
BOARD OF PUBLIC WORKS

*GOVERNOR'S RECEPTION ROOM, SECOND FLOOR, STATE HOUSE
ANNAPOLIS, MARYLAND*

December 18, 2024
10:14 a.m.

PRESENT

HONORABLE WES MOORE

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HONORABLE BROOKE E. LIERMAN

Comptroller

HONORABLE DERECK E. DAVIS

Treasurer

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Department of Natural Resources

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Director of Procurement and Real Property Initiatives,
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PROCEEDINGS

GOVERNOR MOORE: Good morning, everybody.

(Chorus of good morning.)

GOVERNOR MOORE: Please take a seat. Please take a seat.

Good morning and welcome to the final Board of Public Works meeting of the year. Before we before we get kicked up and start with the business of the day, I want to just make a few comments about the continued resolution that was passed last night by Congress.

And I want to start with a sense of not just thanks, but also a sense of context of what it meant. On March 26th of this year, Maryland suffered one of the darkest moments in our State's history. Where we saw a ship slam into a bridge and take out the iconic Key Bridge in moments, in a moment when we lost six Marylanders. And in a moment when we saw the Port of Baltimore immediately closed, which represented a significant portion of our State's economy. And also, watching the port that supplies two thirds of this nation's economy with goods.

We knew that the challenges were real and significant. And we also knew that if and when we banded together, that we would be okay. And we laid out four key objectives during that time. The first was that we were going to provide care and comfort and closure to the families of the victims. The second was that we were going to reopen the Port of Baltimore as quickly as possible. And we're proud of the fact that despite people saying it would take 11 months to get the Port of Baltimore reopened, we collectively got it opened in 11 weeks. That we said we were going to make sure that all of those impacted were supported and that included the port workers, that included the small businesses,

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that included the families. And also the fourth mission that we laid out that day was that we are going to rebuild the Francis Scott Key Bridge.

And what happened with the continued resolution last night was this is now the assurance that was needed to make sure that we are going to accomplish all four of the objectives that we laid out that morning. That while that tragedy occurred on our time, the rebuild will be done on our watch. What the continued resolution helps to say is that with this 100 percent cost-share, that we are now going to begin the process of making sure that on time and on budget we are going to rebuild the bridge because you will never have a fully functioning port of Baltimore, if you do not have a Key Bridge that is there to support it.

In addition to what Congress passed yesterday with the continuing resolution, we also saw a continued reassurance that Maryland will continue to maintain a flying mission. Knowing that we now have a flying mission that will be coming to the State of Maryland, which is not just a big deal when it comes to national security, it's going to be a big deal when it comes to preserving Maryland jobs and actually protecting the livelihoods of hundreds of Maryland families. And so we are, again, not just thankful to Congress for working and helping to make this happen, I especially want to give a special shout out to our remarkable congressional delegation: Senator Van Hollen, Senator Cardin, Congressman Harris, Congressman Mfume, Congressman Hoyer, and each and every person as part of the delegation did an absolutely remarkable job.

And I can tell you I personally met with over 150 members of Congress over these past months. We were spending a lot of time on Capitol Hill making our case and making our pitch. And we are incredibly grateful for not just the leadership that we saw from the members of Maryland's congressional delegation to include actually penning the legislation to help to put this on board in the first place, but then also making sure that all members of Congress, frankly,

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from both sides of the aisle, Democrats and Republicans, who came and supported and who understood that to have a fully functioning Port of Baltimore and to have the Key Bridge up going again was not just a Maryland priority, this was a national priority. And so we're grateful for the progress of events we've seen, and more is yet to come.

So with that, I want to go ahead and start with the -- and I apologize. And before, I want to turn it over to the Treasurer also for some (indiscernible) remarks. Mr. Treasurer?

TREASURER DAVIS: Thank you very much. And before I recognize or remember my former colleague, Delegate Jimmy Malone, I too want to extend -- I want to echo your words and extend my congratulations, my heartfelt congratulations and thanks, to Senator Cardin and Senator Van Hollen not only for the issues that you outlined that are so very important to Maryland, but also the assurances they sought to get for Prince George's County in the event that the stadium or the team relocates into the District of Columbia.

What we, as a Prince Georgian, don't want is a situation that's currently in the District and also at the former Landover Mall site, where you have this commercial property just sitting there, a blight and so forth. So I am deeply appreciative of them. I tell you, for me, I grew up rooting for that team and -- but they have been a disaster, and from public relations. And it's not just the prior group, it's the current group.

See, we're all getting caught and lost in the Jayden Daniels and how well they're performing, but they pitted two regions against each other. Two regions that have been traditionally strong allies. The District's strongest ally in trying to get statehood has been Maryland. Senator Van Hollen has been one of those leaders, and we pitted -- we even became colloquially known as the DMV. We only tossed Virginia in there because it works.

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(Laughter.)

TREASURER DAVIS: We'd rather just be the D&M, but --

(Laughter.)

TREASURER DAVIS: But that's the kind of relationship that we have. And to sort of pit folks against each other -- I mean, I know many Prince George's legislators, we're friends with -- friendly with D.C. council members and so forth, and that just didn't sit well with me. So I'm glad that we've been able to reach some sort of amicable path forward.

Jimmy Malone. Jimmy and I came in together in 1994. Huge class, it was like 64, 65 of us. And some stood out immediately, and Jimmy was one of those guys. Very, very -- I've never met anybody that everybody liked. It was the most amazing thing. And then you've got that right off the bat. He was always funny, a good word, kind word. He never felt the need to prove how smart he was. He never had to showboat, friendly with anybody. I feel sorry for those of you, actually, who never had the opportunity to meet him.

I was fortunate. The Comptroller was fortunate. Governor, we were all fortunate. But for those of you who didn't, you really missed a good public servant. You missed out on meeting a good public servant. A guy that his -- as they say, his yeses were always yeses; noes were noes. You didn't have to worry about being lied to, played. You know, all of those kinds of things. He was just straightforward. He helped you when he could as a fellow legislator. And when he couldn't, he would just tell you, "I can't, buddy." That was his thing, "Buddy, I can't be with you this time." And somehow, he was the only person who could tell me no and I was okay with it.

(Laughter.)

TREASURER DAVIS: Yeah, anytime Jimmy -- and I was like, "Wait a second?"

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(Laughter.)

TREASURER DAVIS: You know? So I know why Chairwoman McIntosh, Maggie McIntosh, adored him. He must have been great on committee with the levity and so forth. But when it was time to be serious, he was serious. He would get up on the floor. He knew his lane and it was a lot of things. But when it came to like public safety and highway safety, Jimmy turned off the affable side, the funny side, and became just as -- you know, really serious guy that everybody would get quiet on the floor because they knew, "Hey, Jimmy's not joking or whatever. This must be serious." He was that guy. So to his family, friends and former colleagues, my condolences and just know that he will be very well missed. So thank you, Governor.

GOVERNOR MOORE: That was beautiful.

COMPTROLLER LIERMAN: Here, here.

GOVERNOR MOORE: And so well said.

TREASURER DAVIS: Thank you.

GOVERNOR MOORE: May he rest in peace and his family knows that he's with us always. God bless.

COMPTROLLER LIERMAN: Can I (indiscernible)?

GOVERNOR MOORE: Please.

COMPTROLLER LIERMAN: Thank you, Mr. Governor and Mr. Treasurer. I also just -- this is the last BPW meeting that we will have before we have some retirements of some incredible public servants. As the Governor and the Treasurer noted, Senator Cardin as well as Congressmen Sarbanes, Trone, and Ruppertsberger have been such incredible leaders for Team Maryland. This continuing resolution is a feather in the cap. And they have just been stalwart champions at many levels in local government.

I stared at Senator Cardin's portrait from when he was speaker for

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many years when I was a delegate. And they will be missed. We have new exciting leadership to follow them, but I just didn't want the moment to pass without saying how deeply grateful I am for their service -- I think we all are for their service and acknowledge their incredible leadership, as they look forward to some well-deserved retirements.

GOVERNOR MOORE: Amen, amen.

All right. Secretary Gontrum, good morning.

MR. GONTRUM: Good morning, Governor, and good morning to you, Madam Comptroller and Mr. Treasurer. There are 17 items on the Secretary's Agenda this morning and one report of emergency procurement. I'm happy to assist with answering any questions.

GOVERNOR MOORE: Thank you so much, Mr. Secretary. I would love to call up Item 10, which is a request from the Department of Housing and Community Development. And that's to approve \$31.7 million, and that's to support 141 economic community development projects all across the state of Maryland. These projects, each of which are funded through the Baltimore Regional Neighborhood Initiative, the Business Facade Improvement Program, the National Capital Strategic Economic Development Fund, and Seed Community Development Anchor Institution Fund.

These are targeted investments which are really zeroed in on supporting projects and programs that are making meaningful differences in all the communities that are served.

These investments are taking place through BRNI and totaling nearly \$12 million. That's to include \$600,000 to the Central Baltimore Partnership to provide grants to homebuyers, forgivable loans to low- and moderate-income buyers, and to promote home ownership in Central Baltimore, as well as rehabilitation of homes for older and longtime -- for renovation of

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homes for older and longtime owners so they may be able to age in place and also still maintain the value of the homes that they are currently living in. And investments like \$200,000 to support commercial facade improvements along Virginia Avenue in Cumberland which, by the way, I was just there recently with my friend Mayor Morriss touring that. And we're excited to see what that's going to continue to produce over in Western Maryland.

And we're investing a total of \$5 million for similar main street improvements into 19 counties through the Business Facade Improvement Program.

We are also proud to invest \$4.2 million to the National Capital Strategic Economic Development Fund to support targeted revitalization efforts in Montgomery and Prince George's counties. With projects like the Streetscape along Russell Avenue in Gaithersburg, receiving \$250,000 in support for the Park Place at Addison Road Metro Project in Capital Heights, with \$250,000 to support affordable rental units and also mail space.

Lastly, we're investing \$10.5 million through the Seed Community Development Anchor Institution Fund to support anchor institutions across our State, engage in meaningful economic development projects, such as \$750,000 of investments to support the University of Maryland Eastern Shore and their education-based business incubator program.

We are incredibly excited about these initiatives and not just what they will mean to communities and, frankly, so many communities who had not always been on a top priority list, but also, what it's going to mean for the long-term growth and success for the State. And I want to thank Secretary Day and his remarkable, remarkable continued leadership and a remarkable team at DHCD for their collaboration with all of these projects. And Secretary Day, as ever, it is wonderful to have you here. Congratulations, sir, and thank you so much for

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everything you do.

MR. DAY: Well, good morning, Governor. Thank you so much. And I apologize in advance. I'm so glad you covered all that because as you can tell, I don't know if it was the cheering last night when the CR was announced or if it was the cold temperatures in Mountain Maryland, I took my girls camping at Rocky State Park. That five-mile hike that we --

GOVERNOR MOORE: There we go. There we go.

MR. DAY: Something has caught up with me. So Governor, Madam Comptroller, Mr. Treasurer, good morning. For the record, my name is Jake Day, Secretary of Housing and Community Development. I come with you -- I come before you this morning with DCHD's Fiscal Year 25 State Revitalization Program awards totaling 141 projects worth \$31,685,000 for your approval. These programs, our team colloquially refers to the programs that the governor referenced to as BRNI, NED, Seed, and MFIP or the Maryland Facade Improvement Program. They exclude three other State revitalization programs, which is the Strategic Demolition Fund, Community Legacy, and the newest BVRI. Which, Madam Comptroller, we are calling Beverly.

COMPTROLLER LIERMAN: Nice. Finally a woman, right?

We got BRNI, NED, and now we have Beverly.

(Laughter.)

MR. DAY: So, yes, ma'am. So in total, it represents \$129 million. Today, we're discussing \$31 million. That addresses all of the various uses that you referenced, Governor. To put this in perspective, back in 2014, these programs totaled \$15 million. That's an 800 percent increase over 10 years, because the numbers don't lie about the impact. These programs leverage 11 non-State dollars for every State program dollar invested and \$18 in economic impact for every State program dollar invested.

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In my opinion, these are some of the best dollars -- the best investments for our buck. And I say that both as the leader of this Agency, but also as a former recipient. As a mayor, State revitalization program dollars had huge impact. They were game changers. So I just want to add a couple of projects that I thought were worth calling out.

Rehab and development of affordable housing in Brooklyn and Brooklyn Park, as well as renovation of the Druid Hill YMCA. Facade renovations, I was going to mention Virginia Avenue in Cumberland, but also everywhere from Mount Rainier to Smith Island facade program dollars are being invested. These programs will fund construction of mixed-use transit-oriented development and affordable housing in Montgomery County at Hillandale Gateway, and development of incubators and innovation hubs at both Washington College and the University of Maryland Eastern Shore.

They represent construction activity, jobs, investment, and continued economic growth. So happy to answer any questions that you have. Thank you so much for your time this morning.

GOVERNOR MOORE: Thank you. And thanks for your leadership.

MR. DAY: Thank you, sir.

GOVERNOR MOORE: Any questions?

COMPTROLLER LIERMAN: Any more comments? I don't have any questions. I just wanted to make a quick comment. I think we have some of our legislative leaders here today. Thanks for joining us. And I think these programs are a great demonstration of the partnership between the General Assembly, the executive agencies, the BPW, and then our private partners, our nonprofit partners. And then, the private financing that follows often this public financing that we put in so the ROI is so great.

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So I love always seeing these programs. It was wonderful to be there when we helped create them. And so thank you so much for your leadership and your work. And thank you to the General Assembly for continuing to fund such important programs.

MR. DAY: Amen to that. Thank you, Madam Comptroller.

GOVERNOR MOORE: Thanks so much, Mr. Secretary.

Is there any further discussion on the Secretary's Agenda?

COMPTROLLER LIERMAN: No.

TREASURER DAVIS: I do.

GOVERNOR MOORE: Okay.

TREASURER DAVIS: Item 17.

MR. GONTRUM: 17 is a settlement request from the Department of Public Safety and Correctional Services in the matter of Matter of Dimitry Pronin, also known as Leyleen Lilith Aquino v. Orlando Johnson, et al.

TREASURER DAVIS: Generally, these correction -- when we have these settlements, they come out of departmental funds. This one is coming out the general fund and I guess I want to know why. Have we -- the department run out of funds?

MR. SEDTAL: It's departmental funds.

TREASURER DAVIS: I thought it said on my sheet it was from the general fund?

UNIDENTIFIED SPEAKER: It is.

MR. SEDTAL: Departmental funds within the general fund.

UNIDENTIFIED SPEAKER: (Indiscernible).

TREASURER DAVIS: Okay.

MR. SEDTAL: Thank you.

TREASURER DAVIS: And I'm not sure how much we can get

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into – the gist of it was I think I read that the claims were unsubstantiated through -- I guess I-some -- IFF, IBID? I guess what's prompting, if the claims were being found unsubstantiated after an investigation?

MR. SEDTAL: For the record, my name is Joe Sedtal. I'm the Deputy Secretary of Administration for the Maryland Department of Public Safety and Correctional Services.

To answer your question, Mr. Treasurer, like any settlement, there's ultimately a risk analysis associated with the possibility of going to trial and especially in something like this going before a jury. And whether the arguments that we can make are something that we believe we can either convince a jury to be on our favor or potentially risk some sort of a judgment. So the risk analysis was done, and we appreciate our partners in the Attorney General's Office. And ultimately felt that the best use of taxpayer funds is to settle this case as presented to you now.

TREASURER DAVIS: Everyone knows where I stand on these kinds of things, so I won't belabor it. It just sort of makes me wonder. What was the original request from -- before we settled? What was the original -- do you know what the original request was?

MR. SEDTAL: I believe in the high six figures.

TREASURER DAVIS: Right and --

MR. SEDTAL: In respect to this, and I know we've talked about this before, is anytime you're talking about going into substantial litigation, there's attorney's fees that get locked into something as well.

TREASURER DAVIS: Now, I mean that's just always the part that baffles me. That we have these initial high six figure proposals, and then they settle for like \$75,000. If they really thought that they had a strong case, why would you settle for \$75,000?

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MR. SEDTAL: Because --

TREASURER DAVIS: I guess they must have the same view that we do. That we don't know how the jury is going to come out. So if both sides thinking that, maybe we should give the jury some benefit of the doubt for being intelligent and making a correct decision. If we've done something wrong, then we should make it right accordingly. But if we have not done anything wrong, we shouldn't just write checks just to make it go away and that's sort of what it feels like, "Let's just make this go away. It's just \$75,000."

And I think both sides are complicit in that because you don't have a high six figure request and then drop all the way down to \$75,000, if you think you have a credible case. I could be wrong, but that just sort of sounds like common sense to me. And we keep doing this every two weeks or every so often. And this just -- I can't emphasize enough. This is not our money. It's not your money. It's not my money. It's the people's money. And when you look at what we're facing for the upcoming budget year and the amount of cuts that are going to have to be made and programs that are going to go unfunded, unfulfilled, grants, whatever, we can't -- we're being dangerously close to being frivolous with the people's money at this point.

And that's just sort of where I'm at. And I'll just leave it there, you don't need to respond. I know we've discussed this ad nauseam, but it doesn't make it any more easy for me to -- all right, I've made my point. Let's move on. I know it's \$75,000, can do. It may not sound like a lot in the course of the overall budget, but these numbers add up. And when you look at it year after year after year and when we've got to figure out -- like I said, when we have to figure out how we're going to make the budget work, it's a little tough to stomach that we're giving away our money like that. So I'm done, but thank you. I appreciate it.

MR. SEDTAL: Thank you.

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GOVERNOR MOORE: And you're voting in the negative on this one?

TREASURER DAVIS: No, I'll vote for it.

GOVERNOR MOORE: So on the full Secretary's Agenda, may I have a motion to approve?

COMPTROLLER LIERMAN: Motion to approve the Secretary's Agenda.

GOVERNOR MOORE: And is there a second?

TREASURER DAVIS: Second.

GOVERNOR MOORE: Outstanding, thanks so much, Mr. Secretary.

We'll proceed with DNR. Ms. Wilson, good morning.

MS. WILSON: Good morning, Governor, Mr. Treasurer, Madam Comptroller. Emily Wilson with the Maryland Department of Natural Resources. We have seven items on our agenda, for which we're seeking your approval today. Happy to try to answer any questions.

GOVERNOR MOORE: Thank you. Is there any discussion on the DNR Agenda?

COMPTROLLER LIERMAN: No.

GOVERNOR MOORE: May I have a motion to approve the DNR Agenda?

COMPTROLLER LIERMAN: Motion to approve the DNR Agenda.

GOVERNOR MOORE: And is there a second?

TREASURER DAVIS: Second.

GOVERNOR MOORE: Outstanding, thank you so much.

MS. WILSON: Thank you.

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GOVERNOR MOORE: Thank you. Next up, University System of Maryland. Mr. Hickey, who is on screen. Looking good, sir. Good morning.

MR. HICKEY: Good morning, Governor, Mr. Treasurer, and Madam Comptroller. Tom Hickey representing University System of Maryland. We have five items on the agenda today. We are withdrawing Item 3-C-BP. And I'm happy to answer any questions. And thank you for accommodating me. I have the flu, so and my backup is also sick, so.

GOVERNOR MOORE: Listen feel better. And if you have the flu, thank you for accommodating us and not coming in.

COMPTROLLER LIERMAN: Yeah.

TREASURER DAVIS: Yes.

GOVERNOR MOORE: Appreciate it. Feel better.

Is there any discussion --

COMPTROLLER LIERMAN: No.

GOVERNOR MOORE: -- on the agenda? May I have a motion to approve the USM Agenda?

COMPTROLLER LIERMAN: A motion to approve the USM Agenda.

GOVERNOR MOORE: Is there a second?

TREASURER DAVIS: Second.

GOVERNOR MOORE: Outstanding. Thanks so much. Feel better, Mr. Hickey.

MR. HICKEY: Thank you very much.

GOVERNOR MOORE: We'll proceed with the MDOT Agenda. Ms. Radomsky, good morning.

MS. RADOMSKY: Good morning, Governor, Madam Comptroller, and Mr. Treasurer. For the record, my name is Valerie Radomsky,

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Chief Procurement Officer for the Maryland Department of Transportation. Today, we are presenting 22 agenda items for your consideration and withdrawing Items 2-GM and 12-GM. We are seeking approval of one award to a certified small business enterprise valued at approximately \$3.4 million. We have representatives available to answer any questions you may have.

GOVERNOR MOORE: Great. Thank you so much.

Madam Comptroller, I know you have a few comments.

COMPTROLLER LIERMAN: Thanks, sure.

I'd like to just -- I have a few comments on 16, and then a couple questions for Administrator Arnold on 18. So happy to start with 16 and then move over, if that works. So you don't need to come up. You don't need to come up. I mean you can come up yet, but you don't have to.

(Laughter.)

COMPTROLLER LIERMAN: So I did want to talk about Item 16. Unfortunately, I feel the need to vote against this item. This is an additional \$100 million for a contract related to the Purple Line today. And for those of you who've been to these meetings before, you know I have a few points to make to explain my vote.

I am a strong supporter of the Purple Line and transit in general, as all of you know. This is a small contract in the grand scheme of things, but I am gravely concerned about MDOT's present ability to accurately forecast its funding needs and future expenses, and the resulting impact on transit services throughout the State.

Earlier this year at the March 13th meeting when we approved additional funding for the Purple Line in a major contract revision, speaking on behalf of MDOT Secretary Wiedefeld, our MTA Administrator made assurances that the forthcoming Consolidated Transportation Program, the CTP, would not

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cut the remainder of MTA's capital budget in the next CTP. I was assured that the MTA funding in the CTP, as it was then, could and would remain in place. But we all know that just six short months later, the new CTP was released with cuts of over \$670 million through project deferrals to all MTA services except the Purple Line.

To be clear, this means cuts to Rail that serve the entire State of Maryland to MARC, to Light Rail, the subway. So people throughout the State are affected by these project deferrals. Second, the agenda item in front of us today has both a retroactive and a future contract, both executed as sole source awards. Again, in other words, MDOT should have known at the time we approved those additional dollars for the Purple Line in March that this contract would need to be extended. No rationale has been offered to me or my team for the failure to bring this up in our prior Purple Line budget conversations.

So despite my ongoing support for all things transit and understanding that this contract will move forward for the Purple Line, until MDOT can demonstrate its ability to budget in a way that maintains all of its current assets, I am really struggling on these additional payments.

Finally, I'm very concerned about approving this money and potentially risking bringing -- putting at risk other federal money. The current CPT would require us to forfeit over \$200 million to the Federal Transit Administration for a grant that they provided to overhaul the Light Rail cars in Baltimore.

I trust that this Administration will not allow that to happen, but the path forward has yet to be explained to me. Baltimore's Light Rail service is well overdue for significant system wide upgrades. To quote my former colleague, Delegate Korman, the Light Rail system is, quote, "Being held together by MacGyver with duct tape and chewing gum." I want to commend the

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hardworking team at MTA, who keep the systems going, despite the uncertain funding model.

Look, many of us look at transit and the Light Rail as just an option, but thousands of Marylanders rely on MARC, on the subway, on the Light Rail service, not to mention the bus, to move around the State and to get to work. For example, during this holiday season, we should know when we go to BWI Airport that we may get there many different ways, but hundreds and hundreds of workers who work at BWI rely on the Light Rail spur to get there. If that were to go down ever, it would be catastrophic for BWI. Slowing down or shutting down air travel through BWI because we didn't properly maintain our State's Light Rail system would be terrible.

So investing across all of our transit assets is important for the State's entire economy. I look forward to being able to again support the Purple Line in the future, as MDOT improves its financial forecasting and ensures that our current assets are maintained while we build a robust transit future.

Thank you, Mr. Governor.

GOVERNOR MOORE: Thank you so much, Madam Comptroller. And I have to say I echo much of your statements. I mean, I know when we first came on board the brokenness of not just the framework, but frankly of the business model --

COMPTROLLER LIERMAN: Terrible.

GOVERNOR MOORE: -- is something that we have discussed at long length.

COMPTROLLER LIERMAN: Yep.

GOVERNOR MOORE: How we continue to have a (indiscernible) and having a way of funding transportation based on something that repeatedly declines in revenue --

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COMPTROLLER LIERMAN: Yeah.

GOVERNOR MOORE: -- i.e. a gas tax, makes absolutely no sense.

COMPTROLLER LIERMAN: No.

GOVERNOR MOORE: The business model is broken, and it needs to be fixed. I also know, you know, your frustration about the Purple Line is also shared. I have said the Purple Line has been a boondoggle, nothing more. You cannot talk about something that is now going on over a decade longer than expected, over a billion dollars overrun. And know that that was something that we inherited, but know that it is something that we have said that in our time we're going to fix.

COMPTROLLER LIERMAN: Yep.

GOVERNOR MOORE: And we have to get it done. And in fact, Administrator Arnold, I know -- since you're here and since you're sitting, maybe you can come up and give some comments about some of the things that have happened since to really right the ship of the Purple Line to ensure that while we understand this boondoggle that we inherited, that we are committed to being able to get it done. Maybe talk a little bit about some of the things that have happened since.

ADMINISTRATOR ARNOLD: Yes, good morning. Thank you, Governor, Madam Comptroller, and Mr. Treasurer. So for the record, my name is Holly Arnold. I'm the Administrator of the Maryland Transit Administration. And I will agree. I'll be the first to admit that the Purple Line project has had its challenges, and that may be understating it.

I'm very proud, though, of where we are today. You know, I think Secretary Wiedefeld and Governor Moore have come in and said, fix this. And the team that we've put together, the new design build contractor that we have on

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board, are fully committed to doing that. You know, we meet every two weeks with Secretary Wiedefeld. He is incredibly involved in the project, incredibly involved in where we are. And thankful, through that pushing, we've been able to work with the contractor to accelerate construction at University of Maryland. And we completed a year ahead of when we thought we would for the substantial construction there. We came into 2024 and we said this is going to be our year of momentum for the project, and I think we've done that. We've delivered on that momentum.

Overall, we're more than 73 percent complete. We were 63 percent coming into the year. We now have seven Light Rail vehicles on site at the operations and maintenance facility, which is open and has the catenary powered up. We're going to be testing those, so people will see them running in early 2025. We have construction underway on all of the stations. We've laid over 55,000 feet of rail.

And again, we still have challenges ahead. This project is not over the finish line yet. Where we are today, we have the right team in place. We have the support from Secretary Wiedefeld. We hired a new executive director for transit development and delivery, who brings a wealth of experience to the project, to help us put in place the things that will prevent things like this going forward.

I do want to note -- so in kind of your questions about how we ended up here with this particular contract. So in late 2020, when the prior design builder was leaving, we had over 150 emergency contracts that MTA was taking on with over 200 vendors. One of the contracts was a new contract for an owner-controlled insurance program, or OSIP, because the contractor-controlled insurance program was going away with the prior design builder.

We took to the Board in early 2021 a five year contract and were

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approved for a five-year contract. Unfortunately, in the flurry of activity of doing over 150 contracts, the procurement officer basically just made an administrative error. She made a mistake. We've been operating in good faith with the contractor. We've been paying our premiums. They've been paying out on claims.

COMPTROLLER LIERMAN: Yep.

ADMINISTRATOR ARNOLD: When we went to do a proactive extension, and I know that it is a sole source, and I know that it's always a sore subject. We did a really -- so we're about a year ahead of where we need to be on going out for an extension. We did a comprehensive look at what the insurance market is doing today. I know you're familiar with the increased cost.

COMPTROLLER LIERMAN: Yeah.

ADMINISTRATOR ARNOLD: We believe that the cost to the State is much lower with moving forward with our existing vendor, rather than going out. It also means we could do a three-year extension versus having to go out for five years, which is the typical OSIP contract. So we're trying to act in the best interest of the State.

COMPTROLLER LIERMAN: Yep.

ADMINISTRATOR ARNOLD: So I just wanted to kind of explain how we got here.

COMPTROLLER LIERMAN: No, I appreciate that and definitely appreciate the Governor's comments. I think, in fact, I didn't -- I think that your new executive director is doing a great job, and I'm happy to see things moving forward as quickly as they are. This has less to do with the oversight of the Purple Line, and more to do with the entire transportation budget at large, and our conversation in March, and the conversations that we've had around ensuring that the entire -- the State's entire transit system is being taken care of. And when the

CTP is able to demonstrate that, I look forward to being able to continue to support the Purple Line and commend you for the work that you're doing.

ADMINISTRATOR ARNOLD: Absolutely, thank you.

COMPTROLLER LIERMAN: In the words of Jimmy Malone, "I'm just sorry, buddy. I can't be with you this time."

ADMINISTRATOR ARNOLD: Thank you.

COMPTROLLER LIERMAN: Thanks. While you're up there --

ADMINISTRATOR ARNOLD: Yes?

COMPTROLLER LIERMAN: -- let's talk about P3s. So Item 18-GM is a request for Board approval of a MTA pursuit of a P3 solicitation for the MTA-owned freight rail lines on the Eastern Shore. This is a fascinating project. It was a really interesting solicitation and justification, when I was reading it the other day. So I am not anti-P3, although some people think that. Our port P3 has been a phenomenal success. But I do think it's important that the State approach these types of projects with a healthy skepticism and diligently research all the potential outcomes, and develop agreements that place more of the risk on the partners and not on taxpayers and Marylanders.

So since you're here, I wondered if you could just provide some background information on how the Eastern Shore rail lines -- they are current -- we are currently working with private partners there who operate them, but we are changing the model through this new structure. And I wondered if you could talk about the impetus for the change and why you wanted to move forward this way.

ADMINISTRATOR ARNOLD: Yeah, absolutely. And we also have Jonathan Thomas online, just in case there's any additional --

COMPTROLLER LIERMAN: Okay.

ADMINISTRATOR ARNOLD: -- additional questions. But so I also share your skepticism with P3s. I have, you know, lived the Purple Line day

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in and day out. That said, so MTA does own freight lines on the Eastern Shore. MTA's mission is to move people.

COMPTROLLER LIERMAN: Right.

ADMINISTRATOR ARNOLD: So our goal we wake up every day is focusing on moving people, and the freight lines are not moving people. They're an important asset to the State, like incredibly important. Businesses that they support, the agriculture to the Eastern Shore, their economic driver. But unfortunately, because they live with MTA -- and MTA was responsible for the capital maintenance of those -- every time we have to make a decision, do I fund Light Rail or do I fund freight --

COMPTROLLER LIERMAN: Right.

ADMINISTRATOR ARNOLD: -- freight loses. And so what that means is that the freight lines have really deteriorated into not a state of good repair. I mean, there's a lot of issues that have come up. And anytime something happens, MTA has to respond. We send someone out there. The team is focused on it. We do have a contract that's also being asked for extension here for an operating entity, but the operating entity doesn't control the projects that we're working on.

COMPTROLLER LIERMAN: Right.

ADMINISTRATOR ARNOLD: So it's really a fundamental mismatch there. So the P3 will allow us to bring on a new vendor who is responsible for the capital maintenance and is responsible for the operations. They can better plan. They can better coordinate. They're also incentivized by revenue. Like MTA is not getting the revenue from any of this.

COMPTROLLER LIERMAN: Right.

ADMINISTRATOR ARNOLD: And so that incentive really will help them to invest in this system that MTA is not.

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COMPTROLLER LIERMAN: And make it better, so it can be more efficient for them.

ADMINISTRATOR ARNOLD: Yeah.

COMPTROLLER LIERMAN: No, I think it makes sense. It is similar to the Port. Yeah, great. Thank you. I think this is a good example of how to use a P3 effectively and its value to the State. So thanks.

ADMINISTRATOR ARNOLD: Thank you.

GOVERNOR MOORE: Thank you. Any further discussion on any other item in the MDOT Agenda?

COMPTROLLER LIERMAN: No.

MR. GONTRUM: Okay. Let's separate Item 16 out for a separate vote.

GOVERNOR MOORE: Perfect, perfect. So on Item 16, is there a motion to approve the agenda?

TREASURER DAVIS: So I get to go first?

GOVERNOR MOORE: Yes, you do.

(Laughter.)

TREASURER DAVIS: So moved, Governor.

(Laughter.)

COMPTROLLER LIERMAN: Do you want me to vote no more?

TREASURER DAVIS: I never get to go first.

(Laughter.)

TREASURER DAVIS: It feels good.

COMPTROLLER LIERMAN: And I will --

GOVERNOR MOORE: Well, I will second. That feels good too.

(Laughter.)

GOVERNOR MOORE: I will second. So the vote is 2:1 with the

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Comptroller voting in the negative.

COMPTROLLER LIERMAN: And I move to approve the rest of the MDOT Agenda.

GOVERNOR MOORE: Perfect.

TREASURER DAVIS: That's what I'm talking about.

(Laughter.)

GOVERNOR MOORE: Is there a second?

TREASURER DAVIS: Second.

GOVERNOR MOORE: There we go. Thank you so much.

We will conclude with the DGS Agenda. Secretary Chaudhry, good morning.

MR. CHAUDHRY: Good morning, sir. Mr. Governor, Madam Comptroller, Mr. Treasurer, for the record, I am the Atif Chaudhry, Secretary of the Maryland Department of General Services. Today, the Department is presenting 43 items in our agenda, including two reports of expedited procurements. We are withdrawing two items today. The first item is Item 25-IT Task Order 5.1, as well as Agenda Item 41-IT.

Our agenda does feature three capital grants and loans totaling over \$1.7 million. I did want to highlight one in particular. That is Item 3-CGL, which provides \$681,000 for roof repairs to six buildings at the Catonsville, Dundalk, and Essex campuses for the Community College of Baltimore County. As we continue to keep an eye on our minority business participation and contracting, our agenda does include 10 contract awards and modifications to certified minority businesses totaling more than \$4.9 million. And we have agency representatives here to answer any questions you may have.

GOVERNOR MOORE: Outstanding, thank you, Mr. Secretary. And it's my understanding that we have two speaker requests today on Item 23-

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IT-OPT. And then we've asked that the comments be limited to no more than three minutes. And Mr. Secretary, if you could just hold that time as timekeeper, please.

First, I'd like to recognize Mr. Michael Miller representing Fidelity Information Services to offer remarks on this item. Good morning.

MR. MILLER: Mr. Governor, Madam Comptroller, Mr. Treasurer. My name is Mike Miller. I'm here on behalf of Fidelity Information Services, FIS for short. And I'm actually here in favor of this six-month extension to Conduent. It may seem a little strange, but the last thing FIS wants to do here is cause any sort of interruption to the services that are being provided to the EBT beneficiaries in the state of Maryland. That's why we've been telling DHS for many, many months now we want to move forward with the transition to our new system that's going to provide you with the anti-fraud measures that you signed into law and required, but haven't been provided under Conduent's incumbent contract. We want to get that process started as soon as possible. The MSBCA issued a strong opinion, well-reasoned opinion, on August 30th. Well, you know what's DGS been doing since August 30th, when the MSBCA told them that the award they induced you to approve in July was unlawful for the same reasons I brought before this Board then.

What have they done? Well, they've continued their frivolous lawsuit. They've gone to the circuit court to appeal that opinion. That opinion is not going to come out -- the circuit court's not going to rule for another number of months. So they're probably going to come back here and ask for further extensions when they have a lawful award in front of them that they could choose, FIS.

The MSBCA told, in their opinion, they told this Board and told DGS that our price may have actually been better under an apples-to-apples

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comparison with Conduent, despite what looked like a 36 percent price difference. But that's not the case because they submitted a conditional proposal. It would also be lower than the prices you're paying under this incumbent contract by about 26 percent per beneficiary. And finally, DGS explicitly found that we were susceptible for award and we were technically equal. That's the term that the procurement officer himself used.

So I don't understand why DHS is continuing to fight this when they have a lawful option in front of them. The real losers here are going to be the taxpayers and the beneficiaries because you're still going to have fraud issues that's going to cost millions of dollars to the State. You're going to pay higher prices to Conduent during this incumbent contract. And really it just doesn't make any sense. I think we could get started with the implementation of things, including chip cards.

By the way, we're putting the first chip card system in place in the State of -- in the State of California, in the nation. It's dual interface cash and food on the same card just like Maryland needs. We're the first ones to do it. That's going to be quarter one of next year. They told you that was going to happen under this unlawful contract. That's not true, and the procurement officer said so.

So where does this wind up? What's the end game here for DHS? Well, I think what they're going to do is come back to you with two unlawful options. Either one, they're going to ask you to ratify this unlawful void contract to Conduent, right? And that's going to send a terrible message to vendors that are looking to do business with the State of Maryland. Basically, don't bother, you know? If we've got somebody in mind that we want to keep on the job, don't bother competing. Don't submit your thousand-page proposal. Or they're going to come back to you with another two-year no-bid extension to Conduent under

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the incumbent contract and reward them for the malfeasance that went on in this procurement.

MR. GONTRUM: Three minutes, Mr. Miller.

MR. MILLER: Okay. I'll just end with this. I don't think you should allow them to railroad this process anymore and you should instruct them to take the lawful cost-effective option that will get rid of these fraud issues. And also --

MR. GONTRUM: Thank you.

MR. MILLER: -- (indiscernible) personal privilege, I want to thank you for your appointment of Senator Carter to the MSBCA. I think, Governor, that's a great pick and I'm really looking forward to practicing in front of her.

GOVERNOR MOORE: Thank you.

MR. MILLER: Thank you.

GOVERNOR MOORE: Thank you.

TREASURER DAVIS: I'm sorry. What's your name again, sir?

MR. MILLER: I'm sorry, Mike Miller.

TREASURER DAVIS: That's what I thought you said.

(Laughter.)

MR. MILLER: Mr. Treasurer, he and I had an agreement many years ago when I first came to Annapolis. He said, "Mike, tell everyone you're the lowercase Mike Miller, and I'm the uppercase Miller." That's well established.

TREASURER DAVIS: (Indiscernible.)

(Laughter.)

MR. MILLER: Right, sir. You got it right. Thank you. And I'm here to ask any -- answer any questions you may have.

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GOVERNOR MOORE: Great to see you, Mr. Mike Miller.

MR. MILLER: Thank you.

GOVERNOR MOORE: Thank you. We'll proceed to Mr. Paul Webber, representing Conduent.

Mr. Webber, good morning.

MR. WEBBER: Governor, good morning. Thank you very much. Mr. Treasurer, Madam Comptroller, thank you for hearing from me this morning. I am Paul Webber. I am in-house legal counsel for Conduent State & Local Solutions, Inc. And let me just start by saying, particularly given Mr. Miller's remarks, that in our three-minute time limit, we don't intend to try to litigate the circuit court case before the BPW this morning. We think that the circuit court is aptly able to address the limited issues that are at play in this procurement protest. And the matter is squarely before the circuit court and we fully expect that the circuit court will address those issues properly.

But do let me say, if I could, for purposes of providing some perspective, Conduent is an industry-leading provider of IT services to State and local government agencies. We've got a 50-year track record of successful performance for our customers and we are very, very familiar with the State procurement process. We have been involved in our share of procurements, to say the least.

I say all that to say that in Conduent's view, this full and complex and large-scale procurement that DHS has conducted with regard to the EBT project, in our view, has been conducted with a great deal of care and in a proper manner. We believe that the DHS Agency officials handled their responsibilities quite conscientiously. I would also like us to be mindful of the fact that the Conduent bid for this project was found to be \$11 million lower than the corresponding FIS bid. And that was a major factor, a very important factor in

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the State's decision to select Conduent.

Now, in my view, this project -- this procurement that we've been hearing so much about over the last several months is much more simple and straightforward than FIS would have us all to believe. There are two discrete issues that are squarely before the circuit court, and that will be decided by the circuit court based, in our view, on well-established government contracting legal principles. The first issue, and Mr. Miller mentioned it, the first issue has to do with whether the Conduent bid proposal was presented in a way that was conditional in which case, it would have been noncompliant with the RFP requirements.

MR. GONTRUM: Three minutes, Mr. Webber. Thank you.

MR. WEBBER: Thank you very much for hearing me. I would simply say that we stand ready, willing, and able to move forward with this project when, as we fully expect, it is upheld by the circuit court. Thank you.

GOVERNOR MOORE: Thank you so much, Mr. Webber.

Madam Comptroller?

COMPTROLLER LIERMAN: Sure. Thank you, Mr. Governor.

As noted, this is a request from the Department of Human Services to exercise the final six-month renewal option for this State's EBT system. Look, this is a really important contract, as we all know, and I certainly support the goals of this contract. Tens of thousands of Marylanders have been defrauded millions of dollars through no fault of their own. And as we talked about this summer when we reviewed this, moving the State's EBT beneficiaries to a more secure debit card is not only a matter of immediate priority -- or it's a matter of immediate priority not only because of the amount of theft, but also because it really threatens food security for these families.

But I'd like to reemphasize my comments from the July 3rd

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meeting. The Agency should not look to the Board of Public Works to resolve award protests unless the circumstances are extenuating. So at that meeting, just five months ago, DHS requested approval to award in the face of protests this replacement contract. And I voted to approve that contract because of these extenuating circumstances.

And so I think it's imperative that we, as elected officials, respect and not railroad our administrative and judicial processes, especially in this national climate, frankly. MSBCA exists to resolve these procurement issues, not the Board of Public Works. I read the opinion. I actually have a few questions for the Office of Attorney General, or the Secretary, or whoever is appropriate to answer a few questions that I have before moving forward. Thanks.

Good morning, Mr. Secretary.

MR. LOPEZ: Good morning.

COMPTROLLER LIERMAN: Good morning.

MR. LOPEZ: Would you like to ask the questions first?

COMPTROLLER LIERMAN: Yes.

MR. LOPEZ: Because I wanted to make a few comments as well.

COMPTROLLER LIERMAN: I just have a few questions, so you can certainly make comments after that. If I don't -- if my questions don't get to what you'd like to say.

MR. LOPEZ: Sure.

COMPTROLLER LIERMAN: First, I do have a question about the appeal and whether it is a de novo appeal review or it's the circuit court will just be looking at clear error. Do you know that?

MR. LOPEZ: I don't know that, actually. Probably, the Attorney General -- everything we do on this would be actually through the Attorney General's office who's advising us, advise us through this process and advise us

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every step of the way.

COMPTROLLER LIERMAN: Okay. Is this de novo or clear error?

UNIDENTIFIED SPEAKER: No, no, no. It's (indiscernible) to the MSBCA --

COMPTROLLER LIERMAN: It does? Okay.

UNIDENTIFIED SPEAKER: -- (indiscernible) on substantial evidence.

COMPTROLLER LIERMAN: Okay. So it's a very high standard at the circuit court. They're not reviewing it as if they're seeing it for the first time. Obviously, it's a very important contract.

You noted last summer, and I just wanted to follow up on this, that federal money to pay for these stolen benefits has run out as of September, is that correct, so now we're using general fund dollars to pay for the money that's being stolen from beneficiaries. Is that correct?

MR. LOPEZ: So almost correct. There's actually been some changes including the continuing resolution.

COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: Originally, the federal government through the U.S. Department of Agriculture was going to end all federal partnership with states as of September 30th.

COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: It included, in the continuing resolution, through December of this year.

COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: And then, we are literally researching live right now.

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COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: We had a session last night, whether or not the Farm Bill has additional extension for this. We don't know that for a fact, so we have been prepared and budgeting for 100 percent Maryland State General Fund dollars to replace all benefits.

COMPTROLLER LIERMAN: Right. And what is that per month? What's that amount?

MR. LOPEZ: Actually, I have that. So we track this very carefully.

COMPTROLLER LIERMAN: Sure.

MR. LOPEZ: And as of December 13th, we've replaced over \$33,192,664 to over 50,000 Maryland households.

COMPTROLLER LIERMAN: And what is that on a monthly? What are we averaging?

MR. LOPEZ: So it doesn't -- so we could literally average it per month, but that's not how we're looking at it.

COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: We're actually --

COMPTROLLER LIERMAN: Yeah.

MR. LOPEZ: It's literally by the amount of times a particular card has been stolen and or defrauded. So we look at average dollar amounts. And so actually, I may even have it with me, the claim amounts.

COMPTROLLER LIERMAN: What are you budgeting thinking that if this -- if this isn't included in the CR, how much are you budgeting moving forward or what you plan to ask for a different --

MR. LOPEZ: No, we actually proposed this in the Governor's fund.

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COMPTROLLER LIERMAN: In the budget, yeah.

MR. LOPEZ: And it was approved. And the Governor has not yet made his final recommendations to the Legislature. So I don't know the final number, but we are going to use last year as the baseline --

COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: -- that we are asking through the Governor's budget to continue providing the replacement of stolen benefits in the state of Maryland.

COMPTROLLER LIERMAN: And what's the dollar amount with that?

MR. LOPEZ: Right, right. The dollar amount would be upwards of \$30 million.

COMPTROLLER LIERMAN: \$30 million? Okay. Got it. Thanks. That's what I was trying to understand. Okay. So if you lose -- do you have a circuit court date yet?

MR. LOPEZ: We do. It's sometime in January, I believe.

COMPTROLLER LIERMAN: Okay. So if you lose at circuit court, you will most likely have to issue a new RFP. Is that your understanding or is that your plan?

MR. LOPEZ: So let me answer that question this way, because I actually want to speak to Mr. Miller on this. One of the things in this particular role that I happen to hold with this team is that is part of the theatrics of the Public Works and these procurements. And I want to be very clear about this. Which is that there are two companies in the entire United States of America who work with all states in the country that are here in the room.

COMPTROLLER LIERMAN: The duopoly?

MR. LOPEZ: Exactly. So I want to say directly to Mr. Miller that we might be working with you. We might be working with Conduent. We will

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work with either of you. And integrity for us means that if we made a mistake and the circuit court says we did, we pick ourselves up. We move on for Marylanders.

COMPTROLLER LIERMAN: Sure.

MR. LOPEZ: And I am not going to defend what the circuit court is going to look at on that date. So I want to take a moment to walk through my prepared remarks, so I can answer your question more directly.

COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: So for the record, I'm Rafael Lopez and I serve as the Secretary of the Department of Human Services. We serve 943,000 Marylanders through EBT, which are these cards for people who may not know, and they are lifelines for Marylanders. And that allows 382,000 households to access Supplemental Nutrition Assistance Program, or SNAP benefits, and over 32,000 households to access cash benefits. They are a lifeline to food and to help people make ends meet in Maryland.

These benefits are administered by a contracted vendor who produces and mails out the payment card, loads benefits to the cards, and helps us make sure that we distribute these benefits in accordance with federal law and regulations. We are particularly proud of our work this summer where we served, through these kinds of cards, 594,000 students with a new and innovative program, Maryland SUN Bucks. We issued \$70.59 million in grocery buying benefits from June to August, making SUN Bucks the largest investment to combat childhood hunger during the summer months in Maryland's history.

DHS issued a request for proposals and ran a competitive solicitation. There are two primary vendors, as I mentioned, for EBT cards and services in the country who compete with each other for these contracts. I'd like to clarify an item that was reported in a news article recently, which I often find in

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Maryland becomes truth when it's not. We weren't even asked to comment on the record about this. And I want to specifically speak to that because it targets one of the questions you're asking, Comptroller Lierman. So not only were we not asked to comment on the story, it's not accurate.

In the request for proposal, and I have it here, this is the tone that dictated these two responses. And I'm going to quote from the RFP. It is not accurate, and Mr. Miller alluded to it. In the request for proposal, Section 2.5.1.2: Alternative Card Technologies, we required bidders to, quote, "shall include a proposed implementation solution incorporating circuit chip/EMV technology or other similar technology as applicable. The pricing for these options should be included within Section Attachment B: Financial Proposal Instructions and Form," end quote. Other portions of the RFP include additional language implementing the legislative requirements of Senate Bill 2 of 2023, which Governor Moore signed into law.

As of December 13th, we've replaced over \$33 million to over 50,000 Maryland households. Getting chip cards in the hands of Marylanders cannot happen soon enough. And while we await a court's decision on the new contract solicitation, we bring before the Board an approval request to exercise a second six-month option for the current EBT contract with Conduent. Without this option, we will not be able to run an EBT system in Maryland. And that is simply unacceptable. We will not be able to issue payment cards or load benefits.

We submitted and received federal approval from the United States Department of Agriculture on Friday, December 13th, for the exercise of this option. And to be clear on the record, we note that on October 28th, 2024, Mr. Miller, on behalf of his client Fidelity Information Services, agreed and stipulated that, quote, "FIS will forgo opposing the extension of the existing incumbent EBT system contract in exchange for the agreements and stipulations of DHS and

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Conduent," end quote.

We respectfully request your approval of the six-month option and are here to answer any further questions.

COMPTROLLER LIERMAN: Great. Thank you, Mr. Secretary. I didn't read the article -- no offense Brian. Sorry, I just read this -- I just read the MSBCA opinion, so my questions just relate to the opinion and just to what you were talking about which is how much this is going to cost.

So my concern is simply that worst case scenario, I guess, is circuit court agrees -- no, worst case scenario for the finances of the State and for our families, right? Is the circuit court agrees with MSBCA and rules sometime later next year, maybe it takes a while. And then you have to issue a whole other RFP. And this maybe is or in the CR for a little bit, but not entirely. So the State has to start picking up the tab, right?

So what I'm thinking about is how do we make sure that we are moving as quickly as possible to a new system? And looking at the risk that we take by appealing the circuit court decision and not simply saying, "Okay. We lost it in MSBCA. Let's issue an new RFP and be done with it." Maybe you're preparing a new RFP to go out the day after a circuit court decision should we lose that? I mean, I hope that is the case. But I think a bad scenario is all of us being here again six months from now and having to approve another extension and the general fund dollars having to keep going to this, very scarce general fund dollars. So you see where I'm coming from?

MR. LOPEZ: I completely see where you're coming.

COMPTROLLER LIERMAN: That's my concern here.

MR. LOPEZ: I'd be happy to walk you through --

COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: -- and at least try to channel my faux JD, because I

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know you're a lawyer, which is I would be foolish to walk through on the public --

GOVERNOR MOORE: I actually have no idea what that means at all.

(Laughter.)

MR. LOPEZ: The two of the firms who will compete for whatever happens. I will not walk through the RFP strategy in the public forum. Happy to brief any of you separately.

COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: And why does that matter? Because we actually have moved with urgency from day one, so --

COMPTROLLER LIERMAN: And I don't care about what's in the RFP. I just want to make sure that we are moving as quickly as possible.

MR. LOPEZ: So let me -- so Comptroller, let's set the record straight here. Maryland did nothing prior to January of 2023.

COMPTROLLER LIERMAN: Oh, yeah. Oh, I know. Oh, I know.

MR. LOPEZ: We all moved together to create the nation's first ever stolen benefits replacement program.

COMPTROLLER LIERMAN: Yes.

MR. LOPEZ: So any assertion that we are not moving with urgency -- no, no.

COMPTROLLER LIERMAN: I am not -- I am not saying that. What I'm just saying is I want to make sure that --

MR. LOPEZ: I understand. Right. So no, but let's be clear. We have, we are, and we will continue to. So we have multiple options that we're going to exercise because to be an effective department and to run it with some sense of urgency, we have to have multiple options on the table.

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COMPTROLLER LIERMAN: Right.

MR. LOPEZ: I'm not going to discuss those now on the record with two competing solicitors in the audience.

COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: I'm happy to sit down with you and brief you privately on this matter.

COMPTROLLER LIERMAN: Okay.

MR. LOPEZ: I've given you everything you need to know right now, with absolute honesty.

COMPTROLLER LIERMAN: Okay. I'm not sure I appreciate that last comment. I don't have any further questions right now. I do support moving forward with this contract given the substantial State interest in moving towards a more secure EBT system. I will look more skeptically at a future extension of this given what we know now about how we need to be moving forward quickly. Especially if we are going to have to start spending general fund dollars on some -- in a situation that by avoiding an appeal we could have prevented. Thank you.

MR. LOPEZ: Anything else?

GOVERNOR MOORE: No, that will be all, Secretary. It is important that we have some time to follow up about this.

MR. LOPEZ: Absolutely.

GOVERNOR MOORE: Thank you so much. Thanks. Thanks, Mr. Secretary. Thanks, Madam Comptroller.

Any further discussion on this item or the remainder of the agenda?

TREASURER DAVIS: I will. Lottery, Item 39.

MR. CHAUDHRY: We have representatives from the Lottery

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Commission here to answer any questions you may have.

MR. MARTIN: Good morning.

GOVERNOR MOORE: Good morning.

MR. MARTIN: Good morning, Madam Comptroller, and Treasurer Davis. Happy Holidays to you and yours. For the record, I'm John Martin, Director of the Maryland Lottery & Gaming Control Agency. I have some prepared remarks, but I can also address your concerns.

TREASURER DAVIS: You may want to say yours first.

MR. MARTIN: Thank you. This morning, we seek your approval of a two-year extension to the Lottery Central System's contract with our incumbent vendor Scientific Games. The base term of this contract expires on May 4th, 2025. The two-year term we seek today extends this contract to May 2nd, 2027. As written, the current central systems contract calls for funding a three-year option following the initial base term. Last year, we were directed to pursue a new contract rather than exercise the three-year option, and that process is well underway. The two-year extension is needed to keep the lottery operating while we complete the evaluation of proposals, make a vendor selection, and award a new central systems contract, which will feature an increased MBE goal.

We are requesting the extension today because the incumbent vendor needs certainty that the contract will be extended beyond May of 2025. The incumbents only business in the state of Maryland is this contract, and the subcontracts it has entered into pursuant to this agreement. Without an improved extension, our contract will expire on May 4th, 2025, and the Maryland Lottery will close its doors, denying the State's general fund our significant \$700 million in annual lottery profit. If that were to occur, it would still take us two years to award a new contract, thereby causing a \$1.4 billion shortfall during a period when the State needs the revenue the most, having noted budget deficits in

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upcoming fiscal years.

Maryland Lottery & Gaming is the fourth largest contributor to the general fund behind personal income tax, sales and use tax, and corporate income tax. In closing, this is a revenue-generating contract. The lottery central systems -- the lottery central system contract is essentially self-funded out of lottery sales. Approval today allows us to continue lottery operations for an additional two years while we bridge to our next contract. Thank you for your consideration.

And now, Mr. Treasurer, I'll entertain your questions.

TREASURER DAVIS: Thank you for that. I guess I'm trying to find out why are we here for this particular contract? When I read the backup material, it said that the prior contract -- the one that we're currently in, it took three years from RFP to go live. If it took three years, the material that I have says that the RFP, this one, was issued in July of 2024. This is December of 2024. The contract expires in May of 2025. So we've essentially given ourselves like nine months to do a contract that historically has proven that will take three years to do.

My interpretation of this is that we -- we, meaning the Lottery Commission, always assumed that the option was just going to be picked up and that there was never any thought that, "Hey, BPW could actually say no. They want to do a whole new solicitation." I know I communicated my concern -- or my opposition, not concern to -- I'm not sure what Sean Ford's title was at the time, but on sine die of 2023, because of knowing the history of this contract and how -- knowing the history of this contract, how we selected the current vendor who was \$50 million above the next lowest vendor, which happened to be a minority company, how we selected them. It already didn't set right with me because no one could explain why we left \$50 million on the table, why we paid

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more. And so I communicated that as early as I could. April of -- sine die of 2023, I know that the folks came back in the fall of 2023, about October, to check with myself and other members of this Board to see. And I believe it was communicated, "We want to see another bid. We want to see another solicitation."

So then nine or ten months after that, which would have been July of this summer, we were like, "All right. Maybe we better do an RFP." It's a \$700 million contract, \$220 million for our retailers, fourth largest contributor, as you mentioned, and we dragged our feet on this. Just judging by when it happened, what happened, it was as if the decision was already made. We're picking up this option and we don't care what anybody thinks. And are they really -- because I heard that yours -- in your remarks that you said, "Oh well, it's going to deny -- it's going to take two years. It's going to deny the general fund of \$1.4 billion." And so what that says to me is that we dare you not to approve this.

Now, thankfully, you got two other members of this Board because I would have called your bluff on it. I would have happily gone to the Appropriations Committee and the Budget and Tax Committee and communicated what I just said, that I indicated to you all that I wasn't interested in doing an option. I gave the timeline that you all took to move that and then let you explain why you took so long to get moving on this. This has got to be your biggest contract, and it has got to be your focus. I mean, you're not out solving the energy crisis the State faces or the budget deficit, none of that. You have one job, as my kids like to say, one job and that's this \$700 million contract. So the day everybody came in in January of 2023, that should have been, "Let's get moving on this." And nobody did anything.

Let's talk MBE. What's going on with the MBE? There were problems and now they're resolved, and that now we're doing better. That was the

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other thing I wanted to hear. I'm hearing now of how there's been improvement, how well they're doing. And I'm not impressed because what that tells me is that you could have done better before. You had the contract coming up on eight years. You could have done better before. Now with these improvements and enhancements, what that says to me, we need this contract. So now, we can take care of the MBEs, and do better, and figure out issues.

I know that there were issues with the debit cards and so forth, but somehow we figured that out now that now, you know, that we believe that that contract could be in jeopardy. And then, I guess, finally my concern is what type of hold does the incumbent have over the Agency? For the last eight years, it just appears that -- for example, I'm told now with the new contract we're going to save \$350 million. So we need to do this.

But what that says to me, in order for one side to save, in this case Maryland, to save \$350 million, that means the other side is losing \$350 million. I don't know any other way that can be interpreted. And so I asked the question is the incumbent still supportive of the contract and I was told yes, they're all for it. And so I'm wondering how much money have we really forfeited? How much money are they making where they -- we can now save \$350 million and they're still for that contract?

MR. MARTIN: There is a lot to unwrap in that.

TREASURER DAVIS: You don't know how long it took me to wrap that.

(Laughter.)

MR. MARTIN: 'Tis the season.

COMPTROLLER LIERMAN: Can I put an exclamation point on one thing you said? Well, there's a lot. It's encouraging to hear that you are expanding, that Scientific Games is expanding its MBE spending, but they are

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legally bound to achieve 20 percent at overall MBE and 0.5 percent VSBE participation goals. And they have continued to struggle to hit that, and it makes no sense.

So when you are answering all of his questions, would like you to pay particular attention to explaining why they can't seem to just get it right. Because this is a big contract and this is their job, and they signed up on when they signed on the dotted line.

MR. MARTIN: So let me try to do in chronological order, if I can. If I understood correctly, the Treasurer's comments were about the overall timing of things. Past precedent in coming to this Board for previous contract renewals -- and I'll go to 2005, which was the initial Scientific Games contract. And that initial contract in 2005 provided us for a five-year base term and a five-year extension.

We came back to the BPW in -- getting ready for that extension, in June of 2011 and we had that approved in May of 2010. So we came to you 13 months before the extension, which was the common practice. We then had, in that same contract, a one-year extension option to facilitate the conversion. We came to you in 2016, June of that year. And where that was going to be exercised in June of 2016, we came to the BPW in October of 2015, nine months prior to the contract extension -- eight and a half months, actually.

So precedent in our dealings with this Board as well as in the industry, is to come early enough so that these conversations can happen and that you can get into a seamless extension from the base contract to the contract expansion years. When we attempted to do that, and I believe it was June of 2023, we began that process, Mr. Treasurer, we were instructed at that time that that would not be favorably reviewed, and that we'd have to go back to the drawing board, and we did that. So we immediately began the RFP process.

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Unfortunately, in our industry, it takes at least nine to 12 months to begin the RFP process. Go through it, all the due diligence. We're putting in place contracts that are 10 years out. And so we have to sit here today and anticipate what our needs are going to be 10 years from now. And to do that, takes a lot of work, a lot of heavy lifting.

So I apologize that you did not see evidence of it along the way. But rest assured, we took your direction. And under our team effort, we began putting that RFP together out on the street recognizing -- and as you are well aware, there are a lot of moving parts, when you talk about putting a contract out there. We got concurrence and sign offs from the departments we had to work with. The gentleman standing behind me here was very instrumental in making sure that happened with the OSP as well as all other interested parties.

So we did proceed and put that RFP out on the street. The process is well underway at this point to select that vendor. Unfortunately, it's going to take now, after that first year, another two years to complete that task. As you correctly pointed out, it takes a three-year process. So the process hasn't changed. Commitment hasn't changed. You don't see the day-in/day-out, but rest assured that behind the scenes those things are happening. And they're happening consistent with how we've come to this Board in previous years and gotten the approvals to proceed along the contract extensions.

Let me talk about the MBE. The previous contract I talked about, which ended in 2016, the MBE goal for Scientific Games at that point was 15 percent. Recognize that contract was issued in 2005. That was the measuring stick. Scientific Games during the term of that contract achieved over 18 percent. They over delivered on what was expected in that first contract. The current contract, which again was put out on the street in 2016, the goal is 20 percent. Scientific Games began very strong. We did have a number of setbacks, not the

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least of which were the pandemic and things that happened that really impacted everything that we do. But you also have to understand that in the lottery business, it's not a linear progression. Every dollar we sell does not have a corresponding dollar in MBE spent. It's heavily weighted towards the initial part of the contract, and then maintenance elements throughout the contract.

When they started to fall short of their 20 percent goal, which was back around that time we met with you and your staff in the second half of 2023, the conversation, Scientific Games, they immediately began putting in place corrective measures which began in January of 2024 with Scientific Games outsourcing key staff and making other commitments. So far in Fiscal 25, since we're at the halfway point here in that 18 months, Scientific Games has used 14 certified MBE firms, the participation rate is nearly 24 percent over that time frame and is expected to increase further. They recently signed a new agreement to use a different MBE firm to continue outsourcing even more of their staffing needs in January. So their expectation is by the time the contract, which hopefully you will approve today, is in place by May of 2027, they should be again exceeding the stated goal in a 22 to 24 percent range and hopefully doing better than that.

So the summary from your questions, we have been addressing the timeline. We do feel there is a lot of improvement still to happen as we go through the evaluation process. Scientific Games has addressed the MBE shortfalls, put in place programs that are working today to improve that that figure. We do have an improved figure in our new RFP, more consistent with what your objectives are for MBE percentage participation going forward. And I have every confidence that whoever we select in this new process will meet and exceed those numbers as well.

Your reference to the \$350 million, I believe, with all due respect,

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may be a misunderstanding on what was presented by Scientific Games two years ago when we started talking about how they could enhance their extension platform and offering additional services. That is not part of the equation today.

GOVERNOR MOORE: And just for clarification, you said you're 24 percent within the time frame listed, correct?

MR. MARTIN: So far in Fiscal 25. So the first six months, they're trending at a 24 percent.

COMPTROLLER LIERMAN: But you think they're going to hit over 20 percent? You think they're going to exceed their -- you believe that they are committed to exceeding the goal that's in the contract through the approval? Through the lifetime of this approval?

MR. MARTIN: By the time we get to May of 2027, there will be at a 22 to 24 percent attainment of goal.

COMPTROLLER LIERMAN: Okay.

GOVERNOR MOORE: Is there any further discussion?

COMPTROLLER LIERMAN: Can I just ask?

I appreciate the Treasurer's comments. None of the BPW members here today were involved in the approval of this original contract, but the issues and concerns around that procurement process and the outcome are well known. So completing a new procurement rather than exercising the renewal option was certainly my preference, since that is the only way to start fresh. Which is why you have started this RFP process.

Certainly, given the complex and lucrative nature of this contract, Lottery understood that completing a new procurement would take at least two years. So I think what I'm struggling with is had the Agency responded appropriately last year, I think it would have been reasonable to assume that the new procurement could have been completed by the end of the current base term,

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which is what the Treasurer said but, of course, that wasn't the case. Regardless, this doesn't expire until May so why are we being asked to approve this extension today and not closer to the contract extension? Like, why are we here right now?

MR. MARTIN: Well, again, past practice with this Board -- as in other boards around the country where lotteries are extending contracts, is that you are out at least one to two years before the expiration date. And the reason, quite simply, is for continuity of services whether that be our own product line -- Maryland, as many states, participate in selling Mega Millions and Powerball. These are signed agreements that we have that require at least a six-month termination clause. So right now, we're at five months out from May of 25. So if we were to not get an extension or we would have to be down for any period of time, we'd be liable for some financial penalties as well as other potential litigation with Mega Millions and Powerball.

We also have 4,300 retailers that need to understand where the -- where the lottery stands and what services will be provided to them. Many of those 4,300 retailers, as you're well aware, Madam Comptroller --

COMPTROLLER LIERMAN: Yes.

MR. MARTIN: -- are small businesses. About 70, 75 percent of our retailers are first-generation immigrants. They're small businesses, minority businesses, women-owned businesses, and they rely on that week-to-week income from their lottery participation. Any jeopardy to that viability is a significant hardship to families that have trusted us to be their partner. As well as the employees both from Scientific Games and the Lottery who are impacted if there's any disruption in service.

COMPTROLLER LIERMAN: All right. You had me on the first one. The impact of Scientific Games is not something I am sympathetic to. They are a multi-billion-dollar company and they can figure this out, right? But of

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course, this contract is responsible for generating needed revenue that we rely on to fund education, public safety, debt service, economic development initiatives. So we can't miss one day's worth of sales that would be debilitating to our general fund. I'm just -- I have concerns as well, though I will support this moving forward.

MR. MARTIN: Okay.

COMPTROLLER LIERMAN: Should we separate it out?

GOVERNOR MOORE: No, I think we're going to keep it all together.

COMPTROLLER LIERMAN: Okay.

GOVERNOR MOORE: Thank you very much.

MR. MARTIN: Thank you.

GOVERNOR MOORE: Thank you.

If there's no further discussion on this item, on the full DGS Agenda, is there a motion to approve?

COMPTROLLER LIERMAN: So moved.

GOVERNOR MOORE: Is there a second?

TREASURER DAVIS: Second.

GOVERNOR MOORE: Thank you so much.

MR. CHAUDHRY: Thank you.

GOVERNOR MOORE: Before we conclude today's meeting, I just wanted to take a few moments just to reflect on this past year within BPW just so people get a clear understanding of just what has happened and just what's gotten done with this BPW. And I start with a deep sense of thanks for our Comptroller and our Treasurer, and my partners within this work.

During our 22 meetings of this year, we've directed expenditures essential to maintaining government operations. And that means supporting

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critical programs and projects and services that Marylanders do depend on. It means investing in priorities like education, public safety, and economic development, and health care, and affordable housing.

That together, we guarantee that the Preakness Stakes will remain in Baltimore for generations to come through our approval of transfer of ownership of Pimlico to the State of Maryland. And also ensuring that when that happened, it's not just about creating success on a racetrack. But it's the first time this has been done that actually talks about supporting the community, specifically Park Heights.

That together, settled litigation on the future of the State Center Complex in Baltimore. And four governors later, we are finally poised to deliver a transformative vision for redevelopment that that property, and the communities around it, that they need, that they require, and that they deserve.

That together, we preserved over 9,000 acres for the enjoyment and benefit of future generations of Marylanders through our investments in Program Open Space and also the Rural Legacy Programs.

That together, we've continued to make progress in making our procurement process more equitable and accessible for small, minority women and veteran-owned businesses. That data compiled from our dedicated BPW office staff, demonstrates that our collective focus to push continues to show results and expanded opportunities for socioeconomic businesses.

In our very first meeting, we made it crystal clear that the Moore/Miller Administration and this Board will have an intentional focus on ensuring that our procurement process is fair and accessible for our socioeconomic businesses because things don't just happen, they are made to happen. And because of our collective efforts, this year alone over 1,200 procurement items that were presented to the Board for their approval -- of the

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over 1,200, 79 percent had MBE or DBE participation goals. By the way, that's an increase of 41 percent from calendar year 2022.

That together this year, we awarded more than \$1.3 billion in contracts to certified MBEs, which is up by \$100 million from last year; \$288 million to certified DBEs, which is up by \$23 million from last year; \$156 million to certified veteran-owned businesses, which is up by \$126 million from last year; and \$233.1 million to the small business reserve contracts, which is up by \$87 million from last year.

Now, I know that's a lot of numbers. And I know it might feel like a bunch of numbers, but they represent investments. They represent investments in our small businesses, in our minority businesses, in our women-owned businesses, in our veteran-owned businesses. They represent the State making promises and actually having the intention of keeping them and not just having them as suggestions. Because our small, our minority, and our women-owned businesses are the ones who invest in our communities. They're employing our neighbors. They're employing our fellow Marylanders. They're employing family members. They're ensuring that we can have economic growth that starts from our communities and continues to build out. They are the vital engines of our economy.

These numbers underscore that we are continuously making progress to fulfill our obligation as a state government to ensure that our procurement dollars are not being expended frivolously, but expended responsibly and equitably. And I want to thank all of our departments and our agencies for hearing our directive loud and clear, and for taking action to be responsive to this Board's directive and to this Administration's directives. This is what intentionality looks like, and this is the type of progress that partnership does produce.

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But while Lieutenant Governor Miller and I are proud of what we've accomplished to date, we know that we have more work to do to make our procurement process more efficient, more transparent, more accountable, and more equitable. And so when I speak with our cabinet, they talk about how challenging the current procurement system is to their agency operations. And we've dug into that. And not only do I hear them loud and clear, they're right. That a lot of these structures needed updating.

And when I speak to people in the business community, particularly our MBEs and our VSBEs, they talk about how cumbersome and confusing it is to navigate our procurement system. We have looked into it, and you know what? They are right. We have made this unnecessarily complicated for people to be able to navigate this process. And my very brief tenure at the Board, it is opened my eyes to the challenges that exist and our opportunities to deliver meaningful reform. And that's why after this meeting, and why I'm so proud to be with so many partners in the General Assembly, and Chair Wilkins, I want to thank you also for your partnership inside this work as well.

Because right after this meeting, I will be signing an executive order that represents the most comprehensive plan to make our procurement process more efficient, more competitive, and more equitable in our State's history. This includes modernizing our processes and systems to reduce delays and unnecessary steps, increasing opportunities for our small and our socioeconomic businesses to compete, bolstering compliance measurements for MBE and VSBE contractual goals, strengthening our procurement workforce, and formalizing our State's commitment to utilizing our incredible HBCUs, which Maryland is proud to have four of them in our State alone for inter-agency agreements.

I will also address one of the major and most frequent complaints

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that we hear from the MBE community. Extending MBE certifications from one year to three years, thereby reducing administrative burden on MDOT and significantly reducing burden on our MBEs, who currently have to compile and submit a significant amount of documentation and paperwork on an annual basis. It is not fair. Because one thing that we know for a lot of other people who have to continue going through their certification process, they have a lot of help to do so. They pay for a lot of support to do so. And a lot of our MBEs and our small businesses, they cannot afford that. And so we are going to level the process, and we're going to make it fair.

We will also be working with our partners in the General Assembly during the upcoming legislative session to advance a package of legislative proposals that will change elements of the State Finance & Procurement Article that are antiquated, inefficient, and inhibit the ability for our agencies to streamline the procurement process. It is time this process moves into the 21st century.

And I'd like to thank all of our departments and our agencies and our stakeholders who contributed to the development of this executive order. And I want to give special shout outs to the State's new Chief Procurement Officer, Wallace Sermons, and his team at the Office of State Procurement for the countless hours that they have spent identifying solutions and consulting with hundreds of stakeholders across State government and within the vendor community to solicit ideas and insights and expertise on ways we can make sure that in this moment, we can get this right.

The order that I'm signing today is a blueprint designed to make procurement work more effective for our State agencies, for our procurement officers, and also for our vendor community. This is long overdue. And it took a lot of work to get there and a lot of partnership. But this will take meaningful

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steps, [inaudible] our procurement process.

And so in closing, I want to thank all of our partners in this work, this Board who, by the way, is one of a kind inside of this nation. It's entrusted with awesome powers and responsibilities. And every two weeks, we make decisions that impact the lives of everyday Marylanders across the State. And I say this with pride, as not just a member of BPW, but as a member we couldn't have two greater partners inside this work.

I want to thank my partner in governing, our Lieutenant Governor, Aruna Miller, who has been outstanding. I'm thankful for her leadership, and for her advocacy, and for her wise counsel. I want to say that, also, this staff is lights out. Particularly, our BPW liaisons, Jasmine Clemons and Joanna Kille, for the collaborative and productive partnership with my office and our Administration.

And I cannot let this day go by without giving a special shout out to Manny Welsh, who has been not just a tremendous partner inside the work and a tremendous leader for this Board and so many other things within our State government, but has also been a wise counsel for me. Someone who has steered me in the right direction and walked me off ledges and places that I should not be going down, has calmed my temper down, and has also become not just a great counsel, but a great friend.

I want to thank each and every one of you for all of your work. I want to thank you, Secretary Gontrum, for your outstanding leadership. And for not only keeping all this process moving swiftly, but also keeping people to three minutes when they're here.

(Laughter.)

TREASURER DAVIS: Or attempting to.

(Laughter.)

MR. GONTRUM: It's (indiscernible) in 2025.

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GOVERNOR MOORE: I thank each and every one of you, all of our agency heads, our secretaries, engaging all the work that you are doing for continuing to engage with members of this Board. We have accomplished so much for the people of this state. The people of this state are the beneficiaries of the work that each and every one of you are doing.

And we know more work lies ahead. We know more decisions need to be made. Many of them very difficult, many of them very tough. But that's okay, because I know with the work and the diligence of the people in this room and on this screen, that we will be able to make the tough decisions that will all land in the best interest of the people of this state. It's been a good year, Maryland, and we're just getting started.

So with that, I want to turn any comments from my colleagues as well.

COMPTROLLER LIERMAN: No, I don't think I can follow that.
(Laughter.)

COMPTROLLER LIERMAN: Thank you for your partnership. Thank you to Jasmine and our whole Board of Public Works team. It's incredibly humbling and an honor. And it's such an honor to be able to sit at this table on Wednesdays at 10:00 a.m. to work with you and the Treasurer. I have learned so much over the past couple of years from both of you, from our liaisons, from John, and from all of the agencies. So just want to say thank you. It's been an honor to work with you. And I look forward to continuing the partnership to make sure that we can create an efficient, equitable, and competitive procurement system. The number one in the nation. Thank you.

GOVERNOR MOORE: Amen.

TREASURER DAVIS: Oh, that's really hard to follow.
(Laughter.)

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TREASURER DAVIS: Listen, I just want to say thank you all. All of us contribute in some way to make this process work. It's not just us. And everybody contributes and we all do it for our fellow citizens, so I'm appreciative of that. While I'm here, forgive me if I -- because I don't see as well as I used to, but I wanted to thank my former intern, Nick Charles, for being here.

(Laughter.)

UNIDENTIFIED SPEAKER: You would have saved this (indiscernible). You (indiscernible).

TREASURER DAVIS: Nick, I mean I (indiscernible) what you said. And Delegate Philips, also Johnathan Medlock, former mayor of District Heights and counsel member for Prince George's County. These are some of the best public servants that I've had an opportunity to work with. They're not looking for the next seed or how they can move up or elevate. They just want to do the good work. And I hope some of the folks locally in my county can use them as is examples of just being responsible for what you're given, and not always looking for the next seat that you can move up to. So thank you guys for all that you do.

GOVERNOR MOORE: Thank you. Thank you. And to everybody here, God bless you all. Please enjoy the holiday season with loved ones. As we say to our team, take care of yourselves, take care of each other, and take care of your people.

COMPTROLLER LIERMAN: Thank you.

GOVERNOR MOORE: The next meeting is going to be January 8th, 2025.

(Whereupon, at 11:50 a.m., the meeting was concluded.)