
STATE OF MARYLAND
BOARD OF PUBLIC WORKS
ANNAPOLIS, MARYLAND

June 8, 2022
10:01 a.m.

PRESENT

HONORABLE BOYD RUTHERFORD

Lieutenant Governor

HONORABLE DERECK DAVIS

Treasurer

HONORABLE PETER FRANCHOT

Comptroller

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PROCEEDINGS

LIEUTENANT GOVERNOR RUTHERFORD: Well, good morning. I guess we're going live now. Good morning, everyone. Good morning, Treasurer Davis. I wish you were here in person, but I guess you are down the hall. Mr. Comptroller, of course, good morning to you. Welcome to the annual bond sale. It's a pleasure, of course, for me once again to chair the Board of Public Works here in the Louis Goldstein Building.

Earlier this month, all three bond rating agencies reaffirmed Maryland's AAA bond rating. Maryland is one of only 13 states to receive this rating, a recognition of our prudent stewardship of taxpayer dollars. All three agencies noted the sound budgeting, strong financial controls, and prudent debt management. I want to thank the Comptroller, and the Treasurer, and Secretary Brinkley for their collaboration, without which we would not have received that coveted AAA bond rating. Today will be an issuance of \$1.05 billion in general obligation bonds, First Series A, \$900 million split into three bidding groups, and second then the First Series B of \$150 million.

Before going further, I do want to mention that yesterday the State Inspector General released a report with regards to grade changing in Baltimore City. It was troubling. It had been reported in the news prior to the Inspector General's findings. It is really a disservice to those kids and their families, to push kids along without them meeting the requirements. You are not doing them a favor. You are damaging the kids, you are damaging their future, you are damaging society. And if everyone will indulge me, I just want to go back to a little personal history associated with failing schools.

Some 38-plus years ago when my wife and I lived in Los Angeles,

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we lived in an area that was kind of I want to say borderline. And of course, the house we had recently sold for like nine times the price that we sold our house for, it's over \$1 million now. But of course at that time, our son was in elementary school. We had him in a school that we felt very good about, very comfortable, that he was scheduled to go to at that time the junior high school in the area, which (indiscernible) in a negative way gang prep. It was a terrible school. They changed to middle schools quickly, so all of a sudden instead of him going to sixth grade in an elementary school, sixth grade would be in gang prep middle school. We called the school system and said we need our son to get into the magnet school. We need to get him into another school because he's not going to go there. And the superintendent's office responded, which they do all over, it's not just L.A. Unified, but we want all of our schools to be as good as the magnet school, and we're working hard to do that, and blah, blah, blah. I said, no, I don't have time for that. I don't have time for you to correct the schools that you haven't done in the last ten years or 20 years. But I have choices. My wife and I have choices. We can suck it up and send our kids to private school. We can move to a better school district. I said, but my neighbors don't have that luxury. They are stuck. And I told them, I said, that's why and California a couple of years earlier had a school choice initiative. California has an initiative process. I said, that's why I voted for school choice. I said, because I know that I have choices, but my neighbors don't. Their kids are stuck in a failing school that you are talking about working on, and I don't have another five years. My son does not have five years for you to correct the schools. He'll be lost.

I just wanted to say that. And I still support school choice. I know it's controversial for some folks. But I live in Howard County. We don't need school choice for most students in Howard County. Maybe special needs, but we don't really need it because our school system is pretty good. But when you are

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stuck in a system that you have -- and they only found 12,000. I'm quite sure there's more. But you talk to parents and folks in the City, and they will tell you about the kids that are not, either not going to school or falling through the cracks, and still show up at graduation. And you think we have a crime problem in Baltimore City? It's because of that.

Now I'm stepping off that soap box. But I just thought it was, needed to be said. It brought back personal memories.

We have a couple of customer service awards. And so before I get started with the Agenda, I want to turn to recognize an outstanding Maryland Insurance Administration customer service complaint specialist, who provided excellent customer service, outstanding service, even outside the normal business hours.

When a constituent sent a letter to, and I'm going to butcher her name, Danilsa Marciniak, an email on a Saturday morning. The constituent did not expect a response. Ms. Marciniak, though, not only responded promptly on Saturday but also took time on Sunday to ensure the constituent received the information and assistance they needed. You may have heard a gasp because I believe she's here and wasn't told why she was going to be here.

Ms. Marciniak exemplifies the outstanding constituent service and we thank her for her commitment and dedication to help Marylanders. And I'm going to call her up because we have a Governor's Citation for her.

(Applause.)

LIEUTENANT GOVERNOR RUTHERFORD: Nice surprise, hm?

MS. MARCINIAK: Very much so.

(Laughter.)

(Citation Presented.)

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MS. MARCINIAK: Okay. Thank you.

(Photographs were taken.)

COMPTROLLER FRANCHOT: So everyone in this building has the three Rs, this is the Comptroller's and the Treasurer's Office. And the three Rs are respect the taxpayer, respond to the taxpayer, get results for the taxpayer. And it works for us. I'm glad you are a shining example of State government. I'm going to give you a medallion. Thank you very much.

MS. MARCINIAK: Oh --

COMPTROLLER FRANCHOT: And God bless.

MS. MARCINIAK: Thank you.

(Applause.)

MS. BIRRANE: (Indiscernible).

LIEUTENANT GOVERNOR RUTHERFORD: Identify yourself -

-

MS. BIRRANE: -- have never had a problem with being heard. And I don't mean to disrupt. But I just wanted to, for Danilsa's sake, say that what you heard this week about Danilsa and that particular weekend is the way she is every day. And that is one of many, many examples. And she exemplifies the heart and the soul and the spirit of the consumer servants of the State of Maryland and at the Maryland Insurance Administration. And we are very proud of her and all of our consumer reps there. So thank you so much for recognizing her and the work that she does and her staff does every day to protect Maryland consumers. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

(Applause.)

MS. BIRRANE: I'm sorry, I failed to identify myself.

LIEUTENANT GOVERNOR RUTHERFORD: Yes.

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MS. BIRRANE: Kathleen Birrane, Insurance Commissioner for the State of Maryland.

LIEUTENANT GOVERNOR RUTHERFORD: This all has to go in the record. That's why we ask you to identify yourself.

Okay. Also, we have an additional honor to recognize Norman Watkins, Correctional Officer in the Baltimore City Complex. Mr. Watkins began his career in the Department of Public Safety and Correctional Services August 21, 1972 --

(Applause.)

LIEUTENANT GOVERNOR RUTHERFORD: -- started high school, celebrating 50 years of service. He has received the Officer of the Year Award six times and has served on the Employee Morale Committee for 49 years. So you weren't on the first year, huh?

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Or did you just get off of it?

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: -- he has taken it upon himself to mentor new employees, donate sick leave to those in need, and even give a rose to every mother who was on duty on Mother's Day. Norman has stated he has no plans of retiring anytime soon and we greatly appreciate his hard work and dedication to our State. Thank you, Norman.

(Applause.)

(Citation presented.)

(Photographs were taken.)

COMPTROLLER FRANCHOT: -- Say a few words?

OFFICER WATKINS: -- 50 years in any State department

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requires that you like your work. And I have been blessed with 50 years of people who have surrounded me who have been outstanding, from leadership down, from Mr. Green, Ms. Randolph, who now heads our department. I've just been blessed. So I represent those people. And coming to work for me was never a problem (indiscernible). So thank you for this honor, and I accept it in place of all the others who should have been here also. Thank you very much.

(Applause.)

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Okay. I'll turn to the Comptroller. Mr. Comptroller, if you have any opening remarks?

COMPTROLLER FRANCHOT: Thank you, Lieutenant Governor. And Mr. Treasurer, I'm delighted you are on the mend. And stay, you know, we're all rooting for you to get back sooner rather than later.

I'm pleased to welcome, along with the Treasurer, everybody to the Louis Goldstein Treasury Building for the biannual bond sale, coming after last week's report from the Treasurer's Office, thank you, Mr. Treasurer, that once again Maryland has attained the much coveted AAA bond rating. Maryland is just one of 13 states that have this rating, widely regarded as a fiscal housekeeping good seal of approval, underscoring not only the strength of our State's fiscal health but is reflective of the sound fiscal management of the leaders and dedicated employees of the executive and legislative branches of government.

This is a bipartisan effort, exactly what the public appreciates and wants in our State but frankly all around the region. We should all be proud of retaining this rating, especially during a time when our country and our globe continues to experience tremendous volatility and uncertainty in the economic area. This rating allows us to sell bonds at the best possible interest rates, which allow us to deliver critical priorities for our government and our communities, such as new schools, roads, new bridges, new hospitals.

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On a personal note, this being my last year as Comptroller, I'm glad to see that for the entirety of my career, all 16 years as the State's chief fiscal officer, we have maintained this rating, despite two enormous volatile economic crises that our State, along with the other states, have experienced. Thank you, Lieutenant Governor.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Mr. Treasurer, opening comments?

TREASURER DAVIS: Good morning, everybody, how are you?

LIEUTENANT GOVERNOR RUTHERFORD: Well.

TREASURER DAVIS: Sorry I can't appear, with you remotely. For those of you who are watching, I'm on the back end of recovering from COVID and I certainly didn't want to expose any of you, and certainly my colleagues on BPW, to any health risks. But I am looking forward to returning in my full capacity in the very near future.

I was going to talk some about our bond sale that's going on today and our AAA bond rating, but the Comptroller covered it well. So I'll just throw this away and --

COMPTROLLER FRANCHOT: (Indiscernible).

(Laughter.)

TREASURER DAVIS: -- yeah, it is that old saying, everything has been said, everybody just hasn't said it. So I'm going to eschew that and just rest with the Comptroller's words. We will, you know, later on today, probably towards the end of our session, we will be voting, as you all know, on the bonds that are being sold.

What I wanted to say, without getting into any detail, and I'm sure I speak for my two colleagues as well, just since we last met, my thoughts and prayers go out to the families in Buffalo, New York and certainly Uvalde, Texas.

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We all know the situation so I won't recount that there. But it is certainly my sincere wish, my sincere desire, that something can happen in Washington -- I'll leave the details of the what up to them -- something that can happen. We, for a country that prides itself on being the greatest country in the world, for us not to be able to protect our young people and its citizens from mass shootings time and again is just unacceptable. So I'll leave it right there, Governor, Mr. Comptroller. But certainly my thoughts and prayers are out to those families, just as we have done this many times before with other families. And you know, it's time that we see something different. So hopefully Congress will heed the words of the citizens. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. I think we all echo your sentiments.

Mr. Secretary, the Secretary's Agenda?

SECRETARY GONTRUM: Good morning, Governor, Mr. Comptroller, and Mr. Treasurer. There are 37 items on the Secretary's Agenda and 11 reports of emergency procurements. Item 20 from Morgan State University has been revised to change the funds source; Item 31 from the Stadium Authority to provide the correct amount of the bond issuances; and emergency report A2 from DHS to provide the correct award amount. Item 3 is the bond sale, so we will separate that item out until the sale concludes later this morning. With that, I'm happy to assist with answering any questions.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. I have a couple of questions on some of the items. And this is really, Item 16 deals with Elk Neck State Park. And it is really, and there are several items on the Agenda, several on the DGS Agenda dealing with Elk Neck. I'm asking the Secretary, Secretary Haddaway-Riccio, what is the situation from the tornado damage from a couple of years ago to Elk Neck State Park?

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MS. HADDAWAY-RICCIO: So we have been able to complete a number of the restoration projects within the forest and restoration of the building damage that you saw. This particular project will help us upgrade a 50-year old electrical distribution system, so we're very happy to be working with our partners at MES to improve the infrastructure at the state park as well.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. So yeah, I saw that there are several, and of course I remember seeing the damage that had been done up there at the park.

Mr. Comptroller, I have several, so I'm going to go to Morgan very quickly. Item 21, do we have anyone from Morgan here?

SECRETARY GONTRUM: Yes. Executive Vice President Sidney Evans is with us this morning, Governor. One moment, please. Mr. Evans, when you're ready --

MR. EVANS: Good morning, Mr. Lieutenant Governor, Mr. Comptroller, and Mr. Treasurer. I do want to say that President Wilson is also on as well and two more of the Morgan colleagues.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. I think you are supposed to identify yourself, Sidney.

MR. EVANS: That would be helpful. Good morning. My name is Sidney H. Evans, Jr. I am the Executive Vice President and Chief Financial Officer for Morgan State University.

LIEUTENANT GOVERNOR RUTHERFORD: And despite the fact that you are a high ranking official at Morgan State University, you are a Howard University alum. So I just wanted to point that out for the record also.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Sidney, I just want to ask about the Montebello demolition, Item 21. And I know Dr. Wilson

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has talked about the osteopathic hospital coming to the campus. Can you tell me a little bit more about the plans there?

MR. EVANS: Sure, Mr. Lieutenant Governor. Mr. Secretary John Gontrum, can you open the mike for President Wilson?

SECRETARY GONTRUM: President Wilson is connected, sir. Mr. President, when you are ready, sir.

DR. WILSON: Good morning to everyone. I'm David Wilson, President for Morgan State University. And addressing your question, Lieutenant Governor Rutherford, very quickly, we are moving along actually quite assiduously to bringing to existence a college of osteopathic medicine affiliated with Morgan State University. An application has already been made to the accrediting body. We expect the accrediting body to accept that application within the coming four to five weeks. We are now in the final throes of negotiating the ground lease of the entity. That ground lease, of course, will involve our enabling them to demolish the old Montebello complex and then they will erect on that particular site a new building that will house the college of osteopathic medicine. We are very excited that everything is moving along quite rapidly in order for the school to accept its entering class in fall of 2024. And I will be more than happy to provide further details if you need them, or to provide further explanation.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. And so the organization that's going to, the college of osteopathic medicine, will actually do the demolition?

DR. WILSON: Yes. And so the ground lease would result in their actually demoing the existing Montebello complex, and Mr. Evans please make sure I'm not speaking incorrectly, and then they will build a free standing facility that will actually house the faculty, the students, and staff of the proposed college.

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LIEUTENANT GOVERNOR RUTHERFORD: Okay. Well, that sounds exciting.

MR. EVANS: (Indiscernible) correct what Dr. Wilson said. And we are working through the ground lease negotiation with the Morgan attorneys and the college of medicine attorneys. And what Dr. Wilson just mentioned will be part of the ground lease document.

LIEUTENANT GOVERNOR RUTHERFORD: Very good.

DR. WILSON: And Lieutenant Governor Rutherford, Mr. Treasurer, and Comptroller, while my mike is still open I just would like to express my appreciation to the Governor, to you, Lieutenant Governor Rutherford, to the State Legislature, for the ongoing support that we are receiving here at Morgan that has resulted of course in historic enrollments here at the institution. We have never seen enrollments like this in our 154-year history. We are defying the national odds both in terms of new students and returning students. We are very excited that we will be bringing to you at your next meeting perhaps the acquisition of the 59-acre Lake Clifton property here in Baltimore to enable us to continue to expand this institution, to really build out what you have designated us to be, which is the State's preeminent public urban research institution. We are mounting academic degree programs here that are in alignment with the work of the future and the future of work, and we have a robust agenda that we are hoping you will approve today that is basically an extension of what I just indicated. And so we appreciate the support that we are getting from the State of Maryland to enable Morgan to ascend to R1 research, high research status. We are online we think for that to happen in the next couple of years, and truly be one of the top urban based research institutions in the United States.

LIEUTENANT GOVERNOR RUTHERFORD: Well, thank you.

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I know Morgan is on the move and you're doing a lot of great work up there. Speaking of which, you have several items and I want to -- did you want to talk about this --

COMPTROLLER FRANCHOT: -- I don't think a lot of people in the State understand that our four wonderful public HBCUs are publicly supported by the taxpayers, and that's good. Around the country most HBCUs are private. But we're particularly proud of Morgan, and I think the Lieutenant Governor is correct. These nine items, the item we're on but also the other eight, this is a historic investment in Morgan State University.

By voting to approve all these contracts today, we are supporting critical investments and facility upgrades, building maintenance, expansion of student housing at one of the State's anchor educational institutions. And I want to thank Morgan State, particularly the CFO Evans (indiscernible) and also I'm honored President David Wilson (indiscernible). Because it is their kind of thoughtfulness and forward thinking leadership that has allowed the development of these investments, as well as the university's master plan. I'm a huge fan of Morgan State University and the outstanding it's doing to equip its graduates with the skill and the knowledge that it takes to succeed in the modern economy. And I'm looking forward personally to visiting Morgan's campus this Friday. Treasurer and Lieutenant Governor, if you guys' schedule permits, I'd love to have you join us because we're going to be looking specifically at the Lake Clifton High School building transfer, which the President noted will be before the Board soon. And I look forward to supporting that transformational project also. But President Wilson, thank you very much for your leadership.

LIEUTENANT GOVERNOR RUTHERFORD: I'm glad we see you all now instead of just coming over as voices (indiscernible) somewhere.

But I did still want to ask about Item 24. And Dr. Wilson, you

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know I'm going to ask about Northwood Commons, of course, that has been an interesting saga. And it is coming to fruition. But I see that you are planning to lease space there and I guess that's in addition to the building for the security operations as well as the bookstore?

DR. WILSON: That is correct, Lieutenant Governor. And so the space under the bookstore is being built out in a shell space. And because of the support that we have received from the State to start several new research centers here at Morgan, we have a need for space to house them. And so we are going through a process internally where we are going to select perhaps two to three of these research centers that will occupy that particular space.

The Northwood Shopping Center is online to be fully opened later on this fall. The stores are opening now one by one. There has already been a grand opening for Fulton Bank, Harbor Bank of Maryland will open officially in two weeks. And then the Lidl supermarket that is anchoring that development is going to be next, and that is all leading to the grand opening in early fall of this year. And once again, we express our appreciation to you for the intervention and the support that you provided for infrastructure to enable that project to move forward. But the incredible, maybe the entire Northeast Baltimore community is very excited that after 60 years, we are finally able to (indiscernible) some of these deserts disappear in this area and food, supermarkets coming into the area, shops and restaurants that have long been absent from this landscape.

LIEUTENANT GOVERNOR RUTHERFORD: -- (indiscernible) and thank you and you remember that meeting that we had with the community, with the legislators, to try to get this jump started, where there were people who were not crazy about the idea or at least had different ideas, and the ownership, and so it's glad to see it coming to fruition. So I look forward to receiving an invitation. If I don't, I'll be there anyway. Good to see that happening.

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DR. WILSON: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you, John. Item 31 on the Agenda is the Stadium Authority. They have a bond issuance. I have a lot of concerns about this one, Mr. Secretary. And I just, and everyone knows my concerns about the Stadium Authority. This one, which Frederick Douglass High School has been a challenge for a number of years. The IAC, Interagency Committee for School Construction, has tried to work with City Schools with regard to Frederick Douglass. The City Schools have not been, to my knowledge, as responsive as they could be. And then all of a sudden, we see the Stadium Authority coming in and saying that they want, they are going to issue bonds, upwards of \$76 million, maybe even more than that, \$100 million, to do this school, which we don't know if it was on the list originally, the 28 schools in the 21st Century School Program. If they are now above the \$1.2 billion, which was the last count, which originally was estimated at \$970 million originally, and it went to \$1.2 billion. So I have a number of questions that I don't think we can get -- they haven't been resolved at this point. And I just, I'll be reaching out to MSA and City Schools and the IAC to see what the heck is going on with this thing. So if you can defer this item, I would appreciate that.

COMPTROLLER FRANCHOT: You're the boss. You do the Agenda. If you want to pull it --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

COMPTROLLER FRANCHOT: -- I'm happy to not --

LIEUTENANT GOVERNOR RUTHERFORD: -- yeah, I'll copy you all on the letter that I'm going to send --

COMPTROLLER FRANCHOT: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: -- copy both the Treasurer, and I can talk to you all offline about my cynicism about this whole

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thing. So --

SECRETARY GONTRUM: Mr. Treasurer, that's three-nothing, sir?

COMPTROLLER FRANCHOT: Yes, I believe so.

LIEUTENANT GOVERNOR RUTHERFORD: Mr. Treasurer, did you agree to --

COMPTROLLER FRANCHOT: I don't think you need a vote.

LIEUTENANT GOVERNOR RUTHERFORD: I didn't know if we needed it either.

COMPTROLLER FRANCHOT: Yeah --

TREASURER DAVIS: Yes. I'm fine with that.

SECRETARY GONTRUM: Thank you, sir.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Any other questions on the Secretary's Agenda?

COMPTROLLER FRANCHOT: I had a question on Item 7. Actually, no question, but if I could comment on it because it's a request, a very favorable request, I think, from the Department of Budget and Management to fund a framed portrait of my friend, State Treasurer Nancy Kopp. And for decades, Nancy and I have been connected through the House of Delegates or through her job as Treasurer. And I have tremendous admiration for her. I believe this portrait, which will be on display out there, we may have to take down Lord Calvert's portrait --

(Laughter.)

COMPTROLLER FRANCHOT: -- move it to the basement or something. Not that I would do that. But you know, this is going to be on display in the Treasury Building as you walk in. And it allows us the opportunity to reflect on the important role of the Treasurer's Office, Mr. Treasurer, that you

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now are in charge of, but also the distinguished tenure of Treasurer Kopp.

I was particularly thrilled to read that the artist commissioned for the portrait, Mr. Simmie Knox, lives in Treasurer Kopp's and my home county, Montgomery County. So with that said, I enthusiastically support this item. I look forward to its unveiling. And Lieutenant Governor, thank you for letting me comment.

LIEUTENANT GOVERNOR RUTHERFORD: Sure.

TREASURER DAVIS: Mr. Lieutenant Governor?

LIEUTENANT GOVERNOR RUTHERFORD: Yes?

TREASURER DAVIS: If I may, I didn't want to tell the Comptroller, and I don't think that the former Treasurer is too pleased with this expenditure. So I wasn't going to say anything about it.

(Laughter.)

TREASURER DAVIS: But it is, but since you did, it is absolutely well deserved, well honored. She served this State both as a legislator and as Treasurer for nearly half a century. No one is more deserving of this award. She, we still stay in touch and I still seek her wisdom and her guidance. And I'm certainly happy to support this as well, over her objections.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: So the Treasurer Emeritas has objected to this item --

TREASURER DAVIS: I don't know that she is a fan of this item, sir.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Well, I've told many people before in different settings how I've always admired her in the position of Treasurer. She was always, you know, straightforward, very honest, a process oriented person, understood the role as Treasurer and

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particularly on the Board of Public Works. And she was always I felt fair. A couple of weeks ago, and it started when she was Treasurer, we took a tour of Pocomoke Forest and we went out there to talk about forest management and how controlled burns are good for the forest and it was very enlightening. And I had worked Agriculture, which was part of the Forest Service, so I knew about that. But it was enlightening for her. And we were invited back and it was after her term to come and see the wildflowers that were blooming. And so she rode down with me to Pocomoke Forest for a second visit just I guess was that in May? In March? Maybe it was in March that we went down, and so she enjoyed that. So you know, just because she is not in this role doesn't mean that she's still not around. So I don't think she stopped in to give you heck, there, Mr. Treasurer. She just came down quietly, got into the vehicle with me, and then we went down there. So any other questions on the Agenda? I guess you have the bond sale as a separate item --

SECRETARY GONTRUM: Correct.

COMPTROLLER FRANCHOT: Move approval if --

LIEUTENANT GOVERNOR RUTHERFORD: All but the bond sale.

TREASURER DAVIS: Second.

LIEUTENANT GOVERNOR RUTHERFORD: All right, we have a second. All three in favor. We have one objection that is not counted to Item 7, the portrait --

(Laughter.)

SECRETARY GONTRUM: -- was deferred.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. And deferred 31. Yes. One deferred. Did you want -- you're going to come back to the bond sale?

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SECRETARY GONTRUM: Yes, Governor.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right.

SECRETARY GONTRUM: -- the Agenda was approved with the exception of the deferred item and the bond sale.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

Department of Natural Resources?

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

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Item 3 was of interest, the Lake Arbor Golf Course acquisition. And that's by the Maryland National Capital Parks and Planning Commission. I know that golf course has been shut down for a period of time. What is the plan that they have for that?

MS. HADDAWAY-RICCIO: So the plan is to, it has some hiking trails, exercise trails, possibly a picnic area. There is also a bandstand that could be used by the public for community events. And the golf paths, the golf cart paths that exist on the property can be retrofitted into trails. And as you mentioned, this is a property that the county and National Capital Parks and Planning Commission have been interested in for a very long time so we're very pleased to see this item come to fruition. And this will be an addition to the Western Branch Stream Valley Park.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. So that's already -- is the other park, is that a county run park? Or that's National Parks and Planning runs the other park?

MS. HADDAWAY-RICCIO: I believe MNCPPC runs it.

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LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. HADDAWAY-RICCIO: But I can get clarification for you on that.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. That's not necessary. Okay. That sounds good. Mr. Treasurer, do you have any questions on that one since it's in your county?

TREASURER DAVIS: It used to be in my district, sir, for many years. You described it accurately. It has been shut down for a number of years. And I think this is a great expenditure for the State. I hope we can approve it and certainly thank Secretary Haddaway for all that your department has done to make this happen.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, I think it's good, a good deal as well.

I have a question on 5A. This is a property acquisition, the Gallagher property. It's like \$97,000 an acre. I guess that property is developable and that's why the price is so high for it? It's only six acres.

MS. HADDAWAY-RICCIO: It is developable and it is also developed, as compared to some of the other properties that are on the agenda that are unimproved.

LIEUTENANT GOVERNOR RUTHERFORD: Mm-hmm.

MS. HADDAWAY-RICCIO: And so I think if you look at the appraisals, the amount that we're paying is within the appraised value range. But the primary reason is that it is developable. And I believe it is possible for, there are two additional development rights on the property.

LIEUTENANT GOVERNOR RUTHERFORD: So and it's adjacent to Gunpowder Falls State Park?

MS. HADDAWAY-RICCIO: It is. It's adjacent to the

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Hammerman Area, which is in Middle River. As you know from experience, this is a very popular area and a very popular park. So this will allow us to set up an operational presence at a very busy entrance to help facilitate all of the swimming and hiking --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

MS. HADDAWAY-RICCIO: -- and use of the park that we have there.

LIEUTENANT GOVERNOR RUTHERFORD: So you are going to use the facilities as offices right now for the rangers, and deployment, whatever needs to be done for the park.

MS. HADDAWAY-RICCIO: Yes, we will use the existing house as an operations base.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. And how much of the additional property has not been developed or was used as garden space or anything of that nature? I know that there's mention of, you know, forest interior dwelling. But it doesn't seem like that's pretty much a forest. Maybe next to it, but --

MS. HADDAWAY-RICCIO: Yeah I think --

LIEUTENANT GOVERNOR RUTHERFORD: -- clear space --

MS. HADDAWAY-RICCIO: I think that's considered a property buffer to --

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. HADDAWAY-RICCIO: -- an area that has FIDS presence, but I can get clarification on that --

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

MS. HADDAWAY-RICCIO: -- as well for you.

LIEUTENANT GOVERNOR RUTHERFORD: All right. I'm not

going to, you know, object. I just was concerned about, you know, the total amount. And I know the other properties are not developable and that's why it's a big difference in the cost per acre. But when you see that large expenditure for a relatively small amount of acreage, it should raise questions and so that's why I'm raising them. Questions for, on the --

COMPTROLLER FRANCHOT: Move approval if the Treasurer is okay.

LIEUTENANT GOVERNOR RUTHERFORD: Mr. Treasurer, do you have any questions on Department of Natural Resources?

TREASURER DAVIS: No, sir.

LIEUTENANT GOVERNOR RUTHERFORD: You get off lucky like always. We find some --

TREASURER DAVIS: You know, it actually bothers me, Governor. Secretary Haddaway-Riccio always seems to just, you know, it just slides right by. I was determined I was going to come up with something until I saw one of my former districts was in it, so I decided to leave her alone this week.

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: You could have gone after this one. This is Baltimore County, 5A.

MS. HADDAWAY-RICCIO: Well I know I speak for the department when I say thank you all very much for your support.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, everyone likes Natural Resources and the great outdoors. I have eight more parks, maybe nine, because they are moving the goalposts on me, to visit. So please feel free to join me, like the Treasurer did going to the forest. So, former Treasurer, going to the forest. Do we have a motion? You have a motion already. Okay. Do we have a second?

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TREASURER DAVIS: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Very good. Thank you. University System of Maryland?

MR. HICKEY: Good morning, Governor, Mr. Comptroller, Mr. Treasurer. Tom Hickey, representing University System of Maryland. We have six items on our Agenda for your consideration and I'm happy to answer any questions.

LIEUTENANT GOVERNOR RUTHERFORD: Anyone have any questions?

COMPTROLLER FRANCHOT: Move approval if the Treasurer is okay.

TREASURER DAVIS: I'm fine. Move second. Move favorable.

LIEUTENANT GOVERNOR RUTHERFORD: -- I did, I had an internal question, but I didn't want to get the Comptroller riled up if I started asking questions. I'll talk to him about it afterwards. Okay? All right, thank you. I think we're all in favor. So Department of Transportation?

MR. PORTS: Good morning, Governor, Mr. Treasurer, Mr. Comptroller. For the record, my name is Jeannie Haddaway-Riccio --
(Laughter.)

MR. PORTS: I tried, Governor. No, for the record, my name is Jim Ports, Secretary for the Maryland Department of Transportation. The Maryland Department of Transportation is presenting 23 items for your consideration today and we'll be happy to answer any questions you may have.

LIEUTENANT GOVERNOR RUTHERFORD: And I saw that you have a number of small business reserve contracts. I want to thank the department for utilizing that and ask other agencies to really take a look at their procurements to see what they can put into the small business reserve program.

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All right. Any questions?

COMPTROLLER FRANCHOT: No, I'd move approval.

LIEUTENANT GOVERNOR RUTHERFORD: Mr. Treasurer?

TREASURER DAVIS: I'm good.

COMPTROLLER FRANCHOT: I heard the first ID. I got confused --

(Laughter.)

COMPTROLLER FRANCHOT: I'm moving approval, and assuming the Treasurer doesn't have --

TREASURER DAVIS: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Okay, second.

TREASURER DAVIS: Second.

LIEUTENANT GOVERNOR RUTHERFORD: Ms. Haddaway-Riccio II --

(Laughter.)

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. Thank you. The Department of General Services, the Department of General Services.

MR. REICHART: Good morning, Governor, Treasurer, Mr. Comptroller. For the record, my name is Jim Ports.

(Laughter.)

MR. REICHART: For the record, my name is Nelson Reichart. I'm Deputy Secretary of the Department of General Services. Secretary Churchill is also available online. Today, we are presenting 71 items for our Agenda, including one supplemental. The Agenda features \$11,212,151 in capital grants and loans, including \$2 million to the National Aquarium in Baltimore, and \$3 million to the Baltimore Washington Medical Center for their critical care unit.

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Additionally, DGS is seeking approval for contracts that support 14 minority businesses and 16 small businesses. We have representatives here available to answer any questions that you have and I understand that on one of our Agenda items there are two registered speakers who are supporting the contract.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. I have a comment with regard to Item 16-CGL, capital grant and loan, the Mayor and City Council of the City of Hyattsville. There are a couple of others for the City of Hyattsville as well. I mean, all the capital grant and loan programs are wonderful. But I couldn't help but think about the former Mayor Kevin Ward, who unfortunately died by suicide fairly recently. He was a wonderful man, wonderful father, had a family. And sometimes you just don't know the pain that some people are suffering. But you know, just keep him in your thoughts. Again, Kevin Ward who was the Mayor there and I had a wonderful opportunity to spend some time with him. And like I said, you just never know the pain that some people feel. I just wanted to mention that, as far as that capital grant item.

I'm going to jump around and then we'll come back to the Treasurer and the Comptroller. Item 39-S, service contract for Rocky Gap, the biking and boating. It's really more of a comment. I don't know if, Madam Secretary, if you have met the folks at Wheelzup Adventures in Cumberland. I had an opportunity touring Cumberland. They had just opened their operation and have a lot of plans for outdoor recreation, particularly in the Cumberland area. I know there's been conversations about taking down that dam, the damn dam. Have you, has that been involved with Natural Resources at all? Or Environment? I'm not sure who would be involved. But I know there has been conversations, so that you can come down the river without going over a cliff, basically. But that is something that would be very helpful to the Town of Cumberland, the City of Cumberland, in terms of being a location for outdoor

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recreation. And so it's good to see that one, Wheelzup did bid on this project, this opportunity to be a concessionaire. But they have a wonderful store and a young couple started this store a couple of years ago, just decided during the pandemic that this was what they were going to do. And it's great to see, great to see.

And along with my jumping around, Item 49-S-MOD is the Lottery and Gaming Agency. Do we have any one from Lottery?

MR. REICHART: John Martin is here.

LIEUTENANT GOVERNOR RUTHERFORD: John Martin?
That name is familiar.

MR. REICHART: Director of Lottery and Gaming --

SECRETARY GONTRUM: Director Martin, when you're ready go ahead.

MR. MARTIN: Thank you. Good morning. For the record, John Martin, Director of Maryland Lottery and Gaming Control Agency.

LIEUTENANT GOVERNOR RUTHERFORD: Good to see you.

MR. MARTIN: Good to see you.

LIEUTENANT GOVERNOR RUTHERFORD: Not that it's coming from me, but I have been asked many times, the Comptroller gets asked about the bridge in his community. I get asked by various people when are they going to have, when is Maryland going to have gaming or I should say being able to bet online or on their phone, mobile betting, or sports betting. And I know that there is some jumps that have to go on. But that's constant, I get that semi-constant, particularly when I see a couple of folks who have this challenge, that they say, I can go to D.C., and I can do that, but then I hit this wall when I get to Maryland and I don't want to go into the casino or some other location to be able to place a bet when I can sit at home, or visit my friend in D.C., and I can just do it over the phone. It seems like we are losing some revenue in that.

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MR. MARTIN: Well, we definitely are and I appreciate the opportunity to address it. We continue to work with the SWARC, the Sports Wagering Application Review Commission. As you are well aware, we do have five of the casino properties where you can go and place your sports wagers now. We continue to work with the Office of the Attorney General and the SWARC in getting the regulations ready for mobile wagering. And I'm optimistic that we will continue to work forward on that. We're ready to go as soon as we can get the green light from SWARC and the OAG and then we will be in a position, hopefully before the end of the calendar year, to get that much awaited, long awaited mobile betting in place properly.

LIEUTENANT GOVERNOR RUTHERFORD: The acronym of SWARC has become a bad word around here. Mr. Treasurer, were you involved in creating this roadblock to this stuff? That this SWARC and this kind of convoluted manner when D.C. and Virginia and all these other places are just able to go up and running and we put a couple of -- how many years ago did we vote, did the citizens vote for --

MR. MARTIN: The citizens voted in November of 2020 and overwhelmingly voted for sports wagering. And as you are well aware, Lieutenant Governor, the legislative process being what it is, we worked with the law that it was, the bill that came out of the legislative session last year, signed by the Governor in May of '21, and initially focused on the brick and mortar locations, which I say there are five casinos today. We have four more locations in the queue ready to go once they, those locations, are ready to open their doors. And we have shifted our focus to the requirements in statute to get things in place for the racial, ethnic and gender diversity for small businesses, minority owned businesses, women owned businesses, to participate. That is a unique effort. There are very little if any other jurisdictions around the country that have

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imposed that type of structure. So we are working with the law as it was presented to us and working as quickly as we can.

LIEUTENANT GOVERNOR RUTHERFORD: I understand that. So it was the Legislature and the Governor in cahoots that did this. So I will blame Governor Hogan, too.

TREASURER DAVIS: I guess, if I can, Governor, if I may, to answer your question. I was involved with it to the extent that I was a member of the Legislature. But more, I guess more importantly, or in terms of my involvement, was as a member of the Legislative Black Caucus of Maryland. We, there were a lot of hard feelings, if you will, from what happened with medical cannabis and a number of us and, you know, I'm as much of the ringleader in that feeling as anyone else, we were determined that we didn't want to see that happen with this process. So there was a lot of deliberation, a lot of angst, to ensure that there was a certain amount of equitability and fairness in this particular process that, quite frankly, we didn't think happened with the medical cannabis process.

And I guess I would go on and also note, though, and to congratulate you, Mr. Martin, in that if I read correctly, we had our second highest lottery, you know, revenue recently. It was reported, I think I read that in I don't know if it was the *Post* or the *Sun*, that it was the second highest ever this past May. So we can be doing better, we can always do better. But the system appears to be humming along. Or did I misinterpret that?

MR. MARTIN: No, that's correct, Treasurer Davis. The last month reporting period, was the casino numbers that you are referencing, it was their second best month ever. And I would continue to say that in the second half of this year they will probably surpass those record numbers. The casino business is very strong. The sports wagering business continues to evolve. The traditional lottery business is very strong as well. We are on track to deliver probably \$1.5

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billion to the general fund and education causes when we wrap up the fiscal year, which we should move everything along a lot smoother. We're not where we want to be, but we're working as fast as we can.

TREASURER DAVIS: Good job, sir.

MR. MARTIN: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Well, thank you for moving it along. So do you have any -- and I may have missed it when you were talking about the brick and mortar. Do you have any anticipated timeline for getting to the other brick and mortar and then the mobile? I think that's the progression that you are under?

MR. MARTIN: That is correct. That's the objective. We have an additional 30 licenses that can be granted on the brick and mortar and up to 60 licenses for the mobile wagering. We would anticipate to initiate those processes in the next several months so that we would be able to move forward before the end of the calendar year.

LIEUTENANT GOVERNOR RUTHERFORD: On both?

MR. MARTIN: Well I think the focus is on mobile, because a lot of the Marylanders are looking and expecting that. They already have five locations with four more in the wings to go to as a retail location, or as a brick and mortar location. So we are shifting our sights on the mobile marketplace and getting that up and running as quickly as we can before the end of the year.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.
Thank you very much.

MR. MARTIN: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: I just want to say that I just personally feel the big guy is going to squash everybody. It's going to be consolidated. Give it five years, and it will be emptying out Caesars. I'm

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talking about Draft Kings. We can talk about all this stuff about having small businesses, but you don't want some small business setting odds. They are going to get, maybe they get to sell their license. That will be the benefit they get.

COMPTROLLER FRANCHOT: Thank you --

LIEUTENANT GOVERNOR RUTHERFORD: Mr. Treasurer or Comptroller, do you have any questions on this Agenda?

COMPTROLLER FRANCHOT: I did on Item 60-IT. I can see the Secretary back there.

MR. REICHART: Department of Labor. Several people from the Secretary's Office for Labor.

COMPTROLLER FRANCHOT: Excellent. I see --

MR. REICHART: I didn't know you were here.

COMPTROLLER FRANCHOT: So this is a request from the Maryland Department of Labor to exercise a sole six-month renewal option on a contract with Accenture in Austin, Texas to provide virtual call agents to assist the Unemployment Insurance Division. The cost of the modification is \$97.7 million, bringing the total price tag of this contract to answer the State telephones for one agency to a whopping \$356 million. Secretary Robinson, I have a lot of admiration for your ability to navigate through this. But I did have a couple of questions on this. Can you provide us with an update on Labor's efforts to process unemployment claims, pay benefits, and adjudicate pending cases? I know it's a volatile environment.

MS. ROBINSON: Of course. Good morning, Governor, and Mr. Comptroller, and Mr. Treasurer. For the record, Tiffany Robinson, Secretary of the Maryland Department of Labor. Thank you for the opportunity to answer some questions for you this morning on this contract and on the status of our unemployment insurance processing.

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We are really proud to have processed over 98 percent of the legitimate and honest claims that have come into our department during this pandemic. So we only have about 1,800 or 1,900 legitimate claims currently pending at this time. That's fantastic. And maybe I have done too good of a job talking about that, because the dilemma that we face is an entirely new workload that our agency never had before the pandemic, which is really due to the tidal wave of sophisticated digital fraud that came with all of the federal pandemic programs. We are dealing with, those claims take longer to investigate, more people to work through them. As you might imagine, some of those claims that come in have a legitimate claimant with and someone has stolen their identity and filed a false claim. So there has to be investigation and a removal of the social security number. We work with the Social Security Administration and the federal government and the OIG in those investigations. It takes a lot more time and we have a higher call volume because of that. People are calling because of the fraud, because of something that might have happened with a previous claim or with their employees. Employers are calling.

So we have an entirely new task force of people answering phones to deal with fraud. And surprisingly I would share, because I think it's astonishing still, that even on our fraud hotline, we have found that 40 to 50 percent of the calls coming in on that hotline are actually from fraudsters. By the time we walk through all of the lines of questioning and ask for feedback and ask for an opportunity to call them back, we find out in that process that they are actually a fraudster trying to, you know, push their way through the system.

So again, it's a higher level of workload. We have processed a lot but there is still a lot of work to do. This perfect storm that hit our department during the pandemic is going to impact us for years to come. And so this vendor has helped us be able to keep our customers first, answer, we are answering our

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calls in on average one minute, 55 seconds. We're not under the 60 second mark that you had asked for at one point, but we're close. Without this vendor on board right now, we simply would not be able to do that. It is taking my State employees behind the scenes all of their time to work through the very complex adjudication and investigation and we need the extra staff to continue answering calls.

The price that you listed will not be the price we pay. This is a not to exceed contract. So even, we have already reduced this contract by 60 percent in staffing and in the price we're paying. So we are, we continue to scale it down as we get through the barrage of claims. And by the end of this six-month extension, we won't pay anywhere near the option that we have listed in the contract.

LIEUTENANT GOVERNOR RUTHERFORD: Can I ask a question on this?

COMPTROLLER FRANCHOT: Sure.

LIEUTENANT GOVERNOR RUTHERFORD: The, how did you come up though with the \$97 million, particularly -- I know that's a not to exceed --

MS. ROBINSON: Correct.

LIEUTENANT GOVERNOR RUTHERFORD: -- \$97.7 million, almost \$98 million. But the prior modification was \$98 million. You now have, like you said, 60 percent less people on board from Accenture. But you still kept it at pretty much the same as if you had the 1,700 people on board. Why didn't you reduce the not to exceed? And I say -- I understand not to exceed. You don't plan to spend that. But when the public sometimes sees this, they don't necessarily understand the not to exceed or they just kind of gloss over it. I know sometimes, you know, (indiscernible) the press only, you know, has a certain

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amount of characters they can put into a story. And so it looks like a, that we're going to spend \$97.7 million versus it may be half of this, this number. So how did you come up with that \$97 million versus saying \$67 million?

MS. ROBINSON: It's a great question. So you may remember I was here in January on this contract because we originally asked for this contract to have a one-year extension. And the Board decided to split it into a six-month approval with a six-month option. I told you then I would be back in six months, because I knew we would need more time. And part of the reason for that is this vendor will also help us transition to a new vendor once they are selected. It's an RFP that's on the street. And actually we are taking lots and lots of questions from bidders and going through pre-proposal conferences on that now.

As to how we came to that price, the calculations were already in the original contract for the staffing for price per agent and for the training teams, it's a train the trainer model and they have their own management team and reporting that comes to our department of course. So those amounts were already set. So we just essentially reduced the training, because we knew we would be scaling down a little bit, I think \$98 million to \$97 million. But essentially copied the terms of those contracts from the last six months to this six-month option. And I just, I want to make sure everyone understands we are scaling that down. It's important, I think we all see that our unemployment rate has dropped to 4.2 percent. We're proud of that. We're doing really well. But there is talk of a recession. And in this time frame when we are finishing up this contract and transitioning to a new vendor, we want to make sure we have the ability to scale up and scale down. We hope to continue to scale down. But I was asked on many occasions in the last couple of years how I would ensure that my department never ended up in the position we were in at the beginning of this pandemic. We did not have the resources to handle the 5,000 percent volume that

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came upon our department. And having a vendor on board like this is how we will do that.

LIEUTENANT GOVERNOR RUTHERFORD: Well, there were a lot of reasons, including the pandemic, that you didn't predict either. But we won't hold that against you or anyone else.

MS. ROBINSON: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: So there were a lot of reasons, and the prior several cycles, unemployment was going down and so there was reductions of the budget and things of that nature. And which made sense at the time. Let me ask a follow up on this. How much of the \$98 million from the six-month modification, the first six months, have you spent? And do you have leftover money? Since that was a not to exceed. And I guess that leftover money goes back to the special fund.

MS. ROBINSON: I'm going to have to follow up with you on that. You're talking about the previous six months --

LIEUTENANT GOVERNOR RUTHERFORD: Right. Right. Did you spend the \$98 million? And if not, how much?

MS. ROBINSON: I don't believe we did, because we're down from at the max of this contract in December of 2021, almost 2,000 vendor agents. We're currently down to less than 700. So I don't believe we spent all of that. I will have to go back and check. I know that as of our April billing, it was only around \$6 million for this vendor.

LIEUTENANT GOVERNOR RUTHERFORD: And maybe that's a question for the Budget Secretary in terms of what happens, you know, with, these are special funds? Or --

MS. ROBINSON: These are all federal funds.

LIEUTENANT GOVERNOR RUTHERFORD: Federal funds?

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What happens if you spend less than what was I guess agreed to, the not to exceed? Do those funds go back to the feds? Or do they sit in some kind of escrow account?

MS. ROBINSON: So we are funded in the Unemployment Insurance Program through resource justification model for USDOL. We, they allocate an amount to each state at the beginning of the year and we essentially tell them how much we spend in each month and get kind of reimbursed for it in that way.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, okay. All right. Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes, thank you very much. I appreciate the quick response to the call time. That's terrific. What about the wait time for hearings?

MS. ROBINSON: For hearings on --

COMPTROLLER FRANCHOT: What are you experiencing for people that --

MS. ROBINSON: For adjudication hearings --

COMPTROLLER FRANCHOT: -- yeah, how are we doing with that?

MS. ROBINSON: -- the initial claim filing for hearings are actually happening very quickly. The U.S. Department of Labor requires that we adjudicate a case 90 percent of the time within 21 days. And we're meeting that standard. In our appeals, as you might imagine from the extreme volume we faced during the pandemic, many of those claims have transitioned into filing appeals into our lower appeals board or our board of appeals. We have a little bit of a backlog in our lower appeals, so some people are waiting two to three months to get their hearing on appeal. But our upper appeals board is really meeting their

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standards as well. And we have, we are working under our contract with the Office of Administrative Hearings to help us reduce that wait time and we plan to be back in normal time frames by the end of the summer.

COMPTROLLER FRANCHOT: Excellent. What about response to emails? Which I hear from time to time.

MS. ROBINSON: So this vendor, Accenture, that's in this contract extension for today, is also helping us with that. They have the ability to work with Sales Force and our State email system. So our behind the scenes almost 600 State EUI employees make outbound calls, follow up with emails, kind of really work through a back and forth with many of the customers. However, Accenture, those agents take calls, forward emails to our agents, and sometimes have to be the intermediary when our agents working on an investigation behind the scenes. So our complaints have reduced drastically, I'm happy to say. And I think it's because we have done everything in our power to put the customer first, customer service first. Employees are also very important, the health and well-being of our employees and making sure they feel equipped and have all the tools to be able to provide that customer service is important to us. And our employees currently appreciate having Accenture on board to complement our services until we get through everything that --

COMPTROLLER FRANCHOT: Okay --

MS. ROBINSON: -- from the pandemic.

COMPTROLLER FRANCHOT: -- that's terrific. Thank you for that. And I understand there is a recent audit that showed we had overpaid Accenture by \$1.59 million in 2020. What have you, what is the situation with that overpayment, I guess, and moving forward?

MS. ROBINSON: Sure. So Accenture had calculated one of the bills a little bit differently than we calculated. Thankfully, we monitor all of those

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invoices very, very closely. We discovered it, worked with Accenture to get credit for that billing. And then we put in place a little bit more transparency on the invoicing so it's more detailed. We have a multilevel review process with their team and our team to make sure that never happens again.

COMPTROLLER FRANCHOT: Excellent. Now, I understand last testimony there was a May, a suggestion that in May of this year there would be a new RFP for that. Is that on, did that happen and what is the schedule for that?

MS. ROBINSON: I think that's the --

LIEUTENANT GOVERNOR RUTHERFORD: It's on the street now.

MS. ROBINSON: -- yeah, RFP that's already out on the street. Labor's omnichannel contact system. And that is the new vendor that we are currently, we have hundreds of questions from bidders right now under that RFP, which is a good thing. There's lots of folks interested. We're doing those pre-proposal conferences with them in the next coming weeks and months. That might take us some time, but as I mentioned earlier, this vendor, Accenture, will be the vendor that helps us transition into the new telecom system for our UI system under that new contract.

COMPTROLLER FRANCHOT: Great. And then finally, how many Maryland employees are there in the call centers or call operations versus people in Texas?

MS. ROBINSON: Under the Accenture contract?

COMPTROLLER FRANCHOT: Yes.

MS. ROBINSON: So Accenture, as I think I reported back to you in writing, in their corporate company they have over 900 Marylanders that work for the company. There are 77 of those employees that are currently on the

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Maryland contract out of the about 700 agents that we have remaining with them. And we're not hiring new agents under Accenture right now. That contract is scaling down and when there is attrition, we just continue to scale that contract down. It's good to have them on board and the ability to scale off if necessary.

COMPTROLLER FRANCHOT: Excellent. Thank you for your answers.

MS. ROBINSON: You're welcome.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. Mr. Treasurer, any questions for Labor? I don't hear you. I think you may be muted.

TREASURER DAVIS: I'm sorry. No, I was just going to say I'm good, Governor. Thank you, Secretary Robinson, for your detailed answers.

MS. ROBINSON: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Any other questions on --

COMPTROLLER FRANCHOT: I had a question on -- yeah, thank you, Madam Secretary. I have a question on Item 71. This is cybersecurity, my favorite subject.

MR. LEAHY: Good morning, Governor, Mr. Comptroller, Mr. Treasurer. Michael Leahy, Secretary of Information Technology. I'm here to answer any questions you may have.

COMPTROLLER FRANCHOT: Okay. So this is a \$40 million, if you include the renewal options, 12.5-month contract award with two one-year renewals to I believe it's Carahsoft --

MR. LEAHY: Carahsoft is the vendor.

COMPTROLLER FRANCHOT: -- Technology Corporation. And I guess the reason I need you up here is that this strikes me as a very unusual procurement. Instead of doing a competitive solicitation, the department

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researched and identified, according, those are your terms, the two solutions that are apparently the most prevalent in the market, and then evaluated only those two company products, and then and only then did DoIT reach out to NASPO requesting pricing for a contract with Carahsoft, a reseller that provides this software. And I believe there were a number of resellers that offer Okta, O-K-T-A, software. So I have to ask, for perhaps a total of a \$40 million contract, couldn't we have benefitted by getting a competitive bid at the start?

MR. LEAHY: Certainly. Thank you for the opportunity to speak to this. As you've noted, the original request that we made, our technical people, was with regard to a (indiscernible) because of the changing cybersecurity world. And it was determined not just based on our research, but folks that are relied on in the technology world, like Gardner and other advisory services, that this Okta set of products is in fact the most viable set to address the risks that we see going forward. As the documentation stated that was available, I have others who can talk about the technology if you want to get into that.

This addresses issues that we see (indiscernible) because of the limitations on our present systems.

COMPTROLLER FRANCHOT: Got it.

MR. LEAHY: So --

COMPTROLLER FRANCHOT: (Indiscernible).

MR. LEAHY: -- with regard to how we arrived at the NASPO contract, again, we are very aware of the concerns that this Board has raised about emergency contracts and we think this is an emergent issue, and looked to the State Procurement Officer Mr. Zimmerman for advice, and came to the conclusion that the NASPO contract, which has been accepted by the State as a viable means of approaching these issues, had already been competitively vetted and would address the needs of the State because we have NASPO contracts for

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other significant technology procurements.

COMPTROLLER FRANCHOT: Okay. How many resellers of O-K-T-A, Okta software, are there approximately?

MR. LEAHY: I would expect that there are likely hundreds.

COMPTROLLER FRANCHOT: Yes. Thank you. Okay. And when it was procured, how many bids were there? You only asked for one bid?

MR. LEAHY: We approached this by accepting the advice of the procurement officer to utilize the NASPO contract. It is an existing, excuse me sir, contract that a number of states have taken advantage of to utilize against a number of cloud based software services. (Indiscernible) as are AWS and others.

COMPTROLLER FRANCHOT: Well what about the recent announcement that there is a securities fraud lawsuit against Okta?

MR. LEAHY: Yes, sir. What would you like to know about that?

COMPTROLLER FRANCHOT: Well, the main complaint is that Okta had inadequate cybersecurity controls which resulted in a data breach that has potentially affected hundreds of Okta customers. That's --

MR. LEAHY: That is the complaint that was filed with the Federal District Court in California I believe the 22nd of May, and the folks from Okta have not answered that yet. So we have to presume that the request under the complaint is viable because in the third and fourth paragraph they say the evidence they have does not prove this at present, but that by conducting extensive discovery, they believe they will find this fraud. And again, Mr. Comptroller, I am not a securities attorney. But if you look at the elements of the particular fraud claim, under the SEC rules, particularly Rule 10B-5, there is a requirement that the plaintiff prove that the statements that were made that were incorrect were made maliciously and specifically with the intent to defraud. And no one has won that case ever before the SEC. So this is, if the class is certified

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and the case goes forward, it will be the first time anyone has ever won one of these suits.

COMPTROLLER FRANCHOT: Well what, have you called the company and asked them what adequate controls they have? Since this is a single bid contract, basically, so we're ending up paying whatever their request is. And I understand your impatience. You know, we have, used to have enormous fraud in the Comptroller's Office because people, all these crooks, would come in and file fraudulent requests. They would hack into the system. They have all moved over to Secretary Robinson's turf, unfortunately. I apologize for all of our crooks moving over to your sector. But what are, I mean, I hope you are calling them and asking them do they have adequate controls and do they have an answer to this issue. Because it sounds as if you are saying, well, under the statute nobody ever wins. But this certainly sounds concerning to me, if this is the --

MR. LEAHY: I share your concerns. And indeed, (indiscernible) if you'd like to either hear from Deputy Secretary Schine or the State --

COMPTROLLER FRANCHOT: No, I just want you to communicate with the company and come back --

MR. LEAHY: Well --

COMPTROLLER FRANCHOT: -- and assure us that the controls are there --

MR. LEAHY: -- my people have been in touch with the company and with a number of the advisory services that we utilize that follow the company and it has been reported to me that the nature of this particular (indiscernible) and the controls in place will meet future problems. As we all know, the bad guys have to get in once. We have to defend against hundreds of thousands of different kinds of attacks. And so there will be controls that figuratively have to change as the bad guys come up with new ways to attack.

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But based on the information we have been given, we believe this particular software presents the best opportunity to defend against known attacks and the likelihood of particular types of --

COMPTROLLER FRANCHOT: I understand that. It's just that there are hundreds of people that do this particular software, according to your testimony. And I understand the need for urgency but --

MR. LEAHY: There is one company that does it, sir. There are hundreds of people that sell their product.

COMPTROLLER FRANCHOT: Okay.

MR. LEAHY: And again, as we said, we have taken this course because we believe time is of the essence and --

COMPTROLLER FRANCHOT: Got it. I got your answer. Since you are up here, I had one last item, Lieutenant Governor. Item 56?

MR. LEAHY: Yes, sir.

COMPTROLLER FRANCHOT: This is a request from the Department of Information Technology to award a three-year master contract with two one-year renewal options to Catalyte, Inc. in Baltimore and Digital Network Group in Largo, Maryland. The services procured under these contracts are part of the Innovative Workforce Solution Program, which seeks to promote work opportunities for individuals apprenticing to become IT professionals. I think we're all in agreement that apprenticeship programs are a critical pathway to stable careers and good paying jobs, particularly as we continue our economic recovery from this devastating pandemic. This is an extremely laudable idea. I have a couple of questions I'd like to ask. This is under your Agenda, Secretary Leahy?

MR. LEAHY: Yes, sir.

COMPTROLLER FRANCHOT: But the Department of Labor has

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similar innovative programs which have proven to be very successful. Did you consult with Secretary Robinson?

MR. LEAHY: Absolutely.

COMPTROLLER FRANCHOT: And I'm curious what feedback you got?

MR. LEAHY: Well, the original concern raised by the Secretary of Labor was that our particular program, which is specifically geared to bringing people under DoIT contracts to work on State IT issues, may not fulfill the federal apprenticeship requirements. But we explained how this is structured. It was acknowledged that those federal requirements do not apply to this program and that when the current Labor Secretary was a Deputy Chief of Staff in the Governor's Office, she was actively involved in working with us to further this program.

COMPTROLLER FRANCHOT: Okay. So this is a \$15 million contract over five years?

MR. LEAHY: Yes, sir.

COMPTROLLER FRANCHOT: Is the CEO of one of these companies, Catalyte, here, or available?

MR. LEAHY: Yes, I believe both of them are available --

COMPTROLLER FRANCHOT: If I could just ask a quick question of each of them, that would be great. Thank you.

MR. LEAHY: Gentlemen, please introduce yourself to the Board.

MR. HSU: Hello, everybody. My name is Jacob Hsu. I'm the CEO of Catalyte. It's an honor and a privilege to be here.

COMPTROLLER FRANCHOT: It's a pleasure.

MR. SMITH: Good morning. My name is Jim Smith and I'm Managing Director for Digital Network Group.

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COMPTROLLER FRANCHOT: Fabulous. So how many individuals do we expect to bring through this master contract? And how long will that take? What is the process going to be as you envision this program as far as the partnership with the State?

MR. SMITH: Thank you so much for the opportunity to address that. I think that really becomes (indiscernible) the system, as we speak about staffing and acquisitions. You know, we are really trying to support the ultimate objective of helping to diversify the workforce. So from, if you think about this kind of from a talent supply chain perspective, you are helping the upstream suppliers to get people ready. So that (indiscernible) is really a question of what the demand will be (indiscernible) and that hasn't been established.

COMPTROLLER FRANCHOT: Excellent. Mr. Hsu?

MR. HSU: Yes, so well I think what's interesting about this model is that, you know, talent is abundant, right? So our model is very different from a traditional say staffing model. We actually invest in people, right? So once we actually get the open requirements, for example, of the State, we need cybersecurity professionals, or the State needs IT software developers, we will actually go out there and discover that talent. We can start across any zip code in the State. We can pull talent from Baltimore City, from Prince George's County, you know, all across the State. And we actually (indiscernible). We actually make an investment. We actually provide free training. We actually provide education stipends while they go through training. And they are guaranteed a job with us once they graduate. And so to answer the question specifically how many people we can pull through, the number really is up to, as my colleague has mentioned, it really comes down to demand. For this budget, easily we can see pulling through at least 200 people or more with this kind of a model.

COMPTROLLER FRANCHOT: And the salaries they compete for

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are much higher, I take it, than some of the salaries that are normally available through workforce.

MR. HSU: That's exactly right. The typical person who joins the Catalyte program was making \$12 per hour in their last job before coming over. Within five years, the average income that they are making is \$98,000 per year. By the way, people who don't have four year degrees do even better. So people who don't have four year degrees after five years are making \$101,000 a year upon average.

COMPTROLLER FRANCHOT: You know, some months ago I read an article in the *Sun* paper by Dan Rodricks. I'm sure everybody knows him very well. And he described a program like this. And he said to everybody at the end, you know, you should call and find out about this. And I did. And I think it's a very innovative approach. And I'm particularly attracted to it because I've said to my 1,150 employees in the Comptroller's Office over and over again, through the years, the three Rs that you already heard about, but the key thing is there is no such thing as a Democratic tax return or a Republican tax return. There is simply Maryland tax returns. And I attribute the same description to ideas. There is no such thing as a Republican idea or a Democratic idea. There is just, are they good ideas for the State of Maryland. And I just want to, Lieutenant Governor, recognize your administration for partnering with these groups. Because I think it's a, you know, obviously the money, we need to get reports on this and I hope that we can, Secretary Robinson, if you maybe could work with Secretary Leahy and make sure we get every six months a report on how this program is doing. Because it's a shining example of people working together to come up with something that could be a real game changer for the State of Maryland.

MR. SMITH: I have something to add. Our program is actually

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registered with USDOL as well as the Maryland Department of Labor. So we are also at the provider level working to ensure that we are maximizing --

COMPTROLLER FRANCHOT: Yeah, but the concept is, you know, the future of the State's economy is connection between government and technology. That's happening, you know, all over the global economy. So what you are doing could be a real game changer. And you know, I hope that we, I'm not quite sure who would make the report, Secretary Robinson or Secretary Leahy, but I hope the Board is kept informed as to how the program is working. Obviously, it is innovative. By definition it has to be implemented. But I am, you know, I applaud the administration for partnering with your companies and I look forward to hearing the results.

LIEUTENANT GOVERNOR RUTHERFORD: Secretary Leahy's department probably could provide those reports. And just a closing statement that this program is in alignment with what the Governor announced a couple of weeks, months, ago, whatever, with regard to eliminating the four-year requirement for many job classifications. And so this is right in line with that approach. As you know, and as was stated with regard to some of these IT jobs, you don't have to go to a four-year school to do very well being able to take care of yourself and your family. You get certain skill sets, certifications, and you can go on, and a drive to do it. And so I want to thank you all.

COMPTROLLER FRANCHOT: So with that amendment, if I could actually put it in, say that every six months you report back to the Board of Public Works, which is as good as any, you can include the Legislature if you want, on how it's going and how it can be at some point scaled up.

MR. LEAHY: As you said, this is an innovative attempt to best utilize the citizens' talents to fulfill the needs of the State. And we're looking forward to reporting what works, what we find can be improved, and how we can

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scale this up. So --

COMPTROLLER FRANCHOT: Secretary Robinson, could I just have you come forward and, you know, give your two cents here as to getting back to us and letting us know exactly how this partnership is moving forward?

LIEUTENANT GOVERNOR RUTHERFORD: I said that Secretary Leahy is going to be the one to get back to you.

MS. ROBINSON: Yes --

MR. LEAHY: I will be happy to --

COMPTROLLER FRANCHOT: Thank you. Because that's obviously why it's titled the agency of jurisdiction here. And I want to make sure that this is something that is viewed by everybody as an opportunity for the State of Maryland in a good way. And with that condition, I'm happy to move approval --

LIEUTENANT GOVERNOR RUTHERFORD: Well we don't, let's see if the Treasurer has any comments on the Agenda item. Because he hasn't --

TREASURER DAVIS: I'm curious, thank you, Governor, I was curious just about, I was looking at the numbers. And if it was said, forgive me. On Item 56, the initial contract was for \$9 million over three years, or \$3 million a year. And then there were two renewal options. Each renewal was for \$3 million per year. So, you know, that's pretty consistent. But when we go back to Item 71-IT, the initial amount was \$10 million for 12.5 months, but each of the one-year renewals was \$15 million for 12 months. So that's actually over a 50 percent -- slightly -- but over a 50 percent increase for the renewal options. Is there an explanation for that? Why the one-year renewals are 50 percent above the initial? Is it like a credit card, where this is the introductory offer and then you get the real price for it after the initial offer?

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MR. LEAHY: Thank you for the question, Mr. Treasurer. Again, Mike Leahy from the Department of Information Technology. Our goal here was to prove the concept in the first year. And it is our expectation that if this does work as well as we expect it to, as the Comptroller asked, is it scalable. And we believe we will be able to demonstrate that not only is it scalable, but it saves money as we apply the technology.

LIEUTENANT GOVERNOR RUTHERFORD: I think it's 71 is the one that, under the NASPO contract, that actually increases with the options, whereas the other contract is consistent.

MR. LEAHY: -- Governor. And 56 goes from \$9 million for the first three years of the base, and then --

LIEUTENANT GOVERNOR RUTHERFORD: Three million --

TREASURER DAVIS: Item 56 is fine. What I'm trying to say --

COMPTROLLER FRANCHOT: -- Department of Labor involved, too, on all these things --

TREASURER DAVIS: There you go.

LIEUTENANT GOVERNOR RUTHERFORD: But I think the rest of you can sit down because this is -- but thank you very much.

MR. LEAHY: I apologize. Yes, it is 71-IT that incorporates the increase, as you said, in the option years. And it is not our intent to, as you put it, come in as a loss leader and then charge additional. It is rather that we believe that if this program to use this tool is fulfilled, we will be expanding it across the entire executive branch and that will increase the costs in terms of each unit utilizing the licenses.

LIEUTENANT GOVERNOR RUTHERFORD: And Mr. Treasurer, in 12.5 months you'll be here when they come back with the option. And you can remind the other members of the Board about it and, you know,

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instruct them. Because you will have to be taking some new babies through the process. Maybe. Oh, maybe. Maybe not. Maybe there won't be a new baby. But at least one of them.

TREASURER DAVIS: I understand. No, I just, I was just curious about that. So thanks for the clarification.

MR. LEAHY: Thank you, Mr. Treasurer.

LIEUTENANT GOVERNOR RUTHERFORD: Okay. Do we have a motion on General Services?

TREASURER DAVIS: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: Do we have a second?

TREASURER DAVIS: So moved.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Okay. I guess we have another money item to take care of.

SECRETARY GONTRUM: Correct, Governor. It's my understanding that the last bond sale should be concluding shortly. Mr. Treasurer, I (indiscernible). So we can, if the Board wants to adjourn until the results of the bond sales are ready to be presented, that's --

LIEUTENANT GOVERNOR RUTHERFORD: How long do you think that's going to be?

COMPTROLLER FRANCHOT: Mr. Treasurer, how long, what's the situation over in your office?

TREASURER DAVIS: I was preliminarily told that it would be 12:00. But that's fluid.

LIEUTENANT GOVERNOR RUTHERFORD: So should we adjourn until 12:00 and then come back at noon?

TREASURER DAVIS: We can -- yes.

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LIEUTENANT GOVERNOR RUTHERFORD: Okay. All right. So we'll adjourn and return at noon.

(Short recess taken).

LIEUTENANT GOVERNOR RUTHERFORD: Okay. I guess we are officially reconvening the Board of Public Works.

TREASURER DAVIS: Thank you, sir.

MS. ROBINSON: -- three things to tell the group and then please go ahead with the script that we provided for you. Thank you.

TREASURER DAVIS: Okay.

MS. ROBINSON: Good morning, Board, and thank you very much for being here. For the record, my name is Kristen Robinson. I'm the Deputy Director of Debt Management here at the State Treasurer's Office. The State held a really successful sale this morning. We got really lucky with the timing of the sale. We saw a slight dip in the market, even though -- excuse me, a slight dip in the rates -- even though we are in a rising interest rate environment.

We sold \$900 million of tax-exempt bonds in three bidding groups, \$150 million in taxable bonds in a single bidding group, and we earned over \$169 million in premium. So it was a really good sale.

We took bids at 10:00, 10:30, 11:00, and 11:30, and received nine bids for the first tax-exempt bidding group -- which is outstanding, we don't remember ever receiving that many bids -- six bids for the second and third tax-exempt groups, and eight bids for the taxable group. So with that, Treasurer Davis will report on the results and ask for a vote on the awards. Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you.

TREASURER DAVIS: Thanks, Kristen.

I move that the Board adopt the resolutions before us today concerning the State and Local Facilities Loan of 2022, First Series. In particular,

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I move that the Board ratify and approve the preliminary official statement dated June 1, 2022 and the summary notice of sale for the 2022 First Series Bonds published in the *Bond Buyer* on May 26, 2022, and the resolutions adopted by the Board on May 11, 2022 with respect to the bonds. Is there a second?

LIEUTENANT GOVERNOR RUTHERFORD: Second.

COMPTROLLER FRANCHOT: What are the rates? Or is that going to come later?

TREASURER DAVIS: That's going to come later.

COMPTROLLER FRANCHOT: Thank you. I would second and

—

LIEUTENANT GOVERNOR RUTHERFORD: We're all in favor.

TREASURER DAVIS: All in favor signify by aye.

COMPTROLLER FRANCHOT: Aye.

LIEUTENANT GOVERNOR RUTHERFORD: Aye.

TREASURER DAVIS: Opposed, nay. The motion carries.

So the first tranche, as they call it, I move that Morgan Stanley and Co., LLC be declared the successful bidder for Group 1 of the First Series A Tax-Exempt Bonds in the aggregate principal amount of \$335,180,000, subject to resizing as provided in the official notice of sale, with a net premium of \$58,916,177.45 and a true interest cost of 2.324763 percent. And I further move that Group 1 of the First Series A Bonds be issued in the amounts and maturities and at the interest rates and prices set forth in the successful bid for the bonds. Is there a second?

COMPTROLLER FRANCHOT: Second.

TREASURER DAVIS: All in favor signify by aye.

LIEUTENANT GOVERNOR RUTHERFORD: Aye.

TREASURER DAVIS: The motion carried unanimously.

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Next I move that B of A Securities be declared the successful bidder for Group 2 of the First Series A Tax-Exempt Bonds in the aggregate principal amount of \$261,780,000, subject to resizing as provided in the official notice of sale, with a net premium of \$53,331,033.46 and a true interest cost of 2.826456 percent. And I further move that Group 2 of the First Series A Bonds be issued in the amounts and maturities and at the interest rates and prices set forth in the successful bid for the bonds. Is there a second?

COMPTROLLER FRANCHOT: Second.

TREASURER DAVIS: All in favor signify by aye.

LIEUTENANT GOVERNOR RUTHERFORD: Aye.

COMPTROLLER FRANCHOT: Aye.

TREASURER DAVIS: The motion carries unanimously. We're getting there, gentlemen, I promise.

Next, I move that B of A Securities be declared the successful bidders for Group 3 of the First Series A Tax-Exempt Bonds in the aggregate principal amount of \$303,040,000, subject to resizing as provided in the official notice of sale, with a net premium of \$57,461,665.96 and a true interest cost of 3.294990 percent. And I further move that Group 3 of the First Series A Bonds be issued in the amount and maturities and at the interest rates and prices set forth in the successful bids for the bonds. Is there a second?

COMPTROLLER FRANCHOT: Second.

TREASURER DAVIS: All in favor signify by aye.

LIEUTENANT GOVERNOR RUTHERFORD: Aye.

COMPTROLLER FRANCHOT: Aye.

TREASURER DAVIS: The motion carries.

Finally, as it relates to this portion of it, I move that Wells Fargo Bank National Association be declared the successful bidder for the First Series B

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Taxable Bonds in the aggregate principal amount of \$150,000,000 subject to resizing as provided in the official notice of sale with a net discount of \$195,000 and a true interest cost of 3.168817 percent. And I further move that the First Series B Bonds be issued in the resized amounts and in the maturities and at the interest rates set forth in the successful bids for the bonds. Is there a second?

COMPTROLLER FRANCHOT: Second.

TREASURER DAVIS: All in favor signify by aye.

LIEUTENANT GOVERNOR RUTHERFORD: Aye.

TREASURER DAVIS: The motion carries unanimously.

The final thing I need to move, and you all received this, gentlemen, at your offices, I move that the Board authorize and approve the issuance of the final official statement for the bonds. Is there a second?

COMPTROLLER FRANCHOT: Second.

TREASURER DAVIS: All in favor, signify by aye.

LIEUTENANT GOVERNOR RUTHERFORD: Aye.

COMPTROLLER FRANCHOT: Aye.

TREASURER DAVIS: The motion carries unanimously. And thank you all very much getting through that. It's been a while.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you --
(Applause.)

COMPTROLLER FRANCHOT: Congratulations.

TREASURER DAVIS: Thank you, sir. Thank you all. Thanks everyone for a great job.

COMPTROLLER FRANCHOT: That's very impressive. Yeah.

LIEUTENANT GOVERNOR RUTHERFORD: Do we have to vote on that one item on the Secretary's Agenda? Or was it already --

SECRETARY GONTRUM: That vote was sufficient.

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LIEUTENANT GOVERNOR RUTHERFORD: Okay.

COMPTROLLER FRANCHOT: Do you have something for us to sign?

SECRETARY GONTRUM: No.

COMPTROLLER FRANCHOT: Okay.

LIEUTENANT GOVERNOR RUTHERFORD: All right. Very good. Thank you all.

(Whereupon, at 12:07 p.m., the meeting was concluded.)