after that, maybe four months, to get it out on the street, some period after that to do some evaluation, and be in a position to make an award in six to nine months. Because some of the groundwork has already been done, and that's what I was expecting to take place six months ago.

I thought that now they would be coming back and saying we need a little more time because we are ready to issue the RFP or we are in the evaluation, one or the other. But they are fiddling around, and I'm just, is that an old term, too? Fiddling around with the national association and there are benefits to that. But it's when you take the procurement off the shelf that is already out there. You know, if our NIC contract met the requirements that everyone has for audit and we were in a new contract or whatever and it wasn't expiring, then we could be looking at a, you know, the exercise of putting together a national contract. But it's not there and Maryland can act quicker. I have faith in our procurement staff. I think the work has already started. They can get it done. Just get it done.

COMPTROLLER FRANCHOT: Madam Treasurer, you are the champion of this issue, God bless you and your staff. So whatever you and the Lieutenant Governor --

TREASURER KOPP: No, we just wanted an audit to know why we were paying what we were paying. I have just about given up on that, but I understand people are still saying they are working on it. But I would like to hear

the Secretary's response to what the Lieutenant Governor said. Because there is no doubt that when we last spoke about this, our vision was just as the Lieutenant Governor lays out. What happened and why shouldn't it go that way?

MR. CHURCHILL: Well, thank you all of course for the comments. There are many different issues that we have been trying to resolve over the last time that we discussed the NIC USA contract.

In terms of providing a Maryland centric procurement, of course, Governor, we can go back and look at that. Ultimately, there was the opportunity, and I'll just address the intergovernmental, there was the opportunity to be the lead state on this and in terms of putting procurement in Maryland, which we are looking of course to highlight and expose as one of the leaders in procurement across the United States, when the opportunity presented itself, we jumped on it.

Everything is a matter of resource allocation. This is not a small contract. This is a substantial contract. And when we look back over putting together other contracts of a similar size and importance to the State, they do take some time. But Governor, I certainly understand. You have been in this position as well. You know procurement and you know, yes, any and all things can be done, it's just a matter of what resources we really have at hand. And I'm not going to go down the rabbit hole concerning that. We can certainly talk offline.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah. I just, let me just back up a second. And that is the first part you said I think is what got, you guys saw stars, you know. Stars were in your eyes, an opportunity to, as you said --

MR. CHURCHILL: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: -- be a leader. We are not running for the leadership of America's procurement system. We are running for the leadership of Maryland's procurement system. Okay? So you know, others can worry about the national issues and what happens in Washington and what happens across the country. We worry about our small little State of Maryland. This has been an issue for several years now. You know, this is the second of the six-month, it was supposed to be a year, you know, and we broke it up to six months. So, and you know, and the Governor has been in these meetings. Between me and, you know, on these, we need to get this done. And I have faith. I have faith that you all have the resources to get it done. If it means pulling off of something else, then they pull off of something else. If we need to utilize some of the personnel over at Transportation, they have people that can help out. Bring them into it. Of course, working with the Treasurer's Office. It needs to get done. It needs to get done now. Nine months is the maximum. Let's get it done.

Somebody else used to say that, and I mentioned him earlier. Let's just get it done and get it done now.

COMPTROLLER FRANCHOT: And what about the audit?

TREASURER KOPP: William Donald Schaefer.

COMPTROLLER FRANCHOT: Audit.

TREASURER KOPP: That just sounds like William Donald Schaefer. Get it done --

COMPTROLLER FRANCHOT: Yeah, well, I'm not sure about that.

LIEUTENANT GOVERNOR RUTHERFORD: Right.

COMPTROLLER FRANCHOT: But I do, I'm not going to vote for more extensions unless there is an audit or some proof that there is an audit underway. And you know, we'll deal with that whenever this comes back to us. I take it this is for six months? Or is it longer? This is a six-month extension. So --

LIEUTENANT GOVERNOR RUTHERFORD: I think this is a six-month extension.

COMPTROLLER FRANCHOT: -- you know. I would, and I'm supportive of six months, that when they come back in six months, they address these issues that the Treasurer has, as well as be able to report on where they are

with the new Maryland procurement. Where are you in six months with the new Maryland procurement?

MR. CHURCHILL: Well, thank you, yes. We will continue to keep the Board apprised of where we are and we can give a periodic update.

LIEUTENANT GOVERNOR RUTHERFORD: And secretly I would want an update. And you know, I may be asking your folks to come in or at least call every month on what is going on. Because I just, you guys didn't do what we asked you to do. And you know, I'm not going to diminish the Board's authority itself. But I look at it you didn't do what I asked you to do. Okay? So I go, you know, there is a different, there's the Board and the fact that you guys work for the Governor and myself.

MR. CHURCHILL: Governor, point taken. It falls on my shoulders and so I will let that stand.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

TREASURER KOPP: And in terms of the audit, just to go back to respond seriously to the Comptroller.

MR. CHURCHILL: Yes.

TREASURER KOPP: My understanding is that it is going forward. We're talking about a past audit.

going to get into it, they had influence with a local official of some sort and they learned the process through that local official helping them through. Which was constituent service, so that was fine. But there are others who just don't get it. They didn't -- and I'm not saying they paid the local official. It's just constituent service and they learned the system. And others haven't had that ability. So that's the concern I have. So with that, thank you all. And I know we've gone over. It's not a record. So.

TREASURER KOPP: But we can try again next time.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: I think the Comptroller doesn't want that. But thank you.

COMPTROLLER FRANCHOT: No, it's okay. Have a good day, everybody.

TREASURER KOPP: Thank you. Bye-bye.

LIEUTENANT GOVERNOR RUTHERFORD: Okay, bye.

(Whereupon, at 1:28 p.m., the meeting was concluded.)