
STATE OF MARYLAND
BOARD OF PUBLIC WORKS
ANNAPOLIS, MARYLAND

August 10, 2022
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PRESENT

HONORABLE BOYD RUTHERFORD

Lieutenant Governor

HONORABLE PETER FRANCHOT

Comptroller

HONORABLE JONATHAN MARTIN

Chief Deputy Treasurer

JOHN GONTRUM

Secretary, Board of Public Works

NELSON REICHART

Deputy Secretary, Department of General Services

JIM PORTS

Secretary, Department of Transportation

JEANNIE HADDAWAY-RICCIO

Secretary, Department of Natural Resources

MICHAEL LEAHY

Secretary, Department of Information Technology

LISA GRIGSBY

Recording Secretary, Board of Public Works

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PROCEEDINGS

LIEUTENANT GOVERNOR RUTHERFORD: Good morning, everyone.

ALL: Good morning.

LIEUTENANT GOVERNOR RUTHERFORD: It feels like school.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Good morning, Mr. Comptroller. And we're honored to have the Deputy Treasurer Jonathan Martin here with us this morning. So thank you, Jon. It's good to see you. It's a pleasure to chair the Board of Public Works today.

And before we get started with our Agenda, I would like to recognize and thank our summer interns and agency mentors who participated in the Maryland Institute for Innovative Computing and Maryland Technology Internship Program, which both are administered through the University of Maryland Baltimore County.

The Institute for Innovative Computing was established last summer after the Governor's Annapolis Cybersecurity Summit with the purpose of supporting State agencies and expanding their cybersecurity and data analytics work force and talent pipeline. As Maryland is the cyber capital of America, we must continue to train our young professionals and encourage them to not only work in Maryland but to consider using their skills as an employee of the State. These great programs highlight the unique experience and benefits that accompany working as a public servant for the State of Maryland and provide a great mentorship opportunity for these interns as they prepare to enter the

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workforce.

We have 18 interns who have done extraordinary and innovative work this summer at agencies such as our Department of Information Technology, the Maryland Department of Transportation, and our Department of Labor. I encourage all of our executive branch agencies to consider participating in this program with UMBC to ensure that we are developing and strengthening the talent pipeline necessary to protect our State's critical infrastructure and assets. So please, join me in congratulating our interns on a job well done and we appreciate the partnership with the University of Maryland Baltimore County. And I believe we have some citations to present and a photo opportunity with the interns. And I guess the folks without gray hair here are the interns?

(Laughter.)

(Applause.)

(Citations were presented.)

(Photographs were taken.)

LIEUTENANT GOVERNOR RUTHERFORD: Mr. Comptroller, do you have any opening statements? That's all I have.

COMPTROLLER FRANCHOT: Mr. Treasurer --

MR. MARTIN: Oh sure --

LIEUTENANT GOVERNOR RUTHERFORD: -- already here --

MR. MARTIN: I am a newbie. Good morning, everyone, Governor, Comptroller. As the Governor alluded, I am Jon Martin. I'm the Chief Deputy Treasurer and I'll be serving as Treasurer today as Treasurer Davis' designee for today's meeting. The Treasurer regrets that he is unable to participate but has reviewed the Agenda and shared his thoughts with me. I'm honored to be here and I wanted to briefly highlight that August is National ABLE to Save Month.

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ABLE accounts are savings and investment accounts for individuals who are disabled, much like 529 accounts. And throughout this month, ABLE programs across the country will be doing education awareness programs to let more people know how valuable this is as a financial tool.

In Maryland, the program has been around for just under five years and to date there's 4,800 accounts with just over \$50 million worth of assets. So throughout the month of August, the ABLE Program will be working with State agencies and other employers in the State in hopes of helping more Marylanders access this important financial tool.

So Treasurer Davis would like me to invite everyone to join us in spreading the word. Information is available on the program's website, which is www.marylandable.org, and on Facebook. And those of you who know the Treasurer know how he feels about social media and his excitement about it.

(Laughter.)

MR. MARTIN: But we will be linking to this information on the Treasurer's social media channels as well.

So again, thank you for your time and I look forward to a productive meeting. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Mr. Comptroller?

COMPTROLLER FRANCHOT: I think we're going to have a very brief meeting today. But I'm delighted to be here with the Lieutenant Governor and the Deputy Treasurer. And it's hard to believe that the summer is quickly coming to a close and before we know it, schools are going to be back in session. As families begin their back to school shopping, I would encourage everyone to take advantage of the annual Shop Maryland Tax-Free Week, which begins this Sunday, August 14th and ends next Saturday, August 20th. But everyone, not just families readying for the upcoming school year, can take

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advantage of the great savings that this annual sales tax holiday offers. I emphasize that it's not just the six percent sales tax on items of footwear and clothing. It's also, this applies to not only back to school shopping, but any shopping for those items of apparel that are tax free, and also that the stores generally add discounts and then the manufacturers add discounts. So with inflation and other economic conditions impacting household budgets and consumer spending, the annual sales tax holiday provides opportunities to enjoy some savings while giving a much needed boost to small businesses, who are also feeling the pain from this economic downturn. From August 14th through August 20th, any single qualifying article of clothing or footwear priced at \$100 or less is exempt from Maryland's six percent sales tax. And the first \$40 of a backpack or a book bag purchase will also be tax free.

Obviously, our State's coffers take a small hit from the lost revenue. But the economic impact this tax holiday generates is significant and serves as a revenue and economic multiplier and is a real shot in the arm for Maryland's economy during what traditionally has been the dog days of August and a very slow shopping week. This week, back to school shopping, is one of the top consumer spending weeks in the year. So I encourage everyone to take advantage of the savings and support our small businesses, and as always, shop local. Thank you, Lieutenant Governor, and welcome Deputy Treasurer.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Yes, it is the dog days of summer. But the O's are one game out of the wild card contention. So it's a good time in Maryland. Go O's. Mr. Secretary?

SECRETARY GONTRUM: Good morning, Governor, Mr. Comptroller, Mr. Chief Deputy Treasurer. There are 12 items on the Secretary's Agenda, and seven reports of emergency procurements. Three of the items are supplemental items. Item 11 is a supplemental item from the Baltimore City

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Department of Social Services requesting reimbursement for legal fees paid to a State employee in a criminal matter, and Item 12 is a supplemental settlement agreement item from numerous State agencies providing benefits under State Finance and Procurement § 10-501 to Mr. Rodney Brown, who was erroneously incarcerated. Its companion item is Secretary's Agenda Item 3, which is the payment schedule and attorney's fees request for Mr. Brown. Item A7 is a supplemental report of emergency procurement from the State Board of Elections. This is the voter registration application emergency procurement report withdrawn from the July 27th meeting Agenda. Item 6, the lien release request from the Department of Natural Resources has been revised to clarify that the underlying loan has been fully paid off. Lastly, I am withdrawing emergency report A5 at the request of the Department of Labor. And I'm happy to assist with answering any questions.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. It's not a question. I guess I'm just pointing out on Item 9 with Environmental Services, work at the beautiful Swallow Falls State Park. I encourage people to go there if they have a chance, particularly in these warm days. It's nice and cool out there, or at least cooler. It's not as warm. But I see it's a Small Business Reserve, A&E, shortlist contract. And so I just wanted to say I appreciate seeing A&E contracts in the Small Business Reserve Program.

But I do have a question for the A7, emergency Board of Elections. And it's really informational that I'm looking for. And do we have anyone from the Board of Elections?

SECRETARY GONTRUM: We have Administrator Lamone and Deputy Administrator Charlson.

MS. LAMONE: Good morning, Governor. Linda Lamone, Administrator of Elections.

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LIEUTENANT GOVERNOR RUTHERFORD: Good morning. And this really has to do with questions about the turnout in the primary. And I was particularly interested in the volume of early voters and then the volume of by mail. And just wondering if the mail voters are kind of eating the early voting numbers.

MS. LAMONE: Yes. If you don't mind, Governor, I'd like to ask Nikki Charlson to provide those figures for you, please. Nikki?

MS. CHARLSON: Good morning. Nikki Charlson, Deputy Administrator of the State Board of Elections. Good morning. Nice to see you all. So we are still crunching a lot of numbers and we'll be happy to provide you with the final ones. But it does appear that the growth in mail-in voting, it looks something like 35 percent of our voters this election voted by mail, which is slightly lower than 2020 but in 2020 we weren't sure whether that was starting a new trend or not. But before 2020, we were always under ten percent. So it does look like voting by mail is here to stay. About a third of our voters chose to vote that way. And early voting as a percentage did drop a little bit. Based on our unofficial turnout numbers so far, about 17 percent of our voters voted during early voting, and then the balance, obviously, about 50 percent did Election Day. So it does look like voting by mail, some of the voters that would normally vote early are voting by mail. But we'll have to see whether that trend holds for future elections.

LIEUTENANT GOVERNOR RUTHERFORD: So what was the early voting percentage two years prior? Well, I guess we should look --

MS. CHARLSON: Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: -- four years prior.

MS. CHARLSON: Right, four years prior. It varies by county.

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We have a huge variance by county. But it sits, it sat about, I'm going to say 25 to 30 percent of turnout was during early voting. And it varied significantly by county. You have some counties that are ten or 15 percent, but then Talbot is something like almost 50 percent. So we haven't crunched all the numbers, but it does look like it's lower as a percentage than 2018.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Well, that's good. And I think it's something to consider years in the future, particularly at the local levels, that they may want to look at reducing the number of sites for early voting because I think you are going to see more and more people going to the mail-in ballots and you'll have that, you know, we may get to the point where we're like Oregon or Utah, where it is mostly mail-in, and then you have the option of voting, same day voting, or Election Day voting, but you don't have as many sites. Particularly the early voting. I think that's where it's going to really hit. And because I know when I early voted, I was one of four people at the (indiscernible), and Mr. Ports here, Secretary Ports, was one of one. So I think that's going to be the trend. Okay. Thank you. And then that was kind of an informational question. Any questions on the Secretary's Agenda?

COMPTROLLER FRANCHOT: Move approval, unless the Deputy Treasurer --

MR. MARTIN: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Thank you. Department of Natural Resources?

MS. HADDAWAY-RICCIO: Good morning, Governor, Mr. Comptroller, Mr. Chief Deputy Treasurer. For the record, Jeannie Haddaway-Riccio, Secretary of the Maryland Department of Natural Resources. We have 19 items on our Real Property Agenda today for which we are seeking approval, and we are happy to answer any questions you may have.

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LIEUTENANT GOVERNOR RUTHERFORD: Okay. I'm going to draw particular attention to 2A-3, and that's the Carr's Beach acquisition and the portion that's going to Blacks of the Chesapeake Foundation. And I see Vince Leggett is here and I just want to point out that this is a project that has been in the works for a little bit of time. There has been some back and forth going on. And I think, I know the State took a greater role working with the City of Annapolis in particular to get this, you know, across the finish line. We had previously approved Program Open Space dollars as part of the acquisition and this is the last piece, \$1.2 million that the foundation is putting forward. As I said previously, this is something that is important to me for my family. My mother had gone to Carr's Beach back in the late forties. And so Vince, are you, do you want to say something about this project?

MR. LEGGETT: Yes --

LIEUTENANT GOVERNOR RUTHERFORD: Go up to that podium there. Introduce yourself again.

MR. LEGGETT: Hi, I'm Vince Leggett. I'm the President and the Founder of the Blacks of the Chesapeake Foundation. And it's just an honor and a privilege to be here before the Board of Public Works and all the distinguished guests. I have with myself my grandson, Akil Leggett, Jr., who is a Class President of Annapolis Senior High School; and Joel Dunn, President of the Chesapeake Conservancy.

We just really want to thank Madam Secretary Riccio and everyone else that had a hand in moving this ball down the field. It is a project that we have been working toward for the last 15 years, to capture and celebrate the history and the heritage of African Americans on the Chesapeake Bay, particularly during the period of segregation. But it's through the efforts of individuals that have I will say held up the blood-stained banner to provide

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recreational, leisure, and entertainment on the Chesapeake Bay, and particularly many Hall of Fame musicians, entertainers, and comedians got their starts on the sands of the Chesapeake Bay right here in Annapolis, whether it's the James Browns, the Little Richards, Chuck Berries, on and on. And you can tell the story of American music right from the sands and the shores of the Chesapeake Bay.

This project, Mr. Governor, is going to go a long way to achieve two goals. One is to provide public access to all on the Chesapeake Bay. We live in a seaport town that is becoming more and more difficult for people of limited resources to gain access to our noble Chesapeake Bay. That is one objective this project will achieve. The second objective is to celebrate the history and heritage of African Americans on the beaches and throughout the Chesapeake Bay watershed. And so that, we say thank you. We look forward to continuing to work with all involved, all concerned. And thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. I mentioned to the Secretary about seeing the Monocacy Natural Resource Management Area acquisition of additional property there. It's a beautiful area, a passive recreation area. I went hiking there a couple of weeks ago, I guess last month. If you are on the trail, be careful of the spider webs coming across the trail. The spiders don't bite, it just gets a little annoying --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: -- walking through spider webs. Any questions? Any other questions for Natural Resources?

COMPTROLLER FRANCHOT: Move approval.

MR. MARTIN: Second.

LIEUTENANT GOVERNOR RUTHERFORD: That was easy. Wait until we get to Transportation.

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(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: University System of Maryland?

MR. HICKEY: Good morning, Governor, Mr. Comptroller, and Mr. Deputy Treasurer. Tom Hickey, representing the University System of Maryland. We have four items on the Agenda this morning and are happy to answer any questions you may have.

LIEUTENANT GOVERNOR RUTHERFORD: We need to ask Tom to come back to, come back in person, make sure he still has legs.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: I just, I had one question on 4-RP, the acquisition property in the Wye River area. This acquisition from the Aspen Institute, this includes the conference center that is there?

MR. HICKEY: I have Ed Maginnis from University of Maryland College Park by audio to answer any questions. Ed, are you available?

MR. MAGINNIS: Can you hear me?

MR. HICKEY: Yes.

MR. MAGINNIS: The short answer to the question is that it does, that the acquisition did not include the conference centers.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, okay. All right. And then a follow up question, a little separate, what do you do with the herd? Do you sell the aging cow to butchers and it goes in the marketplace? I doubt you just bury them out there or something.

MR. MAGINNIS: Now you have asked me an impossible question. Here before --

(Laughter.)

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MR. MAGINNIS: -- we were here with the Assistant Dean for our College of Agriculture and Natural Resources who has, he was semi-retired then. Now he has figured it out and now he is permanently retired. So I am running the real estate office. I can answer the questions about the sale, the conveyance, what happened. But I'm a poor person to ask other than --

LIEUTENANT GOVERNOR RUTHERFORD: -- get that information --

MR. MAGINNIS: -- famous closed herd that is there for research purposes. I can't imagine it is there for commercial purposes.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. So -- okay. Well, if you can get that information to me. And the type of research you do.

MR. MAGINNIS: I'd be happy to --

LIEUTENANT GOVERNOR RUTHERFORD: -- watching them grow, based on what they eat, that cattle can go into the marketplace. But if you are injecting them with things, experiment and, you know, see if you can get them to grow faster or whatever the case may be, then yeah, I understand that.

MR. MAGINNIS: We can follow up with that, Governor.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. Any other questions for the University System, other than whether Tom still walks?

MR. HICKEY: I still walk. I can assure you.

(Laughter.)

COMPTROLLER FRANCHOT: I would like to, Lieutenant Governor, if I could, just take advantage of Item 3 about Salisbury. I have no problem with it. But I wanted to recognize that the tenth President of Salisbury University was sworn in or officially installed last month. Dr. Carolyn "Lyn" Lepre. She is coming to Salisbury from Radford University, where she most

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recently served as Interim President, Vice President for Academic Affairs. Obviously, she is an outstanding new President for Salisbury. But I also want to thank Dr. Charles Wight, who is leaving that position. He had a tremendous tenure as President and I look forward in coming years to seeing Dr. Lepre make contributions to this outstanding university like Dr. Wight did, and wanted to recognize her new swearing in, taking over down in Salisbury. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Yes, thank you. I mean, we meet with her next week. It will be an opportunity to return to the campus and meet her, since my daughter is a graduate and the great Secretary of the Department of Natural Resources is a graduate of Salisbury University. I know what the property is that they are replacing, the Dogwood Village, which was interesting. It probably was there when you were there.

MS. HADDAWAY-RICCIO: Yes, it was.

LIEUTENANT GOVERNOR RUTHERFORD: And it probably was there when it was Salisbury State University. So, no, it's a wonderful school and I have an opportunity to meet her next week. Thank you. Any other questions?

COMPTROLLER FRANCHOT: Move approval.

MR. MARTIN: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you, Tom.

MR. HICKEY: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Now we get to the action.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Maryland Department of Transportation?

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MR. PORTS: Good morning, Governor, Mr. Deputy Chief Treasurer, and Mr. Comptroller. For the record, my name is Jim Ports, Secretary of the Maryland Department of Transportation. The Maryland Department of Transportation is presenting 18 items for your consideration. At this time, MDOT is withdrawing Item 19-GM. MDOT is also pleased to present two Small Business Reserve designated procurements, and award actions to six small business enterprises valued at \$1.1 million. And the department is also awarding one contract to a certified minority business enterprise firm equal to almost \$740,000. And we're happy to answer any questions you may have.

LIEUTENANT GOVERNOR RUTHERFORD: I have a question on Item 8-M. It's a contract (indiscernible) you know, it's the preferred provider. It's something that dates back, and Nelson probably you can chime in at some point. What kind of, if any, negotiations do you do with the preferred providers and Maryland Works on price?

MR. PORTS: Well, Mr. Governor, there is not a lot of negotiation that we can do. We are mandated by law to utilize a preferred provider for good reason. But unless they give us a waiver or decline those services, we have to use some Maryland Works (indiscernible) preferred provider. And of course, they oversee some others, Chimes and others in their organization. But there is not a lot of wiggle room.

LIEUTENANT GOVERNOR RUTHERFORD: I thought you could, and maybe they changed the statute since my time, that you could push back if the number was way out of line. Because I mean, the Maryland taxpayers have said we're willing to pay a premium, and that premium may be ten percent, maybe it's 15 percent. But I know when I was at General Services, we had a time when Maryland Works came in and they were near 50 percent higher than the market price. And we were able to push back on that and get them to come to

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something that was more reasonable. So --

MR. PORTS: That is correct.

LIEUTENANT GOVERNOR RUTHERFORD: -- I don't know, they may have changed the legislation. Because we pushed back on that. I remember they actually lied to former Senator Joan Carter Conway and she got very upset about that. And stopped what they were trying to do at that time, but I don't know what has happened in the years since.

MR. PORTS: So there's a couple of things. I think you hit on a few points. But one of them is so we do work with Maryland Works and the Maryland Pricing and Selection Committee. But we do look at that and so they can't be totally outrageous. But then there is also another law that was passed, Senate Bill 107, in 2021, which covers non-exempt employees under the Fair Labor Standards Act. And that's for people who are performing at a heightened security interest location, which for example BWI would be one of those. The Port would be another if that were the case. I know that this one is MVA, but we also have two that are MAA so I am just trying to answer for all the organizations. And so according to that bill, we are required to pay a certain rate and it's by year. So in January of '23, it's \$14.25, January '24 it's \$15.00, and January of 2025 is \$16.00 per hour. So --

LIEUTENANT GOVERNOR RUTHERFORD: Well, the hourly rate is usually not as much of the issue as just it's a mark-up that Maryland Works and the others put on.

MR. PORTS: Correct. That is also part. But wages, I mean, I'm sorry, benefits are also a part of that, too. So we have to also include benefits into that. And then you're right, there is overhead. But so there is overhead for in some cases two organizations. So --

LIEUTENANT GOVERNOR RUTHERFORD: Maryland Works

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takes a piece of the action. They stick --

MR. PORTS: I think they get about 2.5 percent. I think theirs is about 2.5 percent. I think in one of these cases, Chimes is about 20 percent. So it's 20 percent for Chimes, 2.5 for Maryland Works.

LIEUTENANT GOVERNOR RUTHERFORD: People aren't, it's not that the people are collecting this, the workers. They are not going to --

MR. PORTS: No.

LIEUTENANT GOVERNOR RUTHERFORD: -- that's --

MR. PORTS: That's overhead.

LIEUTENANT GOVERNOR RUTHERFORD: -- headquarters that they turn back into their salaries, their benefits, their company cars. You know. So but that's another issue that, you know, I just had thought then and I think even more so now, there is not a need for that middle man --

MR. PORTS: I think one of the other bigger issues --

LIEUTENANT GOVERNOR RUTHERFORD: -- these entities like Goodwill, like, you know, Chimes, direct without going through the middle man that they put in the statute many years ago.

MR. PORTS: Correct. And I think another issue, Governor, is I know that you and I both worked in the Ehrlich administration. Back in the day, when we used a preferred provider, they were also included in the MBE calculation. And I believe starting with this administration, we are no longer allowed to count them in the MBE --

LIEUTENANT GOVERNOR RUTHERFORD: I think it actually may have started before us.

MR. PORTS: I think the bill was introduced in the previous administration. I think it began in this administration, if I'm not mistaken. I could be wrong. But we're no longer allowed to include them in MBE calculation,

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which obviously makes it a tougher hurdle. But we're still doing very well --

LIEUTENANT GOVERNOR RUTHERFORD: No, I mean --

MR. PORTS: -- with MBEs.

LIEUTENANT GOVERNOR RUTHERFORD: There is no --

MR. PORTS: -- should be.

LIEUTENANT GOVERNOR RUTHERFORD: -- they should not. There's no reason for them to be. Okay. Thank you. I do have a question, a more material question, on 14-M. There is a pretty big difference between the two contractors, Concrete General, which has been around for a long time, a good contractor, and the Harbel. A \$3 million difference in a maintenance contract. How secure do you feel that they can do the work?

MR. PORTS: Well, we are very secure that Concrete General can do the work because they do a lot of work for us throughout the Transportation Department. I think in this case when we checked with Harbel, if I'm not mistaken, I was told that right now, they are kind of stretched thin with personnel so they don't have the personnel to do it. But if they were able to get a price like this, they would be more than happy to hire a whole bunch of people. But so we do see some of those things. It's based on, it's based on the availability of employees and their hiring.

LIEUTENANT GOVERNOR RUTHERFORD: All right. I don't have any other questions. Transportation?

COMPTROLLER FRANCHOT: Move approval.

MR. MARTIN: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, wait a minute.

I --

MR. PORTS: Oh no, no. That's good.

(Laughter.)

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LIEUTENANT GOVERNOR RUTHERFORD: -- get back to some of these others. Okay. All right. Thank you.

(Laughter.)

MR. PORTS: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. The Department of General Services.

MR. REICHART: Good morning, Governor, Mr. Comptroller, Deputy Treasurer. For the record, I'm Nelson Reichart, Deputy Secretary of the Department of General Services. Today we are presenting 37 items on our Agenda. DGS is withdrawing Item 10-CGL and Item 30-IT 2.2 at this time. The Agenda features \$6,287,241 in capital grants and loans, including \$2.5 million to the Andre De Shields Center for Art in Baltimore City, and \$2.5 million to the US Constellation preservation. Additionally, DGS is seeking approval for contract actions that support three minority businesses and small businesses. We have representatives available to answer any questions you have about our Agenda.

LIEUTENANT GOVERNOR RUTHERFORD: Item 12-C, a construction contract, DSM Contracting LLC. They are listed as an MBE and a small business enterprise. Was this a small business reserve procurement? Or was this fair and open?

MR. REICHART: Courtney League is available to answer the question for you. Courtney?

SECRETARY GONTRUM: One moment, sir.

MR. LEAGUE: This is Courtney League.

LIEUTENANT GOVERNOR RUTHERFORD: Hello, Courtney.

MR. LEAGUE: Can you hear me?

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

MR. LEAGUE: Okay, good morning. Thank you. Good morning,

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Governor, Mr. Comptroller, Mr. Deputy Treasurer. Thank you for the question. I would have to look into this. I don't know if this was designated SBR. I will check with our Office of State Procurement and circle back to you on that, Mr. Governor.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Well, it's positive. But I just wanted to know (indiscernible). We always want to see the Small Business Reserve Program have a larger dollar amount. And if it was done through fair and open, that's also good. That's the objective that we want, is everyone to be able to compete for these contracts. So thank you and get that information back to me when you find out if it was SBR reserve.

MR. REICHART: We'll let you know.

MR. LEAGUE: Absolutely. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Thank you. I have a question on Item 25-IT. Is anyone from the Comptroller's Office here?

COMPTROLLER FRANCHOT: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: On Item 25-IT? Oh, we're going to -- okay.

MR. LEAHY: Good morning, Governor, Deputy Treasurer, Mr. Comptroller. Michael Leahy, Secretary of the Department of Information Technology.

LIEUTENANT GOVERNOR RUTHERFORD: And this really just has to do with the data center. What applications are running on that data center?

MR. LEAHY: Yes, there are hundreds. I'm happy to --

LIEUTENANT GOVERNOR RUTHERFORD: Does this include FMIS? I guess that's the big one.

MR. LEAHY: Oh, FMIS runs in our mainframe, which is the

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Annapolis Data Center.

LIEUTENANT GOVERNOR RUTHERFORD: In the data center, okay.

MR. LEAHY: And then the TierPoint Data Centers are a private data center where we have numerous servers that operate applications for a number of agencies. It is in effect a private cloud.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Has anyone talked to you about upgrades?

MR. LEAHY: Well, that's a fascinating question. We are currently doing a study to look at how to approach that very question and the potential replacement of FMIS in the longer term. There is money in this year's budget to begin that research and we have hired Gartner, the consultant, to undertake the initial study for us. We're also working closely with the Comptroller's people, the Treasurer's people, and a number of agencies that are obviously dependent on FMIS and the associated ADPICS and other systems that do our financial work.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. There is an interesting article in the Washington Post about the IRS and their systems that are so outdated that they are in COBOL, just like FMIS. And they have green screens, which were before a lot of people's lives around here. And so it just made me think of FMIS and where we are with that. You don't get hacked, because you have to drag somebody out of the old folks' home to be able to hack into the system.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: But it's just something that -- on the disaster recovery, it sounds like the recovery point or the recovery site is in Germantown? Is that what I understand?

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MR. LEAHY: It was my understanding it was closer to BWI and we have a recovery site in Texas.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, because I was going to say it's not good to be in the same --

MR. LEAHY: No, it's not.

LIEUTENANT GOVERNOR RUTHERFORD: -- state. It's not good to be in the same state because if you have an issue that affects --

MR. LEAHY: The recovery site that is local is for edge computing. The site in Texas is for all disaster recovery.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. I feel better now. And have we thought about moving away from mainframes?

MR. LEAHY: Absolutely. That certainly is our goal and part of the discussion today is how do we move off of the mainframe, not only with regard to upgrading the technology but upgrading the applications that currently operate on the mainframe and making certain that those that are interactive remain so. So it's work flows, modernization and looking at what services the citizens expect and desire in a digital world.

LIEUTENANT GOVERNOR RUTHERFORD: Right. It's a lot of moving parts.

MR. LEAHY: It is indeed.

LIEUTENANT GOVERNOR RUTHERFORD: And would be quite expensive. But it's needed. It's needed to be done.

MR. LEAHY: Yes, sir.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Okay, thank you. Is 35-LT still on the -- you didn't pull that, did you?

MR. REICHART: No, sir.

LIEUTENANT GOVERNOR RUTHERFORD: Item 35, at least

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on my sheet, and Item 36 appear to be retroactive contracts. They are not marked as retroactive.

MR. REICHART: They are two, yes, short term leases for property up in Hagerstown. Wendy Napier?

LIEUTENANT GOVERNOR RUTHERFORD: Were they already, did we already approve them?

MR. REICHART: They have not been approved.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Because the current term is, and then a future term started July 1 of this year.

MR. REICHART: They are slightly retroactive.

LIEUTENANT GOVERNOR RUTHERFORD: (Indiscernible)
(Laughter.)

MR. REICHART: We have been playing catch up on some of the smaller leases because of State Center, sir.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MR. REICHART: But Wendy is available --

SECRETARY GONTRUM: Deputy Secretary, Scott Napier is not, not in attendance.

MR. REICHART: Okay. I will get back to you on the retroactive aspect --

LIEUTENANT GOVERNOR RUTHERFORD: Well, it should be, you know --

MR. REICHART: Yes, it should --

LIEUTENANT GOVERNOR RUTHERFORD: -- marked, signified as retroactive, both of those with the Tax Board and all. Okay. Any other questions for Department of General Services?

COMPTROLLER FRANCHOT: Move approval.

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MR. MARTIN: Second.

LIEUTENANT GOVERNOR RUTHERFORD: That was just way too easy.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Can we go back and reconsider approvals of Transportation or somebody?

SECRETARY GONTRUM: The majority of the Board --

LIEUTENANT GOVERNOR RUTHERFORD: All right. Okay. Thank you very much. Thank you everyone.

(Whereupon, at 10:50 a.m., the meeting was concluded.)