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a source of concern because when you close a restroom down it creates issues for our passengers. And so the \$54 million project might seem high, but it includes more than just cosmetic improvements to the restroom. It includes considerable construction and it also allows us to meet some standards that we haven't been able to meet over the last 20 or 30 years.

COMPTROLLER FRANCHOT: Thank you very much. It sounds like you're going to produce new facilities, rather than just renovating the old ones. So --

MR. SMITH: That is correct.

COMPTROLLER FRANCHOT: -- Director Smith, if you could just help me understand why were there only two bids on this contract? It seems like a large contract that would be inviting to a lot of Maryland businesses.

MR. SMITH: So we followed all of the normal outreach efforts that we do for procurements of this nature. We actually included this in some of our own dedicated outreach efforts. It's a very complicated project because of the mobilization. You may have heard us use this term before. It's kind of like doing hard surgery on a patient that's awake, right? Because the Airport is not going to close. And so because of the complexity around scheduling and phasing the

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mobilization, some construction companies just didn't think that they could perform the project very well. And so we actually got proposals from two of them, I would say two of the better construction companies in the business that know BWI very well. And so we're happy with the proposals and think we got the best we could get in terms of response to our outreach.

COMPTROLLER FRANCHOT: Okay. Thank you very much. So you have talked to some of the folks that could have bid but didn't because of the nuances of working at the Airport?

MR. SMITH: Yes. And the feedback and we get for a project like this is, you know, when it's very difficult to operationalize in a live environment, a lot of companies just cannot, just don't feel comfortable that they can put together a competitive bid for that environment. These two firms actually know the Airport very well. Both Whiting-Turner and Clark Construction have handled many projects at BWI and, you know, we have had a very good relationship with Whiting Turner and we think they will do a great job despite the challenges that come with doing such a complex project in a (indiscernible) environment.

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR HOGAN: Thank you. Any other questions?

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TREASURER KOPP: Ricky, yes, can I just ask one question about this? The item had two alternatives and you decided to go with alternate number one instead of alternate number two because of price, right?

MR. SMITH: It was because of price but because of our budget, yes, and price.

TREASURER KOPP: Because of your budget, yes. And --

MR. SMITH: Yes.

TREASURER KOPP: -- but the ultimate number two included licensing and support on the software that's involved. So we're going without support? How is that cost saving?

MR. SMITH: So I believe our thinking is this is phase one of a multiphase project. The other phases will include this Smart Restroom software. And so there will be other opportunities for us to get a support agreement that we will roll these restrooms into.

TREASURER KOPP: Okay. I hope you are right. It looked to me like it might be something that would create an emergency and therefore we'd have to approve it so you actually get everything. But, we'll see.

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MR. SMITH: Madam Treasurer, we actually have these, the prototype of these restrooms on our Concourse A. This is the Concourse A extension project. And we have a maintenance agreement with those restrooms that we could always fall back on if we find ourselves in an emergency situation.

TREASURER KOPP: Got you. Thank you.

GOVERNOR HOGAN: Thank you.

MR. SMITH: You're welcome.

GOVERNOR HOGAN: Are there any other questions or is there a motion?

COMPTROLLER FRANCHOT: I have one question on Item 4. And I don't have any objection to this, but I did want to take advantage of the fact, is the Maryland Transit Administrator here with us, Mr. Arnold, and could he please comment on the Baltimore Transit Equity Coalition Study that has been reported in the press and done in conjunction with Johns Hopkins Bloomberg School of Public Health on transit equity in Baltimore City. I don't know whether he's available and could just briefly comment? If she is available, she, I'm sorry.

MR. SLATER: Holly is on and I can touch on it a little bit, and maybe she can kind of back me up a little bit. We're looking at a lot of households

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in Baltimore City, and if you look at the households in Baltimore City, about 29 percent of them are zero car households. And if you include the one-car households in Baltimore, I think from the latest data over 70 percent of the households in Baltimore City have access to one or less cars. So we're focusing on access to jobs and providing the highest quality service to those that need us the most. And so we have launched a new express service from West Baltimore to Tradepoint Atlantic. We just recently eliminated the 60 cent surcharge on that express service. We're now using different equity measures in our route planning, but we're also investing about \$50 million in the CTP for things like ADA and bus stop upgrades for shelters and those types of things focused on some of the economic disadvantaged areas. The first project is going to be coming out in Holland Park.

COMPTROLLER FRANCHOT: And I take it you have got a concept of restorative investment in these communities that have traditionally been redlined and unfairly treated as far as, to me, this report is very compelling because it says that the, it wasn't just banks that redlined, it was also government did it to a certain extent. And now you are going back and restoring some of the investments that should have been made in our historically underserved communities where,

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frankly, a reliable transportation service is not normally associated. But thank you for doing that, Mister, well, Administrator Arnold but Mr. Secretary Slater.

MR. SLATER: Absolutely.

COMPTROLLER FRANCHOT: Keep us in the loop as to how that proceeds.

MR. SLATER: We sure will. That report, and it just focused on core bus and so it didn't account for kind of Metro and Light Rail and those types of services. So we're looking at interconnectivity between that. But Holly, is there anything you wanted to add?

MS. ARNOLD: Hi, yes, this is Holly Arnold, for the record, Acting Administrator at MDOT MTA. Yes, I think Greg characterized it nicely. We appreciate the report. It's always good to have additional information. It aligns with a lot of the information that we're already considering when we do our route planning. But having that outside perspective is helpful.

In addition to what Greg mentioned, we're also for the Central Maryland Regional Transit Plan doing feasibility studies for two corridors, which do hit on a lot of the neighborhoods that were identified in the report. There is an east-west corridor from Bayview to Ellicott City and a north-south one from

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Towson to Downtown. So we're considering how we can improve transit access to jobs and reliability in those corridors.

COMPTROLLER FRANCHOT: So I'm appearing with a lot of very ambitious politicians these days, and everybody mentions they don't want to leave anyone behind. And I, all of us, agree with that. But this is an instance where literally the bus leaves people behind, because I'm told, Director Arnold maybe you could comment on this, that only nine percent of the population in Baltimore City can get from where they are to where their work is in less than an hour by transit. Is that something that rings a bell with you? Or am I just --

MS. ARNOLD: So that was identified in the report. One thing that this report looked at was specifically just Baltimore City, so access to jobs in Baltimore City. And unfortunately that doesn't take into account all of the work that we do to provide access to jobs outside of the City. For example, we just launched the Express Bus 163 to improve travel time from West Baltimore to Tradepoint Atlantic, where there is a huge amount of jobs and continued growth. And so that is going to take 20 minutes off the travel times there. So we're continuing to look at job access throughout the entire region and how we can make sure that people have access to those jobs.

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COMPTROLLER FRANCHOT: Thank you. And keep us in the loop, because it's important because it's all interconnected with how the economy does. And --

MS. ARNOLD: Absolutely.

GOVERNOR HOGAN: Thank you.

COMPTROLLER FRANCHOT: -- yes, Madam Administrator. And if you could just keep us informed, I'd be grateful.

GOVERNOR HOGAN: Is there a motion on Transportation?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing. Last but not least, we'll move on to Secretary Churchill and 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 53 items on our Agenda, including one supplemental. Please note that DGS has revised Item 52 yesterday to correct the contract term. The base period of service will expire in 2026.

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I would like to note that the Agenda includes \$5.9 million in capital grants and loans, including more than \$2 million for our arts communities. We are recommending award of eight small business enterprises and eight minority business enterprises and preferred provider. Lastly, I would like to highlight a major contract, statewide contract for the State, which affects our fuel service. The State has over 120 consigned sites and 60 bulk sites that are operated that supply fuel to government agencies and localities. This is a \$289 million contract that will be replacing the old statewide contract. It includes double the amount of minority participation from the old contract at 30 percent, including African American and women-owned business participation. All the contracts are local Maryland contractors. So with that, I'm available to answer any questions that the Board may have.

GOVERNOR HOGAN: Thank you, Mr. Secretary. Are there questions on the DGS Agenda?

COMPTROLLER FRANCHOT: You mentioned Item 52, which is a request from the Department of General Services to award a contract to Carroll Independent Fuel for statewide fuel delivery maintenance services. The cost of the six-year contract is \$159.8 million. I want to take this opportunity to thank you for

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ending up with a Maryland based company. When the contract was first brought before the Board in 2012, I hate to date myself, I voted against it because I couldn't believe that not a single Maryland fuel supplier could legitimately compete for the award. Since then, the contract has been renewed in 2017 and 2019. Each time I expressed my disappointment that the State was unable to identify opportunities for Maryland based businesses in our procurement system. And today, with the approval of this contract, I think the estimate is 44.4 percent of the contract dollars will be recycled into Maryland's economy. And that's a significant victory for Maryland's taxpayers as the money can be reinvested within our own State. Thank you for -- I know you're not allowed to put your thumb on the scale, but thank you for ending up with something like this. And the Treasurer and I and the Governor are always interested in moving from fossil fuels into renewable energy. What's going on with the State's plans to move in that direction, I guess, as far as green technology goals, State vehicles, etcetera?

MR. CHURCHILL: Well, I would be happy to return with a brief or give an update.

COMPTROLLER FRANCHOT: No --

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MR. CHURCHILL: I can say that the department is working with other departments, the Department of Budget and Management, our own Office of Energy and Sustainability, are working through the plans to of course move toward the electrification of the stateside fleet. We are actively bringing on board the charging stations at State properties and we have a robust construction plan which I would be happy to share. And then we are also looking at what we can do on the renewable energy in terms of the supply side, and that's being worked out through a partnership with our Office of Energy and Sustainability and the University of Maryland. So these are some promising things potentially on the horizon.

COMPTROLLER FRANCHOT: Thank you very much for that. And I do want to comment, Governor, on Item 11, which is a \$155,000 grant to Junior Achievement up in Lansdowne. I love this organization because the organization spends a lot of time ensuring that, they partner with states (indiscernible) career ready, financially responsible, entrepreneurially minded citizens. And I have been a long-time proponent of financial literacy and I want to congratulate DGS and the Governor, I guess the Legislature also did this in some kind of a bond bill. But what Junior Achievement represents is just a bright light for the future of K through 12 education, I think, because they give, they have a

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curriculum that provides kids with something that gives them skills and knowledge about the economy, and the kids have more self-confidence when they get out of either K through 12 or college. But thank you for that. And Governor, I guess that comes from your bank account and also --

GOVERNOR HOGAN: I'm not sure --

COMPTROLLER FRANCHOT: -- anyway --

TREASURER KOPP: Could I just jump in to say --

COMPTROLLER FRANCHOT: Yes.

TREASURER KOPP: -- as a graduate of Junior Achievement several decades ago, that I couldn't agree more. It led in fact in my high school class to a couple of people, and in those days this didn't happen very often, a couple of people starting little businesses of their own, including dog walking. But we had to learn accounting, learn how to run businesses. And it was a great experience.

I just along the same vein wanted to point out Item 16, the Harriet Tubman statue in Dorchester County, which is the result of the community actually coming together and proposing that project, aided and abetted I am sure by Senator Addie Eckardt. But a real community effort to move forward in Dorchester County. I congratulate everyone involved.

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GOVERNOR HOGAN: Okay. Thank you.

COMPTROLLER FRANCHOT: We'll pass it on the way to Taxes
next week.

TREASURER KOPP: Yes.

GOVERNOR HOGAN: Yes.

TREASURER KOPP: Yes.

COMPTROLLER FRANCHOT: And I have one last item and then
I am done for the day. But Item 53 is a request from the Department of Information
Technology. This is on DGS' Agenda for I guess bureaucratic reasons. But it is
asking to retroactively modify a contract with Deloitte Consulting to increase the
contract authority through the remainder of the term by \$8.75 million and
drastically decrease Deloitte's limitation of liability which they originally signed
up for. So it's a contract that is getting money added to it, but also doing this
substantive limitation of liability and the services provided under the contract relate
to the Amazon Web Services for MD THINK.

There is a lot of history with this contract. I don't want to make a
point in rehashing that all today. However, I would like to ask the department to
clarify the new retroactive piece to this contract. When the item was previously

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presented to the Board most recently at the September 22nd meeting, the modification was entirely proactive. Somehow, between the last meeting on September 22nd when the contract was deferred so that our offices could be briefed, to today we're being suddenly asked to retroactively approve \$1.5 million of the total modification amount. If Secretary Leahy is with us, can you just walk me through how we apparently spent \$1.5 million in a three-week time frame? Especially considering that the item had been deferred?

MR. LEAHY: Yes, good morning, Mr. Comptroller. Mike Leahy, Secretary of the Department of Information Technology. With your permission, I'd like to ask Greg James to come up and join me to talk about programmatically how this has occurred. Greg?

MR. JAMES: Thank you. Sorry. Good morning. Greg James, Deputy Secretary for Operations at the Maryland Department of Human Services. We are the operator of the MD THINK platform.

The spending authority that we were asking for the increase for here is to cover our Amazon Web Services. Those are the components, the servers and the storage that we use to support the MD THINK platform and the various applications on that platform. It is my understanding that on September 23rd we

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received invoices for approximately \$1.5 million covering activities that are due. And because we did not on September 23rd have the spending authority to cover those, we have asked that this be presented as retroactive.

COMPTROLLER FRANCHOT: But you haven't paid it? Or have you paid it?

MR. JAMES: We have not paid that invoice yet because we don't yet have the --

GOVERNOR HOGAN: As I understand it, the services have to be provided. We're providing services to some of our most vulnerable citizens in multiple departments and need the services. This came before the Board on September 1st and again on September 15th and we keep deferring it, and we can't stop providing the services. So we haven't got the new contract approved here. They had to do the retroactive. They could not just leave people vulnerable.

MR. JAMES: Absolutely. Absolutely, Governor. If we were to shut down Amazon, this is, we pay for those servers and the storage on a monthly, daily, and sometimes hourly basis. But if we were to just shut down because we didn't have the spending authority, we would have to shut down major applications supporting child welfare and CPS background --

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COMPTROLLER FRANCHOT: You haven't actually paid them, I take it? Or have you?

MR. JAMES: My understanding is we have not --

COMPTROLLER FRANCHOT: So it's really a, kind of a, obviously these are very, Amazon and Deloitte are both huge enterprises. Amazon is a behemoth, Deloitte is quite large. But so I'm just, I'm not questioning whether there should have been a break in the services. All I'm saying is that these are very, very big companies, and obviously they would understand why something had been deferred and it was being looked at and would likely, I think I said back then and I said now today that I'm happy to have the services continue. But I'm particularly concerned about that issue. And if what you are saying is you haven't paid the money and you will based on the vote today, that's fine. I'm supporting sending, giving you the money. What I'm upset about, frankly, was this, not the additional funding, it was this decreased limitation of liability associated with the proposed modification. So that's why I'm going to offer a motion to approve the money, which is what you are just explaining to me why it looks so, why I had concerns that you were just moving forward obliviously. So that's fine. I'm going to vote for the money. But I still have big concerns about this liability. And I have a, let's

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see if I can ask a question. Did Deloitte express concerns with the level of liability when the Board approved an additional \$48 million in funding for this contract in May of 2020?

MR. LEAHY: Mr. Comptroller --

COMPTROLLER FRANCHOT: Not that you can remember back -

-

MR. LEAHY: I don't remember specifically. But we have asked Mark Wiggins, who is the managing director from Deloitte, to be available virtually today to specifically address any questions the Board --

COMPTROLLER FRANCHOT: Well, they have come in and briefed my staff. But if I could just indicate --

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MR. LEAHY: To my knowledge, that question did not come up --

COMPTROLLER FRANCHOT: -- fail to see how the State of Maryland stands to benefit from this. I understand the majority of the high risk work has already been completed. But how is it advantageous to Maryland's taxpayers to take a roughly \$77 million in potential liability --

MR. LEAHY: Well --

COMPTROLLER FRANCHOT: -- that they agreed to, and now all of a sudden based on something about, well, we think that it may have declined as far as the ability of our work, I mean, they signed the contract. The State is protected, I take it, from their liability. This is a \$50 billion company, the first big consulting company to reach the level of \$50 billion in revenues. And yet, we're being asked to I think set some precedent, where if a company comes and says we signed a contract but we really would like you to be more friendly to us by lowering the liability that we agreed to. I mean, I could see that in a new contract, not an old contract. I mean, how are you going to separate this, for example, from some other big company that comes and says to the State, you know, we'd really like to have a change in our contract that we signed because it would make us feel good?

MR. LEAHY: Well, as I hoped we conveyed at the last meeting, Mr. Comptroller, that certainly is not the intent. The issue as it was raised with Deloitte to us was that when the contract was signed originally in 2017, we established the

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limits of liability based on estimates. As you know, the contract has grown substantially from the \$50 million that was originally requested. And as we said, a number of these services are consumables that the State uses daily, weekly, monthly or services from Amazon that we consume. And so Deloitte should not hold liability for those. So there was a potential reduction there. And if we had approached this contract looking at the platform that is MD THINK and then the applications that reside on it that utilize the Amazon services and to some extent professional services from Deloitte as separate contracts, many of them that are already complete would no longer hold liability for the company. So as --

COMPTROLLER FRANCHOT: Let me just get to the heart of --

MR. LEAHY: Sure. Please.

COMPTROLLER FRANCHOT: -- aren't we setting a precedent here? This contract expires in six months. It can be rebid with a liability, lower liability. But Deloitte signed this contract. They agreed to the much higher liability. What are we going to say to other vendors who come forward and say, oh, by the way, we'd like to have equal treatment and change something in a contract that they signed and that may be protected for the State. We're not, we can't guarantee everything in the future. So how would you, what would you say to another company that comes and says, you know, we have signed a certain level of risk but now we think it's lower and we need you to be friendly with us?

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MR. LEAHY: Well, I wouldn't put it in terms of being friendly. I would suggest that if the Board agreed with the logic behind taking this action, that it's not a function of being friendly, it's a function of laying out the equities and the responsibilities of both of the parties. Governor, you yourself have said many times that we are attempting to build a business friendly, to use that word, environment here. And this probably is precedential in the State, but it occurs regularly in commercial contracts. So again, it was brought to you looking for guidance and direction about whether this was something that in terms of how we address liability generally, which is changing daily, the Board was comfortable with this.

You know, we are very happy to accept whatever direction you give us. And as you said, if you've spoken to people from Deloitte and they haven't satisfied your concerns, I think the answer is relatively straightforward. So this is not an attempt to create a precedent that will create different equities for all contracts. It is rather dealing with the specifics that at the beginning of this contract we believed this could potentially occur because we set it at the highest possible liability. That is not a standard business practice. But as you said, it can be renegotiated in six months.

COMPTROLLER FRANCHOT: I may not have the support of my colleagues, or maybe I do. But I happen to think it's a slippery slope that we're headed down.

MR. LEAHY: Well, that certainly was not our intent. But thank you for your explanation, Mr. Comptroller.

COMPTROLLER FRANCHOT: That's kind of my concern. I don't know whether the Treasurer is concerned or whether, you Governor --

GOVERNOR HOGAN: Well I --

COMPTROLLER FRANCHOT: -- I just think we're giving something up and it's unclear to me what exactly we're getting.

GOVERNOR HOGAN: Yes, I don't agree with the motion. This is the third time we have brought this up. We have continually tried to answer your questions but we have people who are receiving SNAP benefits and people working under DJS for our vulnerable kids, we've got asylees and refugees and all the services that are being provided and can't continue to not move forward on the contract. You know, if there is a second, we'll take the motion. If not, we'll move on.

COMPTROLLER FRANCHOT: Well, I'm supplying, I'm saying they can have the money and I don't have any disrespect for Deloitte. I just happen to think this is a precedent that we're not realizing the extent of and we're doing it unnecessarily.

GOVERNOR HOGAN: Okay. Is there a second?

TREASURER KOPP: Governor, could I --

GOVERNOR HOGAN: Or discussion?

TREASURER KOPP: -- for the purposes of discussion of the amendment, I would second it. And I understand there is someone here from Deloitte. I would just like to hear, I think the Comptroller raises a very good point, although it is my understanding, and I'm asking our staff of this, that DoIT is the only agency that does not have uncapped, whose contracts do not have uncapped liability. I was told this but don't know if it's so. Is that true?

SECRETARY GONTRUM: I would have to defer, Madam Treasurer --

GOVERNOR HOGAN: We have a representative from Deloitte --

TREASURER KOPP: Don't we have an attorney, the Board of Public Works?

SECRETARY GONTRUM: You do. The Board's general counsel Mr. Bohannon may be able to address that point.

TREASURER KOPP: Just a yes or no would be sufficient.

MR. BOHANNON: Good morning, Madam Treasurer. David Bohannon for the record, counsel to the Board. I can say that it is quite common for most damages provisions to be uncapped and to float with whatever the actual damages are. To have a dollar limit value to the damages provision in most State

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contracts is rather unusual. I can't say that DoIT is the only agency that does it, but it is unusual.

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR HOGAN: Would we like to hear from the representative from Deloitte who has joined us?

MR. WIGGINS: Good morning, everyone. Governor, Madam Treasurer, Mr. Comptroller, this is Mark Wiggins. I'm a managing director with Deloitte Consulting serving the State of Maryland for about the last 25 years. Good morning.

GOVERNOR HOGAN: Good morning.

TREASURER KOPP: Good morning.

MR. WIGGINS: So our request with the reduction of liability, as Secretary Leahy had said, was specifically around the fact that when we started this approximately four and a half years ago, it was a cumulative liability for each task order, open active task order, with a maximum liability of \$50 million. This program, thanks to the hard work of Deputy Secretary James and their team, they have done a fantastic job. And this is as their advisor, advisory partner to this development of this MD THINK cloud platform, it has become hugely successful. And the amount of services -- we function in two areas. We function both as the advisory partner to the State for the development of the MD THINK platform, and

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we are also your reseller that allows you to use the AWS usage platform as you roll on or roll off applications within Health and Human Services. So what ends up happening is at the beginning of the contract, the services represented about 80 to 90 percent of the total cost spend. Now that the platform has been built, it has been up and running and all of your critical human service applications are running on it, the cost has now shifted to primarily resell and usage. So as you add, because it has been so successful, as you add more and more applications to this great highly secure platform, the usage cost goes up. You are also saving money because you are taking applications that other agencies have, taking those off of high cost platforms and moving them into a cost sharing model on the MD THINK platform.

All we are asking for with regards to the liability reduction is, and I know Comptroller Franchot you mentioned earlier in your comments about why didn't we ask for this in 2020, the reason why we didn't ask for it, even though we had reached that \$50 million gap, was because we were challenged with the goal of getting the Health Exchange also on the platform. And that's a very, very critical application to the State. So we felt obligated to take a share in that risk. So we didn't think it was appropriate at that time to bring up a reduction of liability or revisiting the liability cap until that was successfully transitioned over to the platform as well. That has been done as well as other applications. So I know our contract is up in six months. We brought this to the attention of the State because

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after talking to the Department of IT's AG Howard Barr, as well as to DHS and DoIT, about whether or not in the manner of fairness and the fact that this has been hugely successful and that the costs now have shifted more toward a utility usage of AWS Services, if the State would consider resetting our liability back to the original \$50 million that we had.

COMPTROLLER FRANCHOT: But the State is giving up \$77 million of protection and I'm not exactly sure why you don't wait six months when the contract is rebid and you can make a proposal as to what the fair liability should be. And you know, as I started out, I have nothing but respect for your company, a fabulous international giant of the company. But we're talking about doing something for you that is potentially something all sorts of vendors could come to us outside of the IT area. And I just, you know, I can't imagine you guys would want to open up that Pandora's box for the State. I'm not talking about you. I'm just talking about the State. And I would encourage you guys to pull back on this. I'm not sure what the Treasurer's view is. But it just doesn't seem to be necessary and it could be an unforced error. Good for you guys, but not so good for us. So thank you for, you know, being a great company. And I appreciate, and the Governor says, you know, you are doing a great job, you know, the Health Exchange was a mess so I'm glad you straightened that out. But the issue here is not you guys and what you did. The issue is, you know, hundreds of contracts that

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I'm sure people could come and appeal to us for relief like you are. But I don't get what the State would, how the State would benefit from that.

MR. WIGGINS: Well we brought this up as, we brought this up as a discussion topic as we were moving forward with DHS on the submission of this Agenda item. And we recognize that in six months we will be renegotiating a PA. So in the spirit of moving things forward and getting this done, we are fine with moving forward without the reduction of liability and we will address that in April.

COMPTROLLER FRANCHOT: Excellent. Thank you.

GOVERNOR HOGAN: Great. Thank you.

TREASURER KOPP: Governor, could I also suggest --

COMPTROLLER FRANCHOT: That's called a win-win.

TREASURER KOPP: Yes. It is. Could I also suggest this raises the question of different agencies having different practices of capped versus uncapped liabilities that at some point I think this Chief Procurement Agency, the Board of Public Works, ought to look at. And it also raises at a high level a question of these contracts that we enter into and instead of rebidding, it really changes significantly the substance of the work. We continue it with modifications and then you will run into the sort of question exactly that Deloitte and we are facing now because the original contract, the original work, has really changed substantively.

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And we ought to look at how we examine these questions of liability, but maybe other terms and aspects of these ongoing very large and changing contracts.

COMPTROLLER FRANCHOT: Mr. Wiggins, thank you --

GOVERNOR HOGAN: Just for clarification, the motion on the table is what?

SECRETARY GONTRUM: Governor, the motion on the table is to approve the additional contract authority and to disapprove the change to the modification to limitation of liability.

GOVERNOR HOGAN: I think it's two separate motions. It's not one motion. Because we're --

SECRETARY GONTRUM: It can be structured in any way the Board prefers, Governor.

GOVERNOR HOGAN: Yeah, I'm going to vote no on the delay of this part of it, but I'm going to vote yes on the Comptroller --

COMPTROLLER FRANCHOT: Okay, no problem.

GOVERNOR HOGAN: -- so we need two different motions.

SECRETARY GONTRUM: Fair enough.

COMPTROLLER FRANCHOT: So number one is to approve the authorization of the money.

TREASURER KOPP: Second.

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COMPTROLLER FRANCHOT: And I think we all --

GOVERNOR HOGAN: That one passes three-nothing.

COMPTROLLER FRANCHOT: -- three-nothing. And then not to
approve the adjustment in liability.

GOVERNOR HOGAN: And there is a second, and it passes two to
one.

SECRETARY GONTRUM: Very good. Thank you.

GOVERNOR HOGAN: Very good. Now, is there a motion on the
remainder of the DGS Agenda?

COMPTROLLER FRANCHOT: Move favorable.

TREASURER KOPP: Second.

GOVERNOR HOGAN: Three-nothing. Thank you all. I appreciate
everybody's efforts today. Thank you for joining us and that concludes the Board
of Public Works today.

(Whereupon, at 11:13 a.m., the meeting was concluded.)