
STATE OF MARYLAND
BOARD OF PUBLIC WORKS
ANNAPOLIS, MARYLAND

January 27, 2021
10:09 a.m.

PRESENT

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Treasurer

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PROCEEDINGS

GOVERNOR HOGAN: Good morning, everyone, and welcome to the Board of Public Works.

As we navigate this state of emergency here in Maryland, we do have a bit of good news this morning. The data continues to show positive indications in our key metrics. This month, Maryland's statewide positivity rate has declined by 32 percent, down to 6.38 percent. Our case rate has declined by 37 percent, down to 33.6 per 100,000. And our COVID hospitalizations have declined by 15 percent.

These encouraging numbers, along with the initial launch of safe and effective vaccines, makes it possible for us to look forward to the return to a sense of normalcy. But we all need to continue to do the things that keep us safe. As of this morning, Maryland providers have now administered 420,000 doses of COVID-19 vaccines. Our seven-day average of daily shots administered is 20,028 per day, which far outpaces our supply -- we only receive 10,000 per day. This is an increase of 55 percent over the past two weeks. So the speed of vaccinations continues to increase rapidly, but we still have an extremely limited supply in America.

Late yesterday on a teleconference with all the nation's governors, we received a commitment from the Biden administration to increase our allocation

for the next few weeks, which is somewhat encouraging, especially as we prepare to open mass vaccination sites all across the State. But this is going to take time and we continue to ask Marylanders to be patient.

Today the Board hopefully will ratify a settlement between the University of Maryland and the family of Jordan McNair. It has now been more than three years since Jordan's senseless death and no parent should ever have to experience the unspeakable agony that Tonya Wilson and Martin McNair have been through. From day one, we have pushed for justice and we demanded a full investigation into what happened and into the actions of leaders of the University and the University System. All of this took far too long, but it has led to a set of systematic reforms which I signed into law last year that changed the way the University System Board of Regents operates. And today, we are taking another significant step. And it's my sincere hope that at least in some small way, it will bring some measure of relief, some sense of justice, and some measure of closure for Martin and for Tonya and their entire family.

Lastly this morning, we are recognizing Evie Cohen, who just retired after 50 years of dedicated service to the State of Maryland and she is joined here today by Secretary McCord, the last in a long line of secretaries that she has served under during her 50 years. She served under six Secretaries of the Department of Economic and Community Development, four Secretaries of the

Department of Housing and Economic Development, five Secretaries of the Department of Planning. And in 1971, she was hired as an office secretary and stenographer by the Department of Economic and Community Development. In 1990, she joined the staff of the Maryland Historical Trust, which is a division of the Department of Planning. In 2012, she became the Maryland Historical Trust Chief of the Office of Management, where her attention to detail kept everyone in line, from procurements to personnel to potlucks. And she always could be relied upon to support her colleagues, to serve the Trust's many customers, and to do it all with grace, generosity, and goodwill. The State and its history is better off because of Evie Cohen's five decades of service.

So we would like to thank you very much for your dedication and to virtually present you our sincere appreciation and this Governor's Citation, which I'm sorry we can't be there to take a picture with you and give it to you in person. But we're going to get it to you very shortly. And we just want to thank you for your many years of service and dedication to the people of the State of Maryland. And thank you so much for all of your hard work. Good luck in your retirement. And with that, I'm going to turn it over to my colleagues for any opening remarks.

TREASURER KOPP: Could I just step in to offer my --

COMPTROLLER FRANCHOT: Me, too.

TREASURER KOPP: -- my thanks, too, to Ms. Cohen. I have seen you over the years. You have done terrific, wonderful things. And most especially, recently for the Historic Trust. I, it's so important, now more than ever, that people understand where Maryland came from, where we are, and actually look and touch Maryland history. And you have made this possible and I just want to thank you.

COMPTROLLER FRANCHOT: Could I jump in also, Madam Treasurer, and just, Evie, how, do you want to say a word?

MS. COHEN: First of all, it's Evie, excuse me.

GOVERNOR HOGAN: Sorry about that, Evie.

MS. COHEN: It's Evelyn, but that's okay. Thank you --

GOVERNOR HOGAN: Well, I apologize for that. After 50 years, you would think I would get your name right, but you --

(Laughter.)

GOVERNOR HOGAN: -- I apologize.

MS. COHEN: It's okay. And thank you all very much. And thank you, Secretary McCord, for making these arrangements. I really appreciate it. It's been my absolute honor to serve the State of Maryland for all these years, it really has. And my time, I've been 30 years now with the Trust. So that's my family and the citizens of the State of Maryland are very important to everyone there at the Trust and the Department of Planning, of course. And so it's been my great

pleasure. It's kind of hard to imagine not being there anymore. But it's time. So thank you all very, very much.

COMPTROLLER FRANCHOT: You couldn't have been more than five or six years old when we hired you --

MS. COHEN: That's exactly right.

GOVERNOR HOGAN: I was going to say the same thing, Mr. Comptroller. They must not have had child labor laws back then, because it doesn't look like Evie could have been there for 50 years.

COMPTROLLER FRANCHOT: Yeah.

(Laughter.)

COMPTROLLER FRANCHOT: Oh boy.

MS. COHEN: Yeah, it doesn't seem like it's possible.

GOVERNOR HOGAN: Yeah, thank you so much.

MS. COHEN: Thank you all again very much.

GOVERNOR HOGAN: Thank you, Mr. Secretary.

MR. MCCORD: Thank you very much.

GOVERNOR HOGAN: With that, we're going to turn it over to you, Madam Treasurer.

TREASURER KOPP: Governor, I first of all could not agree more about the McNair settlement, which we will be coming to soon. It was a long time

coming. The suffering involved is so difficult to measure, but has to be recognized. And I, too, am very pleased, and I know that the friends and family of Jordan McNair will be pleased, to know that there really have been changes made since that terrible episode. And I think that, the statement to the future is just as important as this recognition, this item that we will approve, I trust, recognizing the pain to the family and tied in with it, other events that the University will be hosting and supporting to help assure, help the McNair Foundation and help everyone to assure that this sort of horrible event doesn't happen again. So I'm glad to see closure. It took a long time.

GOVERNOR HOGAN: Yeah. Thank you. Mr. Comptroller, good morning.

COMPTROLLER FRANCHOT: Thank you, Governor. And Madam Treasurer, always, good morning. I agree with both of your statements. I did want to comment for a moment on the fact that we have a new President.

TREASURER KOPP: Yes. Thank goodness.

COMPTROLLER FRANCHOT: And this one has got a 56 percent approval rating, not as high as the Governor's approval rating in Maryland, but --

TREASURER KOPP: In his first week. In his first week.

COMPTROLLER FRANCHOT: -- I mean, God bless us, that we've got someone who is a normal, rational, functioning adult who is President

now of the United States. And I just want to tip my hat to the historic inauguration of Joe Biden and Vice President Kamala Harris. I think that, I don't care where you are on the political spectrum, this is nothing but good news for the State of Maryland and the country.

It has been a tumultuous and highly divisive and unnecessarily bitter and acrimonious four years. I just can't overstate the damage that was done by the Trump administration. But we can now begin the hard work of rebuilding what is for all intents and purposes a much weaker country than it was four years ago, because we are so divided. And obviously, we need to defeat the pandemic, which I think President Biden is finally beginning to communicate what the governors around the state, around the country, need, which is hello, we have a strategy, hello, we're going to tell you what, how many vaccines you are going to get but it's going to be, instead of what we're going to give you tomorrow, and we're not even going to maybe even tell you that, no, that has been replaced with, hey, we think, I don't know, Governor, you tell me, but I assume you are going to have a more rational adult approach towards, okay, in the next three weeks we're going to get you X amount.

So I don't mean to overstate the return to normalcy, but I wish our new President and new Vice President the very best as they tackle the monumental challenges facing communities across our country. And when I say that they are

beginning from scratch, I mean they are beginning from scratch. Because so much damage has been done.

Governor, I also wanted to mention that the processing of personal income tax returns for tax year 2020 will begin on February 12, 2021. That's in a couple of weeks. It is several weeks later than the traditional January opening date because of the pandemic and because the IRS, you know, needs a delayed start and they are the ones that we couple with. And so we need to work in tandem with them. And they are obviously implementing changes that have been made to the federal COVID-19 relief packages that have been passed. And we have a lot of information about that up on our website. But additionally, corporate income tax returns will be accepted beginning on February 1st, which is a couple of weeks in advance of the individual.

So despite the many disruptions to our core operations due to the pandemic, the dedicated men and women of the Comptroller's Office for Maryland, we all remain committed to first class taxpayer service, from getting phone calls answered in a timely fashion to processing returns and getting refunds back within 2.1 business days. I encourage all taxpayers to file their returns electronically for the fastest possible processing and to ensure they receive their refunds and avoid continued delays with the Postal Service.

I don't know whether my two colleagues on the Board have noticed, but the U.S. Postal Service has turned into a slow boat to China. I mean, it takes weeks to get mail delivered these days. And I'm not talking about exaggeration. That is like just crazy what has happened to the traditional mail service.

So please file electronically. We're going to return approximately \$3 billion to \$3.5 billion in refunds in the next six weeks. So please, file electronically so we can process it electronically and get your money back in your bank account. And sending it in by snail mail, we just don't have any confidence right now that anything normal is happening through the U.S. Postal Service.

And lastly, I just want to once again, Governor, I know you and the Treasurer were there in person. I couldn't attend. But I want to extend my deepest condolences to Patti, the wife of Senator Miller, the entire Miller family, and the Senate of Maryland of the passing of Senate President Emeritus Mike Miller, who apparently was your babysitter, Governor, back in the day. But I, you know, he had no use for me, let's be honest. But I remember Senate President Miller as just a masterful legislator and he was a committed public servant and he was a man whose life's work is interwoven in our State's history. And his legacy of public service, I believe, will live on for many, many decades and will inspire people by his example. And someday, I'll learn how to swear like he did.

TREASURER KOPP: No, you won't.

COMPTROLLER FRANCHOT: He was good at that.

(Laughter.)

COMPTROLLER FRANCHOT: But no, just an iconic titan of a figure and, Governor, I know you spoke very eloquently at his ceremony, and thank you for that.

TREASURER KOPP: Yeah. Could I just add my voice to that. I meant to say something, and then I didn't. When Peter talks about return to normalcy, going into the Senate office building yesterday and knowing Mike Miller wasn't there, there is nothing normal about that. He was such a big man. It's hard to believe that we're in Annapolis without him. Even when you weren't on the same side of an issue with Mike, probably the greatest legislative tactician that any of us will ever meet. And will be very sorely missed, sorely missed.

GOVERNOR HOGAN: Yeah, well thank you both for bringing that up. It was a very nice ceremony, even though it had to be distanced, and my heart goes out to Patti and the kids and grandkids and everybody that knew and loved Mike Miller. He was a legend. I mean, 50 years in this very State House. And there's not going to be another one like him. And I sure hope, Mr. Comptroller, you don't learn how to swear quite like him because it was an art form. There were expletives in between each word as nouns, as verbs, as adjectives. I mean, it was

pretty colorful. But I don't think you're ever going to be able to top him with respect to that. But --

TREASURER KOPP: We'll hope not.

GOVERNOR HOGAN: -- yeah, I don't know what kind of parents would leave a kid, a five-year-old kid with somebody like Mike Miller at 19. But that's a true story. It really, I was just left in a car that Mike was driving a couple of times. That's all. He didn't really come over. So he likes to tell that story about being a babysitter. But thank you for mentioning him. He's a longtime friend and he will be forever missed.

Let's go ahead and get started with the Secretary's Agenda.
Secretary Gontrum?

SECRETARY GONTRUM: Hi, good morning, Governor, Madam Treasurer, Mr. Comptroller. We have 17 items on the Secretary's Agenda this morning and four reports of emergency procurement contract awards. Item 5 has been revised. We have received requests for public comment on Items 6 and 16. I'm happy to assist with answering any questions.

GOVERNOR HOGAN: So we started out, the three of us, talking about Item 16, which is the settlement between the University of Maryland and the family of Jordan McNair. I know we have I think the Mayor of Greenbelt, Colin

Byrd, who had requested to speak in support of the settlement. Maybe we'll start with that item.

SECRETARY GONTRUM: Very good. Item 16, we have Mr. Mike Poterala and Mr. Christopher Lord from the University available to address the item.

GOVERNOR HOGAN: Well, I just, I know that we had somebody signed up to speak. Did we not have the Mayor here to talk this morning?

SECRETARY GONTRUM: Yes, and Mayor Colin Byrd is available to address the Board. If the Board would like to hear the public comment first, Mayor Byrd, are you available to address the Board?

MR. BYRD: Yes. Can you see/hear me?

SECRETARY GONTRUM: Yes.

GOVERNOR HOGAN: Yes.

MR. BYRD: Okay. Well, first of all, Mr. Governor and to the Board of Public Works, thank you for allowing me to address you this morning.

Jordan McNair was the son of Marty McNair and Tonya Wilson, and Jordan was a son of Maryland. He was from Randallstown, Maryland. He played football at McDonogh High in Owings Mills, Maryland. At McDonogh, he was a highly touted recruit and one of the top offensive linemen in the nation. And so he received offers from Auburn, Alabama, Boston College, Penn State, Duke,

Michigan. But Jordan chose to instead accept an offer from his home State's flagship university.

In choosing UMD, Jordan and by extension Jordan's family, trusted UMD and particularly UMD's coaches who sat at their table the day before signing day and promised to treat Jordan as one of their own. They promised to protect Jordan, a young man who mattered more to his parents than anything in the world. But when Maryland football began pre-season conditioning on May 29, 2018, Jordan was running sprints when he started having obvious difficulties. After the tenth sprint, rather than providing Jordan with appropriate medical assistance, Maryland's head football trainer callously yelled an expletive and inhumanely ordered Jordan's teammates to drag Jordan across the field until he completed the sprints. Eventually, Jordan collapsed. Eventually, Jordan had a seizure. Eventually, Jordan was taken to Washington Adventist Hospital. Eventually, Jordan was in a cooling suit. Eventually, Jordan was in a coma. Eventually, Jordan was taken to Cowley Shock Trauma Center in Baltimore. And eventually, Jordan was no longer alive.

And yet it didn't have to happen. UMD had made a series of catastrophic and fatal mistakes and less than three months later we learned from ESPN that there was allegedly a toxic culture in the program under the then head coach and strength coach who were ultimately let go by UMD, but not before

receiving payment, payouts from the State totaling nearly \$6 million. The former head coach's career, by the way, has since been resurrected by both the NFL and college football.

Meanwhile, in this present world, Jordan will never come back. Maybe Jordan would have been an NFL player. Maybe because he studied kinesiology, he would have been an athletic trainer. Maybe he would have been a football coach. He could have been anything. We can make an educated guess, but in truth we will never know what would actually become of Jordan from a professional standpoint because Jordan indeed suffered an untimely and unnecessary demise.

We know that much of the responsibility for his untimely demise lies at the feet of the State of Maryland, so that is why we are here today. We are here today because this settlement is an important part of justice for Jordan and closure for Jordan's family, whose loss of Jordan is painfully seared in their memory forever. But as we close this chapter in the pursuit of justice for Jordan, we know that complete justice for Jordan will be sought well beyond January 27, 2021.

Justice for Jordan is hard to singularly and simply operationalize, but we know that complete justice for Jordan is justice for so many of these young athletes who toil in a labor that is at once a dangerous labor of love, and at the same

time a labor of untold profits that flow to the top but that are unjustly prohibited from trickling down to the bottom. So while in a way Jordan is gone, so too in a way Jordan's legacy lives on. It lives on in many ways, including in the work of Mr. Marty and Ms. Tonya, both of whom continue to work to root out the injustices of the NCAA by promoting the safety, health, and well-being of student athletes nationwide.

And so, I strongly support the item that is before you today. But today, Mr. Governor, I stress to you and the Board that the State of Maryland and the United States of America must also be (indiscernible) that this action, this action, while absolutely necessary, does not at all conclude your work. This is not the end. This is a new beginning. Thank you.

GOVERNOR HOGAN: Thank you very much, Mayor Byrd. I appreciate you joining us this morning.

TREASURER KOPP: Governor, I want to thank the Mayor. I wonder if we could hear from whoever we were going to hear from about what is involved in this settlement beyond the \$3.5 million. Because I hope I am right in agreeing with the Mayor that there are significant changes and significant steps being taken for the future so that this will not happen again. We know the corrective steps that were taken, a little late, three years ago. But building for the future, my understanding is is part of this settlement.

MR. POTERALA: Good morning, Governor Hogan, Treasurer Kopp, Comptroller Franchot. This is Mike Poterala. I'm the Vice President and General Counsel here at the University of Maryland College Park. And of course, I'm very sorry that we're here today.

Madam Treasurer, let me directly answer your question. When we had the outside medical investigation that started in the summer of 2018 after Jordan's unfortunate passing, we learned within a month of some of the mistakes that had been made that contributed to his unfortunate passing. And so our reforms in particular around training, for recognizing exertional heat illness, and having emergency preparedness plans trained on and in place started in August of 2018 with the return of fall sports then. And those efforts have continued through the present day. And of course, with the pandemic, student health and welfare has been top of mind for us for the whole year.

Another important reform which has been made public previously is that our athletic team physicians and trainers no longer report to athletic administration. Their reporting lines are now into our university health center and the physician who runs that operation. So there are -- and the reason that that's important is because there is no ability for people whose jobs depend on competitive wins and losses to influence independent medical judgment to make sure that student health and welfare receives the top priority, as it should, separate

and apart from what may be happening on the court or on the field. So that was an important reform that we started to institute in 2019 and completed in 2020, with the hiring of a team physician, Dr. Yvette Rooks, who works in the University Health Center. And -- I'm sorry, was there a question?

GOVERNOR HOGAN: No, go ahead.

MR. POTERALA: Okay. And another important reform that I think is worth mentioning specifically is that as it relates to student welfare generally in our entire athletic department. An anonymous complaint system was implemented that allows any student athlete at any time to submit a complaint about any concern that they have about how they are being treated. And I think one of the novel features of this which we think is a best practice is those complaints just don't go to the administration and the athletic department. They are seen firsthand by people outside that department, including me and including our faculty athletic rep. We do not work in athletics. We have other responsibilities. And I say as the general counsel of this University, it is my job and that of my staff to protect everyone's welfare and everyone's rights. And so I think that reform also has created an outlet so that if there is any whiff of any inappropriate or abusive behavior, we hear about it early on and we deal with it swiftly.

So I do want to say our new President Darryll Pines, who started last July 1st, said something that I think is very germane to today. And I'm going to

quote it now. He said, "I will have two priorities as your President: to promote excellence in everything we do -- teaching and learning, research, innovation, the arts, and athletics; and to create an inclusive, multicultural campus environment. These two priorities are closely related; excellence must be rooted in our values because what the University does matters." We are your State flagship. We aspire to excellence. When we do not meet that standard, we will be accountable for it. You demand that. Our citizens demand that. And that is why we are here today.

GOVERNOR HOGAN: Thank you very much.

TREASURER KOPP: Yeah, they are good words. Good words. We hope they are put into action.

GOVERNOR HOGAN: Any other questions on Item 16?

COMPTROLLER FRANCHOT: No, I just wanted to comment, Governor, that obviously --

GOVERNOR HOGAN: On 16?

COMPTROLLER FRANCHOT: -- the settlement of \$3.5 million of all the claims, no amount of money is ever going to bring back Jordan to his family, to Martin McNair or Tonya Wilson. But I'm delighted to be able to vote in favor of it. And I hope the settlement will provide some solace to the family and will serve as a formal acknowledgment of negligence from the University over Jordan's tragic death. And quite frankly, the fact of the matter is the McNair family

entrusted the University of Maryland with Jordan's care and quite frankly, obviously, a number of people failed him. And I think the Treasurer is to be complimented for asking for proof that this is never, ever going to happen again. And obviously, I think the University is taking this very seriously. I want to associate myself with the remarks of Mayor Byrd from Greenbelt. I thought that they were excellent. And the comments of both of my colleagues. I did have one fiscal question. Where does the \$3.5 million settlement, where does the money come from?

MR. POTERALA: I have been advised this is coming from unrestricted University funds.

COMPTROLLER FRANCHOT: So it's not the taxpayers' necessarily?

MR. POTERALA: That's correct.

COMPTROLLER FRANCHOT: Not that I'm opposed to that. I'm just curious as to where the settlement is coming from.

TREASURER KOPP: There was some talk of the Insurance Trust and the University decided not to go that path, which happens to be in our office. Not to go that path, but to pay directly.

COMPTROLLER FRANCHOT: Well could I mention my good friend Attorney General Brian Frosh, who I assume was involved in this somehow.

It sounds like it was a very complicated negotiation and I'm glad that he and the administration and everybody worked together on it.

TREASURER KOPP: Governor, could I just, a small point of history before we go on? The Mayor mentioned that College Park is the flagship campus of our system. It was due actually to the determination and stubbornness of Mike Miller that we agreed to put the term flagship campus into the law when the University System was reorganized.

GOVERNOR HOGAN: Well that's --

COMPTROLLER FRANCHOT: I think it was your legislation, Madam Treasurer. I remember you on the floor of the House of Delegates leading the --

TREASURER KOPP: That was his demand, a great fan, supporter, and son of College Park.

GOVERNOR HOGAN: He was a huge supporter of College Park, but I never heard anyone refer to him as stubborn before. That was a --

(Laughter.)

GOVERNOR HOGAN: But no, thank you very much. I think I want to, you know, thank the University for helping bring this about, everybody involved. And hopefully this will bring some relief to Jordan's parents while they focus on honoring their son's legacy. So thank you very much.

I guess we should, we have a number of people signed up, I guess we should move on to Item 6. This is people signed up to speak about the wetlands license for Chesapeake Utilities. This exciting prospect is the natural gas pipeline, which has been previously unanimously approved and will provide a cleaner and more reliable fuel source for the Department of Public Safety and for the University of Maryland Eastern Shore. It will also bring economic development. It's going to create jobs, while bringing lower energy prices to the residents and small businesses on the Eastern Shore. And maybe we'll start out by hearing from our Wetlands Administrator Bill Morgante.

MR. MORGANTE: Good morning. Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record, Bill Morgante, Wetlands Administrator for the Board. So as the Governor mentioned, the license before us is part of the larger Chesapeake Utilities Natural Gas Pipeline Project to construct, own, and operate an 11-mile buried pipeline in Somerset County.

This is the companion project to the seven-mile Eastern Shore Natural Gas Pipeline Project recently, as the Governor mentioned, licensed by the Board on December 2nd. The purpose of the Chesapeake Pipeline is to extend natural gas service from the Eastern Shore Natural Gas metering and regulation station terminus to the University of Maryland Eastern Shore and Eastern Correctional Institution, as well as to residents and businesses. This project

requires a BPW wetlands license because the proposed natural gas pipeline will cross under three tidal streams: the Manokin River, Taylor Branch, and Kings Creek.

The applicant requests a wetlands license to horizontally directionally drill below these three waterways to install an eight-inch diameter pipeline. I concur with MDE that approval of the license is appropriate. During the public comment period, MDE received communication, as you can imagine, both in support and in opposition. MDE conducted a virtual public information hearing this past September 17th. It was attended by 83 members of the public. I was able to attend that hearing and myself noted at that time five speakers in favor, 12 against, and one neutral. And I'd just like to share, MDE explained the following in their report and recommendation to the Board. "Vegetated tidal wetlands and submerged aquatic vegetation are not directly impacted by the proposed HDD. The impacts to the tidal wetlands associated with this project will not contribute to flooding, storm surges and sea level rise, or reduce the ability of these tidal wetlands to function as a carbon sink. Moreover, installing a 140-foot long, eight-inch diameter natural gas pipeline 28 feet under the river bottom of the Manokin River, Taylor Branch and Kings Creek using HDD actually minimizes adverse impacts to tidal wetlands at these locations," end of quote from the MDE report and recommendation.

After the report and recommendation was sent to the Board, to BPW, following my own regulations, I sent notice to the MDE list of 162 interested persons and posted the project's report and recommendation on the Board's wetlands administration webpage. The recipients were then invited to submit comments if they had continuing concerns. And as of the end of the day yesterday, BPW had received a total of 43 comments. Some of them contained multiple signatures, so all compiled BPW received 41 in support, 20 opposed, and one neutral. Some comments contained concerns related to the wetlands and the HDD work, yet most referenced other environmental concerns.

After reviewing MDE's report, project plans, concerns raised, and responses received, I have concluded, similar to Eastern Shore Natural Gas, that the question relative to this wetlands license issuance concerns the HDD crossing of the Manokin River, Taylor Branch, and Kings Creek. I have reviewed the public comments submitted directly to the Board. Most opposed to the project cited reasons that were not related to the wetland crossing of the three waterways. These concerns included impacts to climate change, the combined impacts with the companion Eastern Shore Natural Gas Pipeline, renewable energy providing greater public benefit than natural gas infrastructure, and a preference for renewable energy power sources at UMD and ECI.

I agree with MDE that fossil fuel use contributes to climate change, yet the license issuance here should focus on the wetland impacts, and in this case the HDD work under the three water bodies. Also, the proposed license activity is consistent with past license work in State tidal wetlands. The Board has licensed at least five similar HDD projects over the past three years. The pending application does not propose any unique impacts to the State's tidal wetlands relative to other previously approved HDD projects. So I recommend the Board approve the license and agree with MDE's recommendation that issuance of the license is in the best interest of the State. I'm happy to answer any questions you might have. Also available to answer questions are MDE Secretary Grumbles, MDE Assistant Secretary Dorsey, and BPW General Counsel Bohannon.

GOVERNOR HOGAN: Thank you. Do you want -- go ahead.

TREASURER KOPP: This is a specific question, Bill, for whomever is there, the appropriate person, about frac-outs. And this is one of the specific concerns that was raised about this specific project rather than climate change as a whole.

MR. MORGANTE: So the question is just about the possibility of frac-outs? Or --

TREASURER KOPP: Right. The blowing, the construction, drilling and construction methods can be very harmful, including blow-outs.

MR. MORGANTE: Okay. Or, right, I think that comment referred to frac-outs.

TREASURER KOPP: Yeah.

MR. MORGANTE: You know, I think there are within the wetlands license, within the, there is a frac-out contingency plan that the State sends out that was put together a number of years ago by the Board in collaboration with MDE that actually lists specific precautions that should be taken to really offset the possibility of a frac-out. There was questions that came up on the last license with Eastern Shore Natural Gas about the, there were specific comments about the pressure that the drilling fluid is under. And in collaboration with MDE and some others, we developed some very specific kind of new requirements that were not in previous even wetlands licenses that should allow this independent monitor who will be hired to be on site whenever there is drilling that's done under the wetlands. They will be closely monitoring that with the contractor. So while on any project, I guess, with any HDD work there is a possibility for a frac-out, I really think particularly on these projects that every precaution has been taken. And I might just also add that the, you know, this project is for an eight-inch diameter pipe. It's, you know, compared to many of the other projects that the Board has licensed for HDD, this bore is not that large a bore. And yes, the possibility still exists. But the chances with a smaller bore are reduced for a frac-out.

GOVERNOR HOGAN: I see Secretary Grumbles joined us. I don't know if you want to add anything to that? Or weigh in --

MR. GRUMBLES: I just, thank you, Governor, I just wanted to underscore that we're in agreement with Bill Morgante's characterization of it. The proposed license includes additional safeguards to help reduce the risk of frac-outs or other impacts to the wetlands and the environment. And we're fully committed to also using our enforcement authority, penalties, corrective actions if there ever were an accident or a violation of the wetlands license.

COMPTROLLER FRANCHOT: Could I ask Secretary Grumbles a question?

GOVERNOR HOGAN: Sure.

COMPTROLLER FRANCHOT: Thank you. Secretary, I know you are a big advocate of all of us moving, and I think it's a correct one, nationally and the State, into a non-fossil fuel future, where we have net zero carbon emissions. But I'm particularly, what caught my eye from the last time this was before the Board, Governor, Lieutenant Governor Rutherford I thought made some very cogent arguments. But Secretary Grumbles, isn't this connected somewhat to the energy methane that's produced from chicken poultry waste, etcetera? And how does that fit into this particular project?

MR. GRUMBLES: Thank you, Mr. Comptroller. There are some possible benefits of this pipeline that would make use of renewable natural gas, like the poultry, the methane that can be generated from those facilities. The basic point, though, is for purposes of this extensive review and analysis, we are confident that we followed the law on the wetlands permitting process, included robust opportunity for public comment, and also recognized that in making these recommendations for this linear facility, this pipeline under our wetlands permitting authority, that we need to focus on that and not be a super land use authority or a super energy use authority, but recognize that the overall trend that the State, that the Hogan administration supports, is towards cleaner energy renewable resources. So we do look at the broader picture in terms of the State for planning our strategies for clean electricity. But for purposes of this specific project and the wetlands permitting of it, we focused in on impacts and the environmental, ecological, and economic, and the other, the total of 19 specific statutory criteria. Which is why we led to the conclusion that with the 27 additional safeguards and conditions that are being included in this license, we are supportive of its approval.

COMPTROLLER FRANCHOT: Well, the Lieutenant Governor I thought made some very good arguments last time. We heard a lot of testimony on this. You're right, it was a unanimous vote. I just want to salute the environmental advocates who disagree with us on this particular project because I think they are

right, that natural gas and fossil fuels are on their way out and we are going to get to a renewable future with net zero carbon emissions. And but the Lieutenant Governor last time we were here, Governor, after a lot of testimony, made a very impassioned argument that the most, one of the most impoverished counties in our State, Somerset, with the fourth highest concentration of African American residents in the State, they need to benefit from the grid that everybody else in the State benefits from right now. And it's, you know, I know it seems somewhat counterintuitive. But right now they are using things like wood chips, which are not environmentally sound, and dirty oil I think on UMES' campus. And propane is not particularly dirty, but it's expensive. But they don't have access to natural gas like everybody else in the State does. And I think we have to realize that, you know, this is an incremental process that we're going through here and I think the overall goal everyone shares, which is a renewable future. But this particular issue is economic justice and parity with the rest of the State. And you know, I thought Lieutenant Governor Rutherford made a strong case. I know we've got folks here today. I'm not suggesting that I'm not going to listen to them. But I think this is a very, very narrow interruption in our march towards being completely renewable.

GOVERNOR HOGAN: I couldn't agree more, Mr. Comptroller. And I think that's where we're all trying to head. I think Secretary Grumbles would agree. You know, I just want to remind everybody that that was, you know, the

issue that was decided last time, today's issue is not to relitigate the issue of natural gas but to talk about a wetlands permit. So it's a, I would kind of caution all of our speakers today to limit your remarks to what we have before us today rather than starting all over from scratch on the already approved plan that you guys spent a lot of time discussing and getting input on.

But we can come back to any questions for these folks. But I want to get, move on, if it's okay with you, to some of our speakers. And I think maybe we'd start out, I'd like to welcome Dr. Heidi Anderson, who is the President of the University of Maryland Eastern Shore. Good morning.

TREASURER KOPP: We can't hear.

GOVERNOR HOGAN: I see you there, but I think you might be on mute.

COMPTROLLER FRANCHOT: Been there, done that.

GOVERNOR HOGAN: Can we get somebody to help get Dr. Anderson in? Oh, there you go.

SECRETARY GONTRUM: Yes --

DR. ANDERSON: All right, excellent. Thank you. I can see all of you. As we know in this Zoom world, we have to figure out how to press the right buttons to get --

GOVERNOR HOGAN: I know, well we all have that problem.

DR. ANDERSON: Thank you. Let me start by saying Governor Hogan and Treasurer Kopp and Comptroller Franchot, thank you very much for having me this morning. And I will be very brief in my remarks.

I want to start by saying we at the University of Maryland Eastern Shore are fully in support of having the natural gas pipeline and actually this wetlands license. And we hope to urge you to vote favorably for it, like you did last time.

Let me start by saying, you know that I arrived as the 16th President here at the University September of 2018. And in my short time that I have been here, my team and I have begun to implement strategies toward renewable energies. We fully believe and support renewable energies.

Governor Hogan, I have read your executive order that you issued June 25, 2019 and that executive order directed institutions in the State to reduce energy consumption by ten percent by 2029. Since I have been here, we have created a comprehensive plan, which I have delivered to all three of you. And in that plan, we showed you how we are moving towards becoming more clean and utilizing more renewable energies. I will not share the details of that plan or work today. I'm going to be respectful of your time. But just for those who are listening just to know, our plan reinforces our commitment. Our plan talks about the directions that we are moving towards renewable energies, and our plan also shows

you the progress that we have made to date in several areas dealing with solar, wind, geothermal, and some others.

Briefly, let me just say about the natural gas, the natural gas project will benefit University of Maryland Eastern Shore, but also the citizens here of Somerset County. As the Comptroller already mentioned, it allows us here at UMES to get rid of the dirtiest fuels that we are using right now. And those dirty fuels are costing us quite a bit of money. When this pipeline is complete, my University, we will save almost half a million dollars and I look to utilizing those savings as ways to help us move even more rapidly toward renewable energies. That's a huge cost savings. But in addition to that, the natural gas pipeline will allow us to reduce our carbon dioxide emissions by 38 percent. I think that's very critical and that's where we all want to move towards.

And let me add that by moving this project forward, not only for the State but also for the nation and even the world, it means we all are working to do what we can to make sure that we have a clean energy system going forward.

Today I want to say that investing in this project will immediately reduce our carbon dioxide emissions and it will allow us to leverage the funds that we can put into cleaner energy sources. And furthermore, just from a health standpoint, the Comptroller mentioned, and I know all of you know, Somerset County is the poorest county in the State. But moving this project forward will

allow us to also help us help the citizens in our county who have health problems, and many of those health problems can be caused by these inefficient oils. I think you know that in the State of Maryland, emergency room visits of children who have asthma is 1.5 times that of other Marylanders.

Let me reinforce, our commitment here at UMES is a commitment to clean energy, and that commitment is unwavering. But I believe by reducing the carbon emissions that are occurring, we have to work on a diversified effort to do that.

So finally, let me just end by saying as a historically black college and university that is located in the poorest county in the State, with a large African American population, this natural gas pipeline would be a game-changer, a game-changer for our county and for our citizens and for our community. I urge you to support this pipeline on the Eastern Shore, and I thank you for the opportunity to be here this morning to briefly give remarks in support. I will be happy to answer any questions if you have any.

GOVERNOR HOGAN: Well thank you very much, Dr. Anderson. We appreciate your testimony and thank you for all the great work you are doing at UMES. Does anybody have any questions --

DR. ANDERSON: Thank you.

GOVERNOR HOGAN: -- of the President of UMES?

TREASURER KOPP: Only that I hope you will keep us informed with the progress as you go forward.

DR. ANDERSON: We will. We will, Treasurer. We are thrilled. You know, on our plan that I gave you, we are really inching forward. Our wind energy, we are almost complete in that area with our goal of having, installing wind turbines by 2027. So we are excited about our plan and we will definitely make sure we keep you informed as we move forward.

TREASURER KOPP: Thank you.

GOVERNOR HOGAN: Thank you very much. We appreciate you joining us this morning.

DR. ANDERSON: Thank you. Now I have to work the technology backwards. Bye-bye.

GOVERNOR HOGAN: Take care. Next we have signed up Staci Hartwell, who is a member of the NAACP State Conference.

MS. HARTWELL: Can you hear me?

TREASURER KOPP: Yes.

GOVERNOR HOGAN: Yes, we hear you.

MS. HARTWELL: Fantastic. Good morning, Governor, Treasurer, Comptroller, Board members, colleagues, and neighbors. For the record, my name is Staci Hartwell. I am a Maryland taxpayer and co-chair of the NAACP Maryland

State Conference Environmental Climate Justice Committee, which represents the environmental and climate equity interests of our members (indiscernible) Maryland's 24 counties.

When this pipeline was brought to our attention, we wondered why the State would try to approach this opportunity with old technology, faulty problematic technology which has been proven to be cost-inefficient, detrimental to the environment, and proven not to provide sustainable jobs in the impacted communities.

The attempt at jobs justification is a deception. Just ask residents in Allegany County, where there is no sustained job growth or prosperity related to the pipelines there. It's a way to lure one in. They prey on your need for jobs development. To give a sense of security, they dangle this small carrot, but those mostly temporary jobs fade. The only people who benefit from these pipelines is stockholders, not the community. And once again, we are being victimized: frac-outs, pipeline leaks, water contamination, the related health impacts, long term cleanup with no written provision and funding for mitigation, no restoration after sunset. This isn't hyperbole, google it.

Fracking companies are rapidly going bankrupt and gas companies are going out of business. All indicators reveal these interconnected pipelines will not last the 30 to 40 years for which the contract calls. Communities of color will

be left with decaying stranded assets and Maryland taxpayers will pay millions for a dead gas system.

The risks for these pipelines far outweigh the benefits. It has been proven repeatedly these pipelines are a recipe for disaster, short and long term. Check out communities devastated by flawed pipelines, fires, explosions, toxic releases, even deaths. Why would we actively pursue this as a solution? Why invest in this pipeline infrastructure when there are safe, less expensive, more productive and efficient proven forward thinking technologies, like solar, wind, and geothermal? Renewables are where the job growth is and where monies are being invested. Sustainability isn't some lofty concept in the future, it's now. Let's look at current technologies, not backwards.

We are unaware if the Board included a quote from renewable energy sources in its RFP for this product. And did the reviews of the RFP include current data regarding renewable energy? Were we misinformed when we were told the renewable energy data reviewed for this project was nearly ten years old?

The Eastern Shore has a lot at stake. Scientific studies show the devastating impact of sea level rise on the Chesapeake Bay. Your neighbors in Dorchester County are being devastated by saltwater intrusion, yet we continue with old solutions that worsen our plight. Perhaps someone could explain the wisdom in that.

What was also surprising, well rather baffling, was to learn that legislators who joined with the NAACP to ban fracking in Western Maryland are now supporting these pipelines for the Eastern Shore, one of if not the most delicate ecosystems in Maryland and in the most fragile communities. Predominantly Black, Latino, and low income neighborhoods around the State consistently bear the brunt of devastating environmental hazards and here we are again. It's as though the (indiscernible) and the poor have been chosen as the disposables.

We need you to join with us again to object to building these interconnected pipelines on the basis of the negative impacts to the environment and the disproportionate burden imposed on communities of color where evidence has proven that constructing these pipelines will have long term adverse effects. Please join us and vote no on the wetlands license being considered. Thank you.

GOVERNOR HOGAN: All right, thank you very much. I'm just going to again remind and ask our speakers if they could to stick to the issue of the wetlands permit today. Because, you know, we know people have very strong feelings about the general issue that has been debated for many years and it has already been unanimously approved, but today's hearing is simply about a wetlands permit, not to relitigate the entire thing that we have already been talking about.

Next --

TREASURER KOPP: Governor, could I just add the wetlands permit deals specifically with this small project that we're talking about.

GOVERNOR HOGAN: Well, I know but a lot of --

TREASURER KOPP: No --

GOVERNOR HOGAN: -- we've already had the same testimony for hours in the last hearing and we just don't need to hear it again because this is about a different topic.

TREASURER KOPP: Absolutely. I'm agreeing with you that we are only talking about this one, we can legally only talk about this one --

GOVERNOR HOGAN: Exactly. Thank you. Next, we're going to hear from Dr. Dan Ervin, who is a professor of finance at Salisbury University. Dr. Ervin? All right. Well, we'll move on to --

DR. ERVIN: Can you hear me?

GOVERNOR HOGAN: There you go. Doctor, go ahead.

DR. ERVIN: Sorry for the delay. Good morning and I hope all of you are well. I did have some prepared remarks but I am going to take Governor Hogan's remarks to heart and just talk about the wetland permits.

The departments have examined this over and over and over and have concluded that with the additional restrictions that they have placed on the project, that the likelihood of any problems, any blow-outs, or anything like that, is

extremely low. If you weigh that against the high likelihood of an increasingly positive economic impact for Somerset County, for me anyway I think the balance comes out very much in favor of this project. I am a finance professor at Salisbury University. I started my career designing a nuclear power plant for Duke Energy. I continued my career as a financial analyst for Kentucky Utilities, and I have spent the last ten to 15 years studying energy issues in my academic career. And I have a good understanding of the engineering and the economic factors that are part of the entire energy industry. And at least from my viewpoint, this project has a great potential to help the people in Somerset County become much more economically independent. And I'll conclude my remarks with that.

GOVERNOR HOGAN: Thank you very much. I appreciate it. Next up we have George Condon of Salisbury. Mr. Condon? All right. We'll move on to Dana Simpson of Somerset County. Do we have Ms. Simpson?

MS. SIMPSON: Hi there, am I there?

GOVERNOR HOGAN: Yes, we hear you.

MS. SIMPSON: Okay. Since I first (indiscernible) a couple of years ago, I am a resident of Somerset County and a taxpayer (indiscernible) massive solar farms literally next door to both the prison and UMES. But I haven't heard a lot about using that alternative clean energy that is already there --

GOVERNOR HOGAN: We're having a little bit of a --

SECRETARY GONTRUM: Ms. Simpson, I --

GOVERNOR HOGAN: I apologize, but we're having a little bit of trouble with the sound here. We can't really hear what you are saying. Is there a technical --

SECRETARY GONTRUM: For the reporting company, certainly, Governor, it would be beneficial if Ms. Simpson, if there is a way to adjust your audio? To turn up the volume?

MS. SIMPSON: How do I do that? Turn it up? Hello? Does that work? Hello?

SECRETARY GONTRUM: We can hear you, but it's still, it's still fairly faint, Ms. Simpson.

MS. SIMPSON: I'm so sad. My goodness. Let me think about this.

GOVERNOR HOGAN: Maybe she could just submit the testimony for the record?

MS. SIMPSON: Let me just see if I -- can you hear me better now? Can you hear me better now?

GOVERNOR HOGAN: No. Not really.

MS. SIMPSON: Gosh. May I speak really loudly --

GOVERNOR HOGAN: Go ahead.

MS. SIMPSON: (Indiscernible). I appreciate it. I'm a resident of Somerset County. I'm a taxpayer. I am really wishing that instead of this pipeline that has so many environmental (indiscernible) to our wetlands and an expense to our taxpayers, that instead we would focus on using the already there two very large solar farms that are neighbors to both the prison and UMES. One has over 70,000 solar panels. This is in (indiscernible). And secondly, on the wetland issue, at the mouth of the Manokin River, there is an oyster restoration area, one of five in Maryland, that has been awarded to us (indiscernible) I live at the mouth of the Manokin River where the (indiscernible) upstream the prison and now there will be a highly pressurized pipeline coming through several wetland areas and across rivers, including the Manokin, carrying toxic chemicals, highly pressurized, and (indiscernible) with no follow up, or once it's no longer in use (indiscernible) saltwater encroachment and harm our aquifer. I find it very difficult to believe that (indiscernible) kind of monitoring (indiscernible) usage 20 feet underneath a riverbed. I'm not quite sure how that is (indiscernible). I would love to learn. I really feel that this pipeline issue with all of the environmental costs to taxpayers and our community and our area, including our precious Chesapeake Bay, has been rammed through since the beginning, since UMES was given money. And I feel that in the beginning, maybe when (indiscernible) it looked like a good solution. But clearly, Biden is not into pipelines. Carbon fuels are a thing of the past and an

outdated technology. Why spend the money? Why put our communities in peril, historic properties along the pipeline, (indiscernible), these people will have their property values go down a lot (indiscernible). So I hope (indiscernible) writing, if possible. Okay? And thank you for (indiscernible) --

GOVERNOR HOGAN: Ms. Simpson, I'm going to have to ask you to wrap it up because we are beyond the three-minute time limit and we still really can't hear you very well. So, but we thank you for joining us this morning and thank you for your input. Next, we're going to move on to John Sharpe of Salisbury. Mr. Sharpe?

MR. SHARPE: I should be on now.

GOVERNOR HOGAN: Yep, there you go.

MR. SHARPE: Okay. Thank you, Governor, and other members of the Board of Public Works. I'm just a man on the street. I live less than two miles from the Wicomico River crossing of the proposed pipeline and was blessed about two or three years ago with having natural gas finally installed in my house here in the south side of Salisbury. So I'm just a layperson and an advocate of natural gas. If you do a simple Google search, you will see that carbon emissions of the United States have fallen dramatically in recent years and that's due to the use of natural gas in the energy sector replacing coal.

So natural gas, of all of the fossil fuels, is clean burning and the two byproducts are drinking water and plant food. So yeah, I applaud the decision of the Board of Public Works in the December 2nd meeting. I think this is the way to go for Somerset County, to give the disadvantaged citizens there access to natural gas, the cleanest burning fuel we have. Thank you for listening to my comments.

GOVERNOR HOGAN: Thank you very much. Next, we're going to go to Jorge Aguilar, who is the Southern Region Director of Food and Water Watch.

MR. AGUILAR: Hello, hello?

GOVERNOR HOGAN: Good morning --

MR. AGUILAR: Yes, my name is Jorge. And yes, on behalf of Food and Water Watch's 2,900 Eastern Shore members we ask the BPW deny this wetlands permit.

The MDE and BPW have limited conversation, analysis, and decisions to only wetlands, while in fact very little information has actually been presented from MDE on the impacts to tidal wetlands. This permit is clearly more than that. And that's the reason Treasurer Kopp asked about frac-outs. Comptroller Franchot asked about renewable gas. While Governor Hogan, you brought up jobs. And those were actually never analyzed for this pipeline. In fact, the answers that

Secretary Grumbles just gave were evasive because MDE has not actually done a thorough review of these pipelines.

I mean, come on, MDE just said that the frac gas pipeline will not impact sea level rise and that drilling into the three water bodies is actually better for wetlands. This Board also needs to abandon this deceptive and condescending argument that Shore communities are going to catch up to the rest of Maryland by giving them the benefit of natural gas. If we were really serious about improving the Shore and these communities, why not reject this permit that would hook the region to at least 30 to 40 years of negative impacts of fossil fuels, and actually procure a solar or a wind farm or other renewable options to the communities in the next year that are the ones actually driving growth in the wealthier regions of Maryland? This pipeline is such a shortsighted way to approach helping these Eastern Shore communities.

So the leaders of BPW should be aware that Maryland residents will be paying close attention to the leaders of our State, like Governor Hogan, Comptroller Franchot, and Treasurer Kopp, for their votes on permits like this one for frac gas pipelines, something we are moving away from. And the legacy that these leaders are leaving behind, we will remember. Just a few years ago, the State of Maryland denied a permit for 3.5 miles in the Potomac because of the threat it posed to the drinking water of millions of residents on the main shore. Let's not

forget our Eastern Shore communities. Let's do better for them. They should not be subjected to the adverse risks of fracked gas pipelines. That is why I urge you to deny this permit. Thank you.

GOVERNOR HOGAN: Thank you, Mr. Aguilar. Next we have Brian Quinn, who represents Chesapeake Utilities.

MR. QUINN: Good morning, Governor. Can you hear me?

GOVERNOR HOGAN: Yes.

MR. QUINN: Thank you, sir. This is Brian Quinn. I'm a lawyer with the Venable firm. I'm here today representing the Chesapeake Utilities Corporation, the applicant for this wetlands license. We support the administrator's recommendation that the issuance of this license is in the public interest and we respectfully request your favorable vote.

Chesapeake is a natural gas distribution company that has served customers on Maryland's Eastern Shore safely and efficiently for over 70 years. We are a public utility regulated by the Maryland Public Service Commission and currently we serve approximately 30,000 customers in Cecil, Caroline, Dorchester, Wicomico, Worcester, and if today's license is approved we will introduce natural gas service to Somerset County and UMES.

Chesapeake agrees that this project will have minimal if any impacts to the affected wetlands. Having said that, Governor, we are proud to discuss the

significant overall environmental benefits this project will provide very briefly. You heard about them at the last hearing. Immediate CO2 reductions by transitioning the facilities off dirtier fuels equivalent to removing 11,000 cars from the road. We are eliminating diesel truck deliveries of propane and wood chips. In addition, the extension will support the development of an anaerobic digester to be located near ECI. A company called Clean Bay Renewables is developing this digester that will recycle chicken litter and turn it into renewable natural gas that can be injected into the system. Clean Bay will reduce annual greenhouse gas emissions equal to removing 100,000 cars from the road. Target date for start of operations is fourth quarter 2022. Moreover, another developer is interested in developing a digester to be located near Princess Anne Industrial Park that will turn organic waste into RNG fertilizer and an ultra-absorbent potting soil, Comptroller Franchot. I know you like that. This company currently operates a small digester in Pocomoke City today. And here is a positive, both of these anaerobic digestion companies are strong Maryland based companies. We're proud to partner with them.

Finally, this Somerset extension will allow existing businesses, such as ultra agrobusinesses to transition off dirtier fuels that currently serve those businesses. I don't want to repeat anything you have already heard. At the last meeting, we had three and a half hours of testimony on this. I greatly appreciate

your attention. I'm here to answer any questions you may have and we respectfully request your favorable vote. Thank you, sir.

GOVERNOR HOGAN: Thank you very much. Next we're going to hear from my old friend, former Senator Jim Mathias.

MR. MATHIAS: Good morning from the Eastern Shore. Madam Treasurer, good morning, and Comptroller. I bring you greetings for a happy and healthy New Year. I could do this real easy like we would do it in the Legislature, when my light would be on and the Chairman would acknowledge me. On a big bill, I would say, me too. And he would say, so me too to all of our folks that have supported this along the way. We thank you. President Anderson absolutely is doing a fantastic job of adopting your energy savings and renewable programs. And I want to say how astute our Treasurer was in the last hearing, when she heard what the savings were going to be and she came up with the question, do I understand that you are going to invest some of those savings in renewable energy programs? And Madam President said, absolutely.

So you have our commitment. And I could just suffice to say, we're eternally grateful. And if I could just take not even a full moment, Governor, we thank you, all three of you, for shepherding our Maryland citizens through this pandemic. And clearly, in very untenable times you have found sound logic to take us forward. We thank all of you. I look forward to the day that I, we're getting

ready to break ground because of your good work, or we have broken ground, and the steel is going up on the pharmacy building. I'd love to see you down on campus, I'd love to walk the Boardwalk with you all again. Amen, it's my pleasure and privilege to call you friend and colleague. And God bless President Miller.

GOVERNOR HOGAN: Yeah, thank you, Senator. I think, I know the Comptroller and I, I don't know, maybe we'll get the Treasurer down to eat some Thrasher's French fries on the Boardwalk with us next time. We look forward to that.

MR. MATHIAS: Me too.

(Laughter.)

TREASURER KOPP: Could I just --

GOVERNOR HOGAN: Next -- maybe she'll get a salad with us.

TREASURER KOPP: I'm for French fries.

(Laughter.)

TREASURER KOPP: Could I just say, Senator, also, I know how interested you are in wind power. And I do hope that we will not cease in our efforts to make much better use of wind power in the near future, not 50 years out.

MR. MATHIAS: Absolutely. You have our steadfast commitment. You know, it wasn't an easy position but it was the right position to take when I supported offshore wind. We won't go into that today. But we're hoping that goes

forward. But Pioneer Green (indiscernible) wind in Somerset. I was at the lead of that in my jurisdiction. And you can count on me at UMES to work very closely with the President. Thank you very much.

GOVERNOR HOGAN: Thank you, Senator. Next up, we have Josh Tulkin, who is the Director of the Sierra Club in Maryland.

MR. TULKIN: Good morning, can you hear me okay?

GOVERNOR HOGAN: Yes.

MR. TULKIN: Wonderful, thank you. Governor Hogan, Comptroller Franchot, Treasurer Kopp, thank you for hearing my remarks this morning. I don't think our position will be a surprise to anybody. But Sierra Club on behalf of our 70,000 members and supporters urges you to reject this permit.

I will be talking a little bit about the wetlands permit as well as climate change. I was not planning to get into those topics, but as many of the opening remarks and the initial speaker did talk about UMES, I do think despite the Governor's comments that it is fair game. If it is brought up on one side, it should be applicable for everybody.

We have heard several different people, the utility that wants to build the pipeline and some of the businesses that might benefit talking about the climate impacts. So I really want to emphasize this report. This project is in conflict with the recent recommendations of the Maryland Commission on Climate

Change, passed by the General Assembly, signed by the Governor, that created the condition that recommends that we do not invest further in the build out of residential gas and gas pipelines. If we look broadly, in the last two weeks, President Biden has cancelled the Keystone XL Pipeline. Just yesterday, the Mattawoman Energy cancelled plans for a gas power plant in Southern Maryland and there was a ruling to limit the oil and gas drilling and leasing on public lands.

Ultimately, the most equitable thing that we can do for the Eastern Shore is not lock them into a technology that everyone is moving away from, but actually help them leapfrog. I do not dispute the equity questions here. I do not, I appreciate that some people are asking, why should somebody from Montgomery County have a say on what happens on the Eastern Shore? I appreciate the perspective of the President of UMES, who is saying this will improve air quality. The point is, we cannot simply make baby steps in the fight against climate change. We need to be looking for more significant policy decisions which actually move us directly towards a clean energy future. We do not have 40 to 50 years for bridge fuels.

Ultimately in the international arena, it's understood that we need to help developing countries or those without access to all energy resources not lock into coal and gas but leapfrog beyond, and the same situation is applicable here. What makes this situation particularly concerning, though, is that as Comptroller

Franchot pointed out in the last hearing, the lynchpin of this project, the projects at UMES and the Eastern Shore Correctional Facility, were based on eight years outdated research. So now we actually see trends with our country and our President moving us away from fossil fuel infrastructure, the chances of major price changes occurring, and yet what we're doing in the name of equity would be to lock in commitments for decades to a technology.

I lastly just want to note that the issue of choice, there was a lot of emphasis last time about choice. And I want to be honest, in 2021, I think such a framing is a bit disingenuous. At this point, public policy is unquestionably shaping the directions that our energy policy is going. We need our agencies, from the BPW to the Public Service Commission, to play that role in enacting the State's and reaching the State's climate goals. Nobody would build a pipeline if they didn't expect people to sign up for it and use it. The infrastructure or the conversations we're talking today about a pipeline, not about clean energy. So the choice that people in Somerset would be provided is a choice that the government has decided to facilitate for them. We believe there is agency here and while having climate goals is great, we need our agencies, the Public Service Commission, the Board of Public Works, to use every tool in their disposal to guide us more rapidly towards a clean energy future. Thank you for your time.

GOVERNOR HOGAN: Thank you, Mr. Tulkin. Next we're going to hear from the President of the Somerset County Commissioners Craig Mathies. Mr. President?

MR. MATHIES: Yes, sir. Good morning.

GOVERNOR HOGAN: Good morning.

MR. MATHIES: Technical difficulties. Good morning, Governor, Treasurer Kopp and Comptroller Franchot. We greet you and we just want to extend our well wishes to all of you and to your families and your health in the times in which we now live.

You know, it's amazing to me how the haves know what's best for the have nots. It's truly amazing. But I have not heard either one of these individuals that are in opposition say that they are willing to invest in the citizens of Somerset County. No one has said anything about financially investing in Somerset County. But yet, they know what's best for the citizens of Somerset County. It's truly amazing. So if they truly know what's best for the citizens of Somerset County, we would take all contributions to help the citizens of Somerset County have a better standard of life.

Now this opportunity, and I want to thank you for giving us the opportunity of hope in your last decision. And we have counties to our south and north who are supporting us in this endeavor and we know that it's going to be a

significant savings to the University of Maryland Eastern Shore and also to ECI in their fuel costs. It's going to reduce it dramatically. And then there is such an opportunity for economic growth, for the potential of economic growth. We as the leadership of Somerset County have to do what's necessary in regards to economic development to encourage our businesses to seek our county to help improve the lives of the citizens here.

But at least with you considering this and giving us the opportunity to do so, it will be greatly, greatly, greatly appreciated and will enrich the lives of the citizens of our county. We want to thank our representatives, Senator -- gosh, I can't even think of her name -- Carozza, and our Delegate Otto for their support. We want to thank you as well for giving us the hope of this opportunity for this endeavor. And of course, all of the research and all of the hard work that has been put into this to make sure that it's safe for the citizens of Somerset County and the extra measures that you have taken to ensure that it will not be a hazard but be a blessing to the citizens of Somerset County.

So you know, I'm not going to try to give a Sunday morning sermon to you, because of course I am a Pastor. But I would once again like to say thank you, thank you, thank you for giving the citizens of Somerset County hope for the future and the opportunity for economic development and growth. So Governor,

Treasurer Kopp, and Comptroller Franchot, we greatly, greatly, greatly, greatly appreciate your vote of confidence in Somerset County. Thank you.

GOVERNOR HOGAN: Thank you very much, Mr. President. And we could all use a little sermon. Maybe we'll come down to Somerset County to church one day and hear you.

(Laughter.)

GOVERNOR HOGAN: But thank you. Thank you very much.
That concludes --

TREASURER KOPP: Governor? Governor?

GOVERNOR HOGAN: Yes?

TREASURER KOPP: Could I just say, I believe, and I know the President will correct me if I'm wrong, that Somerset County actually has invested significantly in renewable energy --

MR. MATHIES: Yes.

TREASURER KOPP: -- thus far. More --

MR. MATHIES: Yes.

TREASURER KOPP: -- than much of the rest of the State.

MR. MATHIES: You know, in regards to those who are speaking in opposition about Somerset, in essence if you didn't know any better, you would think that what they are truly saying is that we're so far behind when it comes to

seeking clean energy until there is just no hope for us. But that's the furthest thing from the truth. We have two great solar facilities currently now. And UMES also has a solar farm. So you know, Somerset County, even though we may be small, one thing about Somerset County is that we have individuals in leadership who think progressively and are looking for improvement for the citizens of Somerset County. And you know, I'm just grateful for the opportunity to serve and to do what I can to be just a small part of this. Because we have so many great minds in this county who are really striving to make Somerset County one of the elite counties in this great State of Maryland. So I want to thank all of you for your support once again. And anytime you need me, give me a call and we'll be right there to help you.

GOVERNOR HOGAN: Thank you very much. We appreciate you joining us this morning.

SECRETARY GONTRUM: There was one individual, Ms. Susan Olsen, remaining who had signed up for public comment.

GOVERNOR HOGAN: Is that also from the same group, the Sierra Club? I think we are limiting to one person per group.

SECRETARY GONTRUM: Certainly at the discretion of the Board.

GOVERNOR HOGAN: Yes. Yeah, I don't think we need more than one person speaking on behalf of the same organization.

COMPTROLLER FRANCHOT: Governor, I hate to interrupt. I'm getting sleepy myself. But if we could just hear for 30 seconds, and Susan, you know, just summarize I guess.

GOVERNOR HOGAN: Sure.

SECRETARY GONTRUM: Ms. Olsen, are you available to address the Board?

MS. OLSEN: Yes, I am. I'm sorry. I'll be as brief as possible.

Thank you for allowing me to speak respectfully in opposition to the granting of this wetlands permit. My name is Susan Olsen and I am the Vice Chair of the Sierra Club's Lower Eastern Shore group. Our group covers four counties, including Wicomico and Somerset. We object to this permit. For one thing, the size of the pipes was increased without giving residents any prior knowledge. Larger pipes mean more gas. We only found out about the change in the size of the pipes at a public hearing several months ago. This change was presented as a done deal. When residents in Ocean City objected to larger wind turbines, they were given a hearing. The same should have been done here.

We also object to some of the conclusions derived at the last BPW hearing. Statements were made that suggested that those who contacted you from

other counties did not have the best interests of Somerset County residents in mind. Nothing could be further from the truth. We are drowning on the Lower Shore, where sunny day flooding is a regular occurrence. Some people are having to elevate their homes because the flooding is so bad. We're losing our crop lands, gardens, and forests due to saltwater intrusion and they will never come back. In addition, once inhabited islands are falling into the sea and some cemeteries have been washed away. The situation is only going to get worse.

It's easy to see that you are trying to make the best possible decision for Somerset County residents, and we applaud you for that. However, we feel you may have been misled. Renewable energy is affordable and available now. The data about renewable energy in the company reports was based on information from 2012. The pipeline is going to put Somerset County at the tail end of energy innovation. As gas becomes a less preferred energy method, this pipeline will become obsolete.

The problem is that gas companies do not clean up after themselves. They leave behind pipes and other equipment when they leave. This often leads to methane leaks and this is a major concern of the residents of the Lower Shore.

You stated at the last hearing that you would just use the pipeline for a little while, until renewable energy comes up to speed, but you were relying

on the wrong data, we believe. Renewable energy is reliable now. Therefore, we respectfully request that you deny this permit. Thank you.

GOVERNOR HOGAN: Thank you. I believe that's all the speakers we have. Are there any further questions from the Board on this topic?

TREASURER KOPP: I do have a question.

GOVERNOR HOGAN: We have a number of folks. We have, I know Secretary Grumbles is here with us and --

TREASURER KOPP: Yes --

GOVERNOR HOGAN: -- we've got Mary Beth Tung, Director of the Maryland Energy Administration. We have Dr. Charles Glass from the Maryland Environmental Service to address any questions anybody might have.

TREASURER KOPP: I just have a legal question, really. I mean, first of all, yes, we are only talking about this specific license, this small area. But in terms of the State government's purchase of natural gas for UMES or ECI over the next years, the State is not committed to a 30-year contract to purchase, the State, that is the taxpayers. I think there is a misunderstanding that we are committed to buying natural gas, at least that's what two of the folks said. And I believe that that's simply not true. And I just wonder if somebody could either confirm or tell me I'm wrong.

GOVERNOR HOGAN: I believe you are right, but I don't know who has the facts.

SECRETARY GONTRUM: Perhaps Ms. Tung from the Energy Administration or Dr. Glass from the Maryland Environmental Service can answer that question.

TREASURER KOPP: Surely someone must know.

SECRETARY GONTRUM: I will say that -- Ms. Tung, are you available?

DR. TUNG: Yes, I am.

SECRETARY GONTRUM: Yes, we can hear you.

DR. TUNG: And I think Dr. Glass -- good morning, by the way, Madam Treasurer, Mr. Comptroller, and Governor Hogan. For the record, my name is Mary Beth Tung. I'm the Director of the Maryland Energy Administration. I think Dr. Glass could probably confirm. I believe it's a ten-year contract for the two institutions.

DR. GLASS: Good morning. For the record, Charles Glass. Thank you, Governor Hogan, Madam Treasurer, Comptroller. It is a ten-year contract for purchasing the fuel, and there is a contract for the capital costs associated with getting to the facilities. There are actually two contracts.

TREASURER KOPP: And the capital comes from what?

DR. GLASS: It's similar to a mortgage. So it's appropriated for ten years.

TREASURER KOPP: Ten years, right.

DR. GLASS: Yes.

TREASURER KOPP: And --

DR. GLASS: And the fuel cost does not start until the fuel is being delivered, so --

TREASURER KOPP: Right.

DR. GLASS: -- and then it is a commodity.

TREASURER KOPP: People were concerned about a long term 30-year contract. And --

DR. GLASS: There is no 30-year contract.

TREASURER KOPP: Thank you.

DR. GLASS: Thank you.

GOVERNOR HOGAN: The other good news is we're not going to be burning that dirty oil and those wood chips anymore.

DR. GLASS: That's correct, sir.

DR. TUNG: The other thing, if I may, I'd like to add in is I know Madam Treasurer you had mentioned a little bit earlier about renewable natural gas. And these pipelines will, or the pipeline will allow for the renewable natural gas to

be offloaded. That's one of the problems we have had in trying to develop the renewable natural gas and I think the Planet Found installation was mentioned a little bit earlier. Governor Hogan is very familiar with that. I know he visited. I have visited several times. One of the issues is it can't offload that gas. Once it's made, it's either flared or they would have to truck it out. And that of course adds to pollution with diesel trucks on the road and the cost and what not. So that's another reason why this is really an important pipeline, is it does allow for offloading of that renewable natural gas into a pipeline instead of having to flare it off. Which obviously, nobody is going to build a plant that flares off natural gas, so or renewable natural gas.

GOVERNOR HOGAN: You know, I just want to touch on a couple of things. You know, I think you may have heard some of this at the last hearing and I don't want to drag this out any further. But you know, with the talk about some of these issues directed towards UMES and ECI, this project allows UMES to have a much cleaner source of energy than what they are currently using and it allows them to reduce carbon dioxide emissions by 38 percent almost immediately while cutting their energy costs in half. ECI currently burns 50,000 tons of wood chips and converting to natural gas reduces their carbon dioxide emissions by 65 percent and particulates by 99 percent. So there are some really strong advantages along with, which we did talk about earlier, the anaerobic digesters that are going

to be burning, the utilization of fertilizer, which helps us clean the Bay is something we've been working towards. So it certainly is an interim step until we can get to totally clean energy sources later. It's much better than what we are doing right now.

Any other questions on this item, or otherwise are there questions on the remainder of the Secretary's Agenda?

TREASURER KOPP: I just have one, just to touch on briefly, not on this item, on --

GOVERNOR HOGAN: Sure.

TREASURER KOPP: -- I just want to point out A2, Item A2, the COVID testing in water systems, wastewater systems.

GOVERNOR HOGAN: Yes.

TREASURER KOPP: And I --

GOVERNOR HOGAN: I think we have, we may have somebody on here to discuss that, if you have a question.

SECRETARY GONTRUM: We have Deputy Secretary Dorsey from the Department of the Environment, Dr. Suzanne Dorsey.

DR. DORSEY: I am here, thank you. For the record, my name is Suzanne Dorsey. I'm Assistant Secretary at Maryland Department of the Environment.

TREASURER KOPP: You look like Secretary Grumbles. It's amazing.

COMPTROLLER FRANCHOT: Yeah.

GOVERNOR HOGAN: Yeah, it's like a ventriloquist. It almost sounded like she was talking, right, but his face, but it's a different voice.

TREASURER KOPP: You ventriloquist.

GOVERNOR HOGAN: Yeah, go ahead. Did you want to just talk about the item, or did you have a specific question about the item?

TREASURER KOPP: No, I just find this a very intriguing item because it means that we can really trace the progress of COVID and I guess other viruses, too, at a relatively high level and know where to put our resources and where to take action just through testing wastewater.

MR. GRUMBLES: Madam Treasurer, I put my beautiful mug up on the screen just so that I could say that I could not be prouder of Suzanne Dorsey's leadership for MDE working with the Department of Health under Governor Hogan's direction to put in place this tool for early warning systems using wastewater and biomonitoring. I'll leave the rest of the conversation to Suzanne, who is really doing great work to help save lives and get a jump on potential hot buildings. And so that's all I wanted to add.

GOVERNOR HOGAN: Thank you.

TREASURER KOPP: Thank you. No -- yes?

DR. DORSEY: Just thank you and recognition that the leadership required to take risks and apply cutting edge science, with a lot of strong Maryland representation to address vulnerable populations who have suffered the worst outcomes from this virus and may have difficulty with testing. Providing for resources to help inform them about how they can protect themselves and respond quickly. And that's been the purpose of this. And under Governor Hogan and Secretary Grumbles' leadership, we have been able to work very closely with the Baltimore Housing Authority, the Baltimore Health Department, and health departments, and of course our Maryland Department of Health throughout the State to detect and respond to outbreaks in vulnerable communities.

TREASURER KOPP: That's very exciting. I can't help but point out that the company that is doing the, not the testing but the analysis, CosmosID, was at least originally established by Dr. Rita Colwell, one of the most outstanding scientists in the world who also is a great citizen of Maryland. One of the few people, for instance, who holds title positions, academic positions at both the Hopkins and the University of Maryland, something that is very difficult to balance, as you know, Governor. But is just a great scientist, a member of the Maryland Women's Hall of Fame, and somebody who I take pleasure in mentioning.

GOVERNOR HOGAN: Well thank you.

MR. GRUMBLES: And an inspiration for us on this project, as our signal initiative was driven early on by Dr. Colwell. She was instrumental in this and continues to be.

TREASURER KOPP: Former Director of the National Science Foundation, AAAS, recipient of over 50 honorary degrees from all over the world, and the creator of the very simple practical system that has saved innumerable lives just in treating drinking water in India and other parts of the world, straining it properly. And just an outstanding Maryland citizen, and now she is helping the State of Maryland once again.

GOVERNOR HOGAN: Thank you. Thank you all very much. Any other questions on the Secretary's Agenda?

COMPTROLLER FRANCHOT: If I could just mention Item 5, this was one of the historic acts of non-compliance with very important environmental responsibilities that we on the Board have. We play a critical role in frankly safeguarding the environment and protecting the Chesapeake Bay, which is our most prized treasure. So I'm very pleased to see that finally Mr. Wagner is going to be forced to comply with the recommendations of not only the Board, but the Maryland Department of the Environment, the U.S. Army Corps of Engineers, all of whom he basically just turned his back on when he went and built a big estate out on Little Island on the Magothy River. And I just want to bring to everyone's

attention that we're not going to tolerate non-compliance with the laws and obviously this is justice delayed, I guess, but I think it's well worth, you know, paying attention to the fact that you can't let people go and do this because then everybody else who has to apply for a license says, hey, what about that guy? He built a whole house and a swimming pool and didn't comply with anything. So I'm very pleased to see the item there. And I don't know Secretary Grumbles if you were involved in that, but hats off.

GOVERNOR HOGAN: Thank you for bringing that up.

MR. GRUMBLES: Thank you. We appreciate it. Thank you.

GOVERNOR HOGAN: Thank you. Is there a motion to approve the Secretary's Agenda?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

GOVERNOR HOGAN: Three-nothing. Thank you. We're going to move on to the DNR Real Property Agenda.

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

GOVERNOR HOGAN: Good morning. Are there any questions on the DNR Agenda?

COMPTROLLER FRANCHOT: Move approval, if the Treasurer doesn't have questions.

TREASURER KOPP: Good morning. Second.

GOVERNOR HOGAN: Good morning and second, and good morning, three to nothing. Thank you, Madam Secretary.

MS. HADDAWAY-RICCIO: Thank you.

GOVERNOR HOGAN: The University System doesn't have any items today. They are off the hook. So we are going to move on to the Department of Transportation.

MR. SLATER: Good morning. Good morning, 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 23 items for your consideration today, and representatives are here to answer any questions you may have.

GOVERNOR HOGAN: Thank you, Mr. Secretary. I just want to highlight Items 4 and 5, because I'm thrilled to see, and I want to hear a little bit more about this, the two companies are looking into solutions to transform dredged materials into products that can aid in construction and boost our economy,

innovative uses for reuse for sediment that we're taking out of the Bay and turn it into a valuable resource for making bricks and concrete and even structural supports for shorelines. And I just want to compliment your team at MDOT and the Port and all these local businesses for working on these groundbreaking ideas. So with that, do you want to touch on that at all, Secretary?

MR. SLATER: Yes, sir, it's pretty exciting. First and foremost, I want to thank you, Governor Hogan, Comptroller Franchot, and Treasurer Kopp for your support in these items. They are really important to us. I also want to thank the dedicated men and women of the Port. They are really exciting and I think we have really found the right model for the businesses to pursue these types of things.

The Port of Baltimore has always been this national leader in using dredged material in ways that benefit the community and the environment. But you know, over the years we have used this sediment for rebuilding islands like Poplar Island in Talbot County and Hart-Miller Island in Baltimore County. And then we're able to go in there and create these wildlife habitats and reinforce shorelines. And so today, those islands are home to new wildlife and water fowl species. And Hart-Miller has really emerged as a popular recreation site for boaters. So you are absolutely right.

These new proposals in this model are leading to these new and smaller innovative companies coming in to pursue different types of uses and we really feel like we have gotten the right model. But it's through these contracts they are using this valuable resource for construction materials, barriers, retaining walls, and even barriers to help stabilize the shoreline. So we're excited about more and more of these moving forward. We had the Board a few months back about, with some brick pavers they were bringing in and those types of things, kind of spawning new industries and new businesses around the Port.

GOVERNOR HOGAN: That's great. Any questions on the Transportation Agenda?

COMPTROLLER FRANCHOT: Yes, on Items 1, 2, and 3 please.

MR. SLATER: Yes, sir. That's the next generation electronic tolling system that we were anticipating to go live on that one in late 2020, and at the request of MDTA the next generation vendor, TransCore, has kind of reorganized our project team. We have been having some challenges. I have Executive Director Jim Ports as well as our Chief Operating Officer Will Pines on the line for any specific questions you may have.

COMPTROLLER FRANCHOT: So I guess my question is, we're being asked to approve up to \$39.6 million when you look at these three different contracts in additional costs, and I want to make sure that the company that we

chose, or you chose, that this is not, these are not new dollars, that I take it this is not being paid to TransCore. This is \$39.6 million that we would have paid them had they been able to do the work, but instead we're going to pay it to the Conduent, the losing bidder, to continue this. But we're not asking for new spending, I take it. Or have I got that wrong?

MR. SLATER: Let me make sure --

MR. PORTS: -- Comptroller.

MR. SLATER: Go ahead.

MR. PORTS: Mr. Comptroller, if you would like, first of all, Governor, good morning, Madam Treasurer, Mr. Comptroller, for the record, my name is Jim Ports, Executive Director for Maryland's Transportation Authority, MDTA. And you are correct in your assertion, Mr. Comptroller. So the \$38 million that we are talking about for Item 3, which is Mod 31 for Conduent, we are not paying twice for those services. TransCore has not been able to go live with those services, so what we are doing is we are asking our current contractor, Conduent, to pick up those services as they have done for the last ten years and continue those services until TransCore is up and running and able to take over those same services.

COMPTROLLER FRANCHOT: Okay. Mr. Ports, thank you for that. And we haven't seen you for a while, so I still don't see you. But that's okay.

I heard what you said. So is there in fact a difference between what Conduent is being paid, which is before us for our approval for operations and maintenance services, and what TransCore would have been paid had their contract actually started on time and they were able to do what they said they would do?

MR. PORTS: Yes, sir. Yes, sir. So that's a great question. So as you may recall from when we had the original contract for TransCore go into place, the difference between Conduent, the current service, and the TransCore service that we anticipated to go live, we were going to reap, if you will, a savings of about \$753,000 annually. As a matter of fact, I think when the contract was let it was estimated it would be \$710,000. But as we've been going through this process, it has now reached about \$753,000. And so that is the difference. However, as I mentioned, Conduent has been doing these services for about ten years now, or actually 15 years, I'm sorry. And what we're paying them is in line with what we had been paying them previously. What we have not been able to do is reap the benefits of the lesser payment to TransCore once they go live.

COMPTROLLER FRANCHOT: Okay. So we are paying more, but you've got a justification there. Are you going to go into testing in February on this system, and are you going to, can you keep us informed about how it goes on the testing?

MR. PORTS: Yes, sir. Yes, sir. So we have tier one testing and tier two testing, as you may know. And tier one is I think 1,158 items that they test. They do that on their own. Tier two, they retest the same 1,158 items and that's with our MDTA consultants on board and watching. We anticipate (indiscernible) getting through some of their testing sometime in January or early February, and we also expect TransCore to -- well, I should say we'll have more information on TransCore's testing in the February timeframe and we would be more than happy to circle back and work with you and let you know how that's going.

COMPTROLLER FRANCHOT: And when do you anticipate everything being finished?

MR. PORTS: So we anticipate going live in the second quarter of this calendar year.

COMPTROLLER FRANCHOT: Thank you, Governor. And thank you, Delegate Ports, Mr. Ports -- what is your title these days?

GOVERNOR HOGAN: It's been a long time since he was a Delegate.

MR. PORTS: Well, you never lose the title, I guess, right?

COMPTROLLER FRANCHOT: I do have one other question on Item 11 --

MR. PORTS: Thank you, Delegate Franchot.

COMPTROLLER FRANCHOT: -- Governor, about the omission of fuel costs totaling \$44 million for the Maryland Transit Administration apparently that was mistakenly left out of the final contract amounts. It's a lot of money. I don't want to make anybody feel bad. But that's a pretty big miss in my department, I guess, my judgment. So what exactly happened? And how are we going to prevent this down the road?

MR. SLATER: Absolutely, sir, good question. We had a lot of the same questions as well and a lot of the same concerns. I have Administrator Kevin Quinn as well as Director of Procurement's Bill Parham on the line that can talk about a little bit of the safeguards that were put in place.

COMPTROLLER FRANCHOT: So just for my colleagues, this is a contract for two vendors to provide paratransit transportation services. And when we approved it, the fuel costs, the gasoline costs, which obviously are significant in paratransit, of \$44 million were left out. So we're being asked to add it. Which is okay. I'm happy to add it, because obviously it's something we assume the costs of. But I'm just wondering if anybody can explain what happened.

MR. SLATER: Got you. I'm not sure if Kevin came on or not. I'll

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MR. QUINN: Yes, hello, can you hear me?

GOVERNOR HOGAN: Yes, we hear you.

MR. QUINN: Wonderful. Thank you. Good morning. For the record, my name is Kevin Quinn. I'm the Administrator of MDOT MTA. Mr. Governor, Madam Treasurer, Mr. Comptroller, thank you for your question. You are correct. So our procurement office as we dove into these contracts saw that this had been inadvertently omitted. We believe that these amounts do need to be added. I've spoken with my procurement department and we're putting in some additional checks to be sure that this absolutely doesn't happen again. Bill Parham, our Director of Procurement, is on the line. Bill, can you speak to this further?

MR. PARHAM: Yes, sir. When we received the proposals for this contract, the costs for the fuel costs were included in the bid form. But they were considered a pass through and they were not part of the evaluation. When we built our agenda item to come to the Board the first time, we literally just did not put those fuel costs back into the total value in order to come to the Board for approval. It basically was just an omission and we did not catch it until after we had come to the Board and received approval with the original numbers, sir.

COMPTROLLER FRANCHOT: Thank you, Governor.

GOVERNOR HOGAN: Yes, thank you. Are there any other questions on the Transportation Agenda?

TREASURER KOPP: I just have a request of the Secretary, since we mentioned the gasoline contract. Could you give us an update, not now but

soon, on the transition off of gasoline among your different modes? And I would ask the same thing, if he's listening, of the Secretary of Budget and Management and DGS, when we are going to see significant progress in electrification of the fleet in all its aspects.

MR. SLATER: Absolutely, Madam Treasurer. We are making some progress in both our non-revenue fleet as well as our revenue fleet. This year's PTP also includes about \$5 million for electric infrastructure in Baltimore City to prepare for that conversion of our bus network --

TREASURER KOPP: I said not today.

MR. SLATER: Okay. I'm happy to -- I'll follow up.

TREASURER KOPP: I would like something in a little depth, a little detail, but not today. Thank you, Governor.

GOVERNOR HOGAN: Thank you. Thank you, Mr. Secretary. Is there a motion to approve the Transportation Agenda?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

GOVERNOR HOGAN: Okay. Three-nothing. And we're going to move on now to the Department of General Services.

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

Maryland Department of General Services. Today we are presenting 33 items on our Agenda for your consideration. And I do want to make note in line with acknowledgment of small business, we have seven awards for a variety of small businesses, minority businesses on the Agenda. We have representation available to answer any questions you may have at this time.

GOVERNOR HOGAN: Thank you, Mr. Secretary. Are there any questions on the DGS Agenda? If not --

COMPTROLLER FRANCHOT: I have one on Item 13.

MR. CHURCHILL: Item 13, from the Maryland Department of Health, supply chain management. We have on the phone, on audio, Webster Ye, with the department.

COMPTROLLER FRANCHOT: Good. Mr. Ye, excellent. So this is a \$48 million contract. And could you just explain briefly what the department is expecting Vizient to provide the State for that large amount of money, \$48 million?

MR. YE: Absolutely. Good afternoon, Madam Treasurer, Mr. Comptroller, Governor. Webster Ye on behalf of the Maryland Department of Health, Assistant Secretary. To your question, Mr. Comptroller, the Vizient contract provides medical supply services for our field hospitals, the Convention Center, Tacoma Park, Laurel Hospital, to some degree Prince George's County

Hospital, and our facilities out at Hagerstown and Jessup. So these are the folks that are sick and have been, with COVID, and they have been placed at our alternate care sites. The primary reason why we went with Vizient is because UMMS and Hopkins both use Vizient and they are the ones that are running the Convention Center, Laurel Hospital, and a couple other places.

COMPTROLLER FRANCHOT: Okay. And I guess my question is, are we going to be using Vizient down the road? Or do you see, I guess, Mr. Secretary, this is a question for you, do you see DGS sourcing the materials on their own as opposed to using Vizient?

MR. CHURCHILL: Thank you, Mr. Comptroller. It really depends on the program needs at the moment. We have a number of contract structures that are in place. Vizient satisfies a portion of that need in terms of what the Department of Health has set up. We also have other statewide contracts that can be pulled from for different materials, PPE as an example, which we have established as we have been pulling contracts off of the emergency contracts that we submitted back in midyear last year to today. So we are moving toward getting in place normal statewide contracts to address Health's needs.

COMPTROLLER FRANCHOT: Okay. Yeah. No, I'm just, if you could keep us informed as to the transition, or whatever you can do that obviously provides the same level of equipment but does it perhaps more affordably by the

State doing the sourcing. But I hear what you are saying, it's a confusing kind of a time for us now.

I do want to take advantage, if Mr. Ye is still there, if he could just bring us up to date on the vaccine rollout, I guess, is how I would describe this.

MR. YE: Absolutely. Mr. Comptroller, I'm happy to answer any questions on it. I think the Governor gave a very quick summary at the beginning and he went into it in more details yesterday. But the basic point is, right now we are still dealing with a very limited supply of vaccines that is given to us by the federal government. We learn about it with very short notice from the federal government and then we have to turn it around with very short notice to give it to the counties, the hospitals, and the retail pharmacies. And the basic idea, as outlined, the basic policy of the State is we want to build infrastructure for as broad a distribution network as possible so that in a month or two, or longer, when we have more supply of vaccine, we're able to push it out and people are able to just go to their neighborhood pharmacy to get it as opposed to a county health department, which would be overwhelmed by that many people coming.

COMPTROLLER FRANCHOT: Okay. So I see from today's numbers that we have 852,625 doses delivered. Doses administered are half of that, less than half, 419,579.

GOVERNOR HOGAN: Yeah, we, Mr. Comptroller, we went into a great deal of detail yesterday for more than an hour on this topic and we would be happy to provide you all the information --

COMPTROLLER FRANCHOT: Okay, I just --

GOVERNOR HOGAN: -- it's a pretty complicated process. But we have delivered more than 95 percent of all of those out to the providers. Half of them, a big portion of them are first doses, about 80 percent of which have already been administered. The other ones have to be kept as second doses. You cannot inject them until 21 days or 28 days later. We had a great discussion yesterday with the Biden administration, who now is promising 200 million more doses. We are now outperforming by 80 percent the number we get. We get 10,000 per day. We are injecting 18,000 per day. So we have less than a six-day supply, which will run out. The remainder are second doses, which cannot be given to other people. But it's really not an item that is before us right now.

COMPTROLLER FRANCHOT: Well I think the problem, of course, and I don't mean to bring up tweets and stuff by famous people. But it's not perhaps your fault that we don't have enough vaccines, Governor. It's the situation is very frustrating because people are frantic to --

GOVERNOR HOGAN: No, I understand completely, which is why we are pushing, all the governors pushed the Biden administration yesterday. We

were very pleased with the commitment that they are going to increase the production by 50 percent. Right now, we have 5.8 percent of the vaccines we need. And we encouraged them to utilize the Defense Production Act to get some more production of vaccines. We're pushing the FDA to approve the other companies so they can make more vaccines. It's very frustrating for just about everybody. Right now, we are outperforming 31 other states and we are at the point where we are approaching double what they are giving us as far as sticking needles in arms and we are going to run out very shortly.

COMPTROLLER FRANCHOT: I guess that's where I get a disconnect, because all these national reports have us 47th or close to dead last.

GOVERNOR HOGAN: Yeah, it depends on how you use the numbers. But the CDC has us at 19th ahead of 31 states.

MR. YE: And Mr. Comptroller, if I may --

COMPTROLLER FRANCHOT: Yes, please.

MR. YE: -- the first is, as the Governor pointed out, a lot of folks are trying to conflate our first doses and our second doses. And we are focused on our first doses because --

GOVERNOR HOGAN: And by the way, excuse me, Mr. Ye, this was a huge discussion yesterday with the Biden team. Every single governor in America was complaining about this because there is news companies, like

Bloomberg and others, who are saying it's only X percent of the doses. And the CDC is going to change their website to no longer show those kind of crazy numbers you just referenced, Mr. Comptroller. Because we cannot give the second doses to the other people. They are not unused. They are in reservation for the people who have to get their second dose either 21 or 28 days later. All the first doses are being used, and they are being used at a rate much faster than they are giving them to us.

MR. YE: Absolutely. And the Governor is --

COMPTROLLER FRANCHOT: -- I guess that's where we get this stuff, where according to the CDC data Maryland is currently ranked 47th in vaccine administration with only 47.3 percent of the received doses administered. I hear what you're saying, Governor --

GOVERNOR HOGAN: -- fix all of that. That's a mistake.

COMPTROLLER FRANCHOT: Okay. I just have a question for Mr. Ye, which is how many of our allocated vaccine doses, if any, have been discarded because of problems with expiration, etcetera?

MR. YE: Very little, Mr. Comptroller. We put in a new order last week asking all the providers to give us specific wastage information. So the exact data is still a little bit out there. There are two incidents that we know about, one in Washington County where the very first shipment of Moderna vaccine came in

and it was missing a cold chain logistics, like chain of custody type label. And so they had to discard it. They worked with the manufacturer to get a new one. And that was more of a manufacturer/shipping error. And then there was a hospital out on the Shore where unfortunately they weren't monitoring their information, the freezer thawed out, the Pfizer vaccine. And so that was about 1,600 doses at that hospital. That hospital has since bought a new freezer, connected the alerts to the right place, and it seems to be working now. We just shipped them more Pfizer.

COMPTROLLER FRANCHOT: Okay. And the question that has been brought up about where in Maryland the vaccines are going, that African Americans, who are 31 percent of our population, areas that they are generally in only got 16 percent of the first doses, only 4.6 percent went to the Latino communities, and they are 11 percent of the State's population. Are we, are you at least paying attention and factoring that stuff in as far as --

MR. YE: Yes, sir. Yes, sir, very closely. We have a huge amount of people who are extraordinarily gifted with Excel and all the spreadsheets that are tracking this. The basic point as the Governor outlined yesterday is we're trying to make sure that every local jurisdiction gets their percentage share of the population. And we may reallocate within each jurisdiction by provider depending on who is performing better. But the basic idea is we want to make sure that we are really pushing vaccine out. And then to your question about minorities, Mr. Comptroller,

we are really focusing heavily on federally qualified health centers. We worked with Senator Griffith and the Greater Baden Health Center in Southern Prince George's County. There is an SQHC in Takoma Park in the Montgomery County area that we're working with, that I'm blanking on the name on all of a sudden. I apologize. And then we're working with Kaiser Permanente, both at their Gaithersburg and Largo locations, because as Kaiser ran their demographics, they have I think 25,000 75-plusers with significant African American and Hispanic patient mixes. So we're really working with them. They are extraordinarily good partners. I believe they are working with us on our Six Flags site. So again, it's a lot of partnership with folks so that we can push vaccine out as quickly as possible. And lastly, we are working with over 100 trusted community leaders to focus on minority outreach.

COMPTROLLER FRANCHOT: Excellent. Thank you for that. And I assume that we're working with the local county health departments, because I read recently that you guys abruptly changed the weekly allocation of vaccines for multiple local county health departments, providing them with reduced numbers of vaccines so they had to cancel appointments. So you can imagine, whoever is not to blame, it doesn't, I'm not interested in that. I'm just saying, you can imagine the frustration of people that had scheduled appointments for vaccinations cancelled. And then something about you increased the doses for other close

partners, such as hospitals. Is that going on? In Anne Arundel, for example, I think was where that was noted.

MR. YE: Again, Mr. Comptroller, the basic idea is we're trying to make sure, and I think you are referring to Montgomery County. So we kept Montgomery County's allocation for this week at approximately 17 percent of all the doses that we got. And for this week, that was about 18,000 doses. We gave some to Montgomery County health departments. And then we worked with Hopkins and Suburban Hospital to give them more doses, because Hopkins said they were ready, able, and willing to vaccinate seniors and teachers. And we understood at the time that Montgomery County Health was a little bit more hesitant to do that. They actually, there were anecdotal reports that they were turning away 75-year-olds and teachers and 75-year-olds who were teachers, who had valid appointments. And --

GOVERNOR HOGAN: And I discussed this with the County Executive in Montgomery County, who appreciated that. And I think he is cleared up on the misunderstanding they had.

COMPTROLLER FRANCHOT: Okay. And I think what I read, mentioned Anne Arundel, I think the hospital took some of its vaccines that were given to them and, as you explained in your process, and gave them back to Anne Arundel County. Is that where we are with --

MR. YE: We did give Anne Arundel County more doses this week than last week. Some of it came through to the hospital. One of the reasons for the change this week is on I think Friday night, and it was pretty much 36 hours of very frantic action with myself and a couple of other colleagues, the federal government increased our Pfizer allocation. So we had placed our orders on Thursday and Friday, and then they increased our Pfizer allocation over the weekend. So we had to send our Pfizer doses to places that we knew could take them.

COMPTROLLER FRANCHOT: Well, look, obviously the Trump administration left almost nothing as far as a plan. People say they were doing something. Yeah, I guess so, but it's pretty chaotic out there. So I hope we could at least correctly state that it's a mess and that we have to, you know, tell our very frustrated citizens that there is a reason for that. Largely, it's because of the federal government but it doesn't help millions of Marylanders to say, hey, everything is okay and we're doing just exactly what we should be doing, when frankly it is very disturbing because people are desperate and you hear it and then you see it bubble up in these tweets from Mr. Friedman, who it was probably a failed attempt at humor. But it reflects what is going on out there, whether we think we're doing a good job or not. So I hope --

GOVERNOR HOGAN: The good news is yesterday we had a, all the governors had a great discussion with the Biden administration. We got several

commitments out of them. First of all, Maryland just got from FEMA the largest award, or the second largest in the country, \$238 million, for vaccine administration, second only to New York, 100 times more than our neighbors in Virginia. We're launching mass vaccination sites across the State next week. We're making real progress. But the Biden administration committed to not having this problem you are referring to, where we would only find out on Thursday what we are going to get on Tuesday, then we immediately told the counties. Now we're going to have a commitment for three weeks in advance what we are going to get. And they are going to have slight increases in supply, only 16 percent, which doesn't mean much when we are overperforming by 80 percent. But it's a little bit. It's a start. And the fact that they just committed to buying 200 million more vaccines, the problem is they are not going to be manufactured until summer. So it's going to be a while before this turns around but I think everybody is trying to do the best they can.

COMPTROLLER FRANCHOT: -- all I'm saying is out there, I'm one of the citizens --

GOVERNOR HOGAN: And we need your help in trying to convince the public to --

COMPTROLLER FRANCHOT: -- there is a --

GOVERNOR HOGAN: -- be patient and everybody is doing the best they can --

COMPTROLLER FRANCHOT: -- the problem is --

GOVERNOR HOGAN: -- that's what we have been working on --

COMPTROLLER FRANCHOT: -- well, yeah, but I just think it also would benefit the State if we just said, look, here's the, this is not going to go, this is not going as --

GOVERNOR HOGAN: We'll send you the hour-long press conference we did yesterday and the five or six before that so you can see what we are messaging.

COMPTROLLER FRANCHOT: Well let me just conclude by saying I think opening it up to 65 and above is obviously very significant. But it's coupled with nothing but chaos as far as how exactly if I'm 66 years old, how do I get on the list to get vaccinated? And whatever it is that we have out there right now is not adequate and we just need to recognize it. And I don't know what it is, put in some kind of a web service or something that people can --

GOVERNOR HOGAN: Okay. I'll be happy to discuss this further with you, Mr. Comptroller. But is there any questions on the DGS Agenda?

TREASURER KOPP: I have a very quick question on the item we're talking about, Item 13. It's 100 percent general funds. Will any of that be reimbursed through federal COVID funds?

MR. YE: Madam Treasurer, I'll have to get back to you on that. We're still trying to find out exactly what are the terms and conditions of the federal funds that were approved in December.

TREASURER KOPP: Okay.

MR. YE: And as soon as we find out when we're working with DBM, and as soon as the feds tell us exactly what are their terms and conditions, we'll be able to get back to you with that answer.

TREASURER KOPP: Great. I'd appreciate that. And Secretary Churchill, in general as we move off of the emergency contracts, of which there were a lot for obvious reasons, could you just keep us apprised of how we get back into the normal procurement system with all of its safeguards and regarding cost, MBE, etcetera?

MR. CHURCHILL: Absolutely, Madam Treasurer. We're happy, I'm happy to continue to update the Board with the progress. And when we bring items that move procurements that were previously on emergency procurements based on COVID, we'll make some notes that this is a transition to a standard State contract.

TREASURER KOPP: Great. Thank you.

COMPTROLLER FRANCHOT: I do have one other item I'd like to ask a question on, Item 24. I don't know whether Mister, whether anyone is there from the Department of Education. But I would like to take the opportunity to encourage the department, MSDE, and obviously the Governor and others, to continue to support our childcare providers who are going to play such an instrumental role during the pandemic. I have spoken to many licensed childcare providers over the past few months, who collectively served 188,000 children before the COVID pandemic occurred. Due to the pandemic, there was the potential for 1,256 licensed providers to close. 279 have already closed. 977 have requested not to reopen. These folks are obviously right on the frontlines taking care of children who are either first responders or their families are teetering on financial collapse. I hope that this catastrophic reduction in the number of children served will not stand without some attention from everybody as to how we can help with additional help as far as fixed costs, investments in personal protective equipment to protect their children and employees. And I know there have been numerous listening sessions with MSDE, which oversees this. But I hope somebody will help them out as far as making sure that as they have often said the importance of doing whatever we can to help these providers right now is important. Thank you.

GOVERNOR HOGAN: Thank you. Any other questions? Is there a motion on DGS?

SECRETARY GONTRUM: -- Secretary, I apologize. Were you intending to withdraw Item 31?

MR. CHURCHILL: Just a minute, John. Did I not announce the withdrawal of Item 31? Yes. My apologies to the Board, we are withdrawing Item 31 and will bring that back to the Board. Thank you, John, for that.

GOVERNOR HOGAN: Good catch, John. So we are removing Item 31. The rest of the Agenda for DGS --

COMPTROLLER FRANCHOT: Move approval on the rest of the Agenda.

GOVERNOR HOGAN: Great. Is there a second? Madam Treasurer?

TREASURER KOPP: Second.

GOVERNOR HOGAN: Great. Three to nothing. Thank you all. Thank you, Mr. Secretary, my colleagues, thank you. And this is the end of the Board of Public Works. We look forward to seeing you next time.

TREASURER KOPP: Thank you, Governor.

(Whereupon, at 12:24 p.m., the meeting was concluded.)