# **BOARD OF PUBLIC WORKS**

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

April 2, 2025 10:04 a.m.

## **PRESENT**

#### HONORABLE ARUNA MILLER

Lieutenant Governor

#### HONORABLE BROOKE E. LIERMAN

Comptroller

#### HONORABLE DERECK E. DAVIS

Treasurer

#### JOHN GONTRUM

Secretary, Board of Public Works

#### ATIF CHAUDHRY

Secretary, Department of General Services

#### **JOSH KURTZ**

Secretary, Department of Natural Resources

#### THOMAS HICKEY

Director of Procurement and Real Property Initiatives, University System of Maryland

### **VALERIE RADOMSKY**

Chief Procurement Officer, Department of Transportation

### **LISA GRIGSBY**

Recording Secretary, Board of Public Works

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everyone.

## **PROCEEDINGS**

LIEUTENANT GOVERNOR MILLER: Good morning,

(Chorus of Good Morning.)

LIEUTENANT GOVERNOR MILLER: All right. Again, I just want to say welcome to everyone. And good morning to today's meeting of the Board of Public Works. Let's go ahead and begin the meeting and start the business of the day.

Good morning, Secretary Gontrum.

MR. GONTRUM: Good morning, Madam Governor, and Mr.

Treasurer, and Madam Comptroller. There are 17 items on the Secretary's

Agenda this morning, and six reports emergency procurement for contract awards.

I'm happy to assist in answering any questions.

LIEUTENANT GOVERNOR MILLER: All right. Thank you,

Mr. Secretary. Is there any discussion on the Secretary's Agenda?

TREASURER DAVIS: Not at this time.

LIEUTENANT GOVERNOR MILLER: Okay.

COMPTROLLER LIERMAN: Nope.

LIEUTENANT GOVERNOR MILLER: All right, so may I have a motion to approve the Agenda?

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

LIEUTENANT GOVERNOR MILLER: Is there a second?

TREASURER DAVIS: Second.

LIEUTENANT GOVERNOR MILLER: Thank you. So now,

we're going to proceed to the Department of Natural Resources Agenda.

But before I recognize the dynamic Secretary Kurtz, I'd like to offer some comments on the 142nd celebration of Arbor Day in Maryland, which Governor Moore and I officially proclaim today. Arbor Day encourages people from different walks of life to come together for a shared purpose of appreciating trees and the benefits they bring to our communities. Today, we received seedlings and potted plants from DNR's Maryland Forest Service. This spring, the Maryland Forest Service is planting 235,000 seedlings on 460 acres to help create a greener, healthier, and a future for our children and our grandchildren.

As these trees -- as these trees grow, they'll filter our air, protect our waterways, cool our neighborhoods, and provide critical wildlife habitat. And I can attest to that. Those little fuzzy squirrels that run up the trees, my dogs relentlessly chase them in our backyard. So I'm glad that these trees are able to protect them. They'll become part of our landscape and help our State become more resilient to the worsening effects of climate change.

Our State is proud to partner with natural resource industries and small businesses that contribute to the production of Maryland's growing economy. We also acknowledge the efforts of the commitment of the Maryland Forest Service in supporting a healthy forestry sector that supports rural livelihoods and expands forested land use, while also creating environmental benefits for all Marylanders.

So at this time, I'd like to invite Secretary Kurtz to the dais and join Comptroller Lierman, Treasurer Davis, and I to commemorate the official proclamation of Arbor Day.

(Photographs were taken.)

LIEUTENANT GOVERNOR MILLER: So with that, I'd like to recognize Secretary Kurtz to introduce the DNR Agenda.

Good morning, Mr. Secretary.

MR. KURTZ: Good morning, Madam Governor, Mr. Treasurer, Madam Comptroller. For the record, Josh Kurtz, Secretary of the Department of Natural Resources.

I just really briefly wanted to make a couple of comments about Maryland Arbor Day. If you think about Arbor Day, you'll probably notice that the National Arbor Day is a little later this month. And so Maryland does it differently because we're really focused on our planting season. So Maryland Arbor Day, a little bit earlier, because we're planting trees in March and April. This past -- in March alone, we planted 197,000 trees, really helping drive to that five-million tree goal.

I'm incredibly proud of the team and Dr. Anne Hairston-Strang, our State Forester; J.T. Bowers; Dan Coy. Many, many, many people across the State. The Maryland Tree Nursery, the Ayton Tree Nursery on the Eastern Shore really helps drive that. So we've maximized that tree nursery capacity. We're seeing tree planting in this region just absolutely skyrocket because of the goals that were put in place by the Legislature.

Today, we're also -- another great thing about Arbor Day is we're recognizing some of the fantastic folks in the forestry field, including our very own Melissa Nash, who's getting Maryland Tree Inspector of the Year with the General Assembly right now.

(Chorus of applause.)

MR. KURTZ: And we're celebrating our outstanding tree farmer of the year, which is the Rock Lodge Trust, which is in Garrett County, so an exciting day for forestry. Also, each person here has received a sapling. It's a redbud. You can plant that in full shade, shaded areas, wherever. They're incredibly hardy. They're beautiful. They get these nice heart-shaped leaves.

Make sure you water them and take care of them. Then, they'll grow and be fantastic. As the Lieutenant Governor said, great places for squirrels to escape your dogs. A great place for your kids to hang out. But I hope you all enjoy them.

With that, DNR has nine items on the agenda today. Happy to answer any questions that you might have.

LIEUTENANT GOVERNOR MILLER: Thank you, Secretary Kurtz. Actually, I have a question. So these trees that can be planted, is this something Maryland residents can come pick up for free and plant it themselves or how does this work?

MR. KURTZ: We have a wide range of programs in the State, whether they be rebates for private nurseries or whether they be actually doing planting on people's properties. We have some really innovative partnerships now with the schools, our Schoolyard Tree Program, our Forest Program. So there's a wide range of ways where you can get either discounted or free trees by working with the State.

LIEUTENANT GOVERNOR MILLER: Wonderful. Thank you for that update.

Is there any questions or discussions on the DNR Agenda?

COMPTROLLER LIERMAN: Not from me.

LIEUTENANT GOVERNOR MILLER: No, okay.

May I have a motion to approve the agenda?

COMPTROLLER LIERMAN: Motion to approve the DNR

Agenda.

LIEUTENANT GOVERNOR MILLER: All right. Is there a

second?

TREASURER DAVIS: Second.

LIEUTENANT GOVERNOR MILLER: Thank you, Mr.

Treasurer. Next up is the University System of Maryland. Good morning, Mr. Hickey.

MR. HICKEY: Good morning, Madam Governor, Mr. Treasurer, Madam Comptroller. Tom Hickey representing the University System of Maryland. We just have one general miscellaneous item for your consideration. Happy to answer any questions.

LIEUTENANT GOVERNOR MILLER: Thank you, Mr. Hickey. Is there a discussion on the USM Agenda? Okay. If not, may I have a motion to approve the agenda?

COMPTROLLER LIERMAN: Motion to approve to USM Agenda.

LIEUTENANT GOVERNOR MILLER: Is there a second?

TREASURER DAVIS: Second.

LIEUTENANT GOVERNOR MILLER: All right, thank you.

MR. HICKEY: Thank you.

LIEUTENANT GOVERNOR MILLER: Thank you, Mr. Hickey.

Now, let's proceed to MDOT Agenda. Good morning, Ms.

Radomsky.

MS. RADOMSKY: Good morning, Governor, Madam
Comptroller, and Mr. Treasurer. For the record, my name is Valerie Radomsky,
Chief Procurement Officer for the Maryland Department of Transportation.
Today, we are presenting 11 agenda items for your consideration.

We are seeking approval of three awards to certified small business enterprises valued at over \$5 million, two awards to dually certified small and minority business enterprises valued at \$3.3 million, and one award to a dually certified small and disadvantaged business enterprise valued at \$7 million. We

have representatives available to answer any questions you may have.

LIEUTENANT GOVERNOR MILLER: Thank you, Ms.

Radomsky.

Is there any discussion on the MDOT Agenda?

COMPTROLLER LIERMAN: Nope.

LIEUTENANT GOVERNOR MILLER: May I have a motion to approve the agenda?

COMPTROLLER LIERMAN: Motion to approve the MDOT Agenda.

LIEUTENANT GOVERNOR MILLER: Is there a second?

TREASURER DAVIS: Second.

LIEUTENANT GOVERNOR MILLER: Thank you. Now, we're going to conclude with the DGS Agenda.

Good morning, Secretary Chaudhry.

MR. CHAUDHRY: Good morning, Madam Governor, Madam Comptroller, and Mr. Treasurer. For the record, I am Atif Chaudhry, Secretary of the Maryland Department of General Services. The Department today is presenting 41 items on our agenda. We're withdrawing four items today. That is Item 17-CGL, Item 25-IT-MOD, Item 28-IT Task Order 3.2, and Item 35-CGL.

Our agenda does feature 25 capital grants and loans totaling more than \$73.8 million. I did want to highlight one in particular, and that's Item 15-CGL, which provides \$100,000 in State support to Nexus-Woodbourne Family Healing Center. And this is a center that has helped thousands of families, children, and adults to find individualized paths to emotional, mental, and behavioral health support.

As we continue to keep an eye on minority business participation in our contracting, our agenda does feature three contract awards and

modifications to certified minority businesses totaling more than \$4.4 million.

And we have agency representatives here to answer any questions you may have.

LIEUTENANT GOVERNOR MILLER: Thank you so much.

I'd like to call up a few items today. First, starting with Items 39, 40, and 41-CGL. These are capital grants totaling \$64 million to the University of Maryland Medical System to support a number of critical capital projects throughout the hospital system. Item 39 directs \$7.5 million to support expansion and capital improvements for the Greenbaum Comprehensive and Organ Transplant Treatment Center (sic). Item 40 directs \$16 million to support the third phase of renovation and upgrades to the globally renowned Shock Trauma Center in Baltimore. And Item 41 directs \$40.5 million to support the expansion of clinical programs at the Oncology Center at the University of Maryland Capital Region Medical Center.

UMMS is such a vital part not only of Maryland's healthcare ecosystem, but the lifesaving research and innovation that happens at UMMS' institutions each and every single day. The State of Maryland is proud to support these critically important projects, and we remain grateful for the incredible work that is being done across the UMMS system.

So before I call up the next item, any further discussions on these items?

COMPTROLLER LIERMAN: Okay -- on 39, 40 or 41?

LIEUTENANT GOVERNOR MILLER: Yeah.

COMPTROLLER LIERMAN: No.

LIEUTENANT GOVERNOR MILLER: All right.

Now, I'd like to also call up Item 33, which modifies and extends the contract with Accenture to provide additional call center staff and support for the Department of Labor.

Over the past 12 weeks, we have seen reckless and devastating impact of the actions by the Trump-Vance Administration. Firing tens of thousands of dedicated federal public servants, freezing billions of dollars in grants to our research institutions, and dismantling agencies that provide vital services for our state, our nation, and our world. This has impacted Maryland in a real and substantial way. We've already begun to see an increase in unemployment insurance claims, and we anticipate that these figures will continue to increase, if the new Administration continues these actions. To speak more about these trends we're seeing and the Agency's efforts to surge resources and capacity to support impacted Marylanders, I'd like to recognize Secretary Portia Wu to offer remarks.

Welcome, Madam Secretary.

MS. WU: Thank you, Madam Governor, Madam Comptroller, Mr. Treasurer. Portia Wu with the Maryland Department of Labor. Thank you for this opportunity to provide information on this contract extension to provide vital support to federal employees and other laid-off Marylanders during this difficult time.

This contract is designed to provide surge capacity to support Marylanders during this crisis. Just yesterday, we were informed of mass layoffs at FDA, CDC, and other parts of HHS as the federal government moves forward with its plan to cut over 10,000 jobs from that department. So far, we have received more notices impacting over 2,700 Marylanders as part of that action. And with nearly 270,000 Marylanders working in the federal government, another 225,000 Marylanders who are federal contractors, we must be prepared to handle a massive increase in unemployment insurance claims.

I want to be clear our Department remains committed to improving the service that we provide to Marylanders. We have -- you know, when I started

two years ago, we had hundreds of people walking in the door at our Department and they were told, "Go scan that QR code on the wall. It'll put you in touch with Accenture." That is not the approach this Administration or our Department wants to take.

We have instituted Monday through Friday in-person service at our Department headquarters. We are ramping up on-site assistance at our job centers across the State. And we are also in the process of phasing out contracted-out call center services, which were instituted during the pandemic. Since last year, we have procured our own call center technology and hired and trained 100 staff who are already handling nearly 10,000 calls a week.

Under federal law, many UI functions can only be performed by Maryland staff. State staff are, therefore, able to provide much more comprehensive support and resolve concerns for callers, compared with the contracted team. However, that also means that they take longer with each call, and we are still getting many calls. I think we're averaging close to 20,000 calls a week in recent weeks for people who just need some basics and want some basic information -- so forgetting their password, not understanding how to file.

And in weeks like those, we know -- and in the weeks ahead -- that we will need additional capacity. That is the purpose of this contract, to be able to help people answer those basic questions. I will say I've also received very specific feedback from members of the General Assembly that they expressed concern at the start that their constituents were not able to get through. So we have increased the number of phone lines from 290 to 740. But we also need this sort of additional capacity this contract will help provide to have more people answer the phone, so Marylanders just do not have to wait. We have to make sure that we're able to respond to these Marylanders. This contract extension -- it's a short-term extension -- is an essential precautionary measure. We don't know

everything that's coming our way in the next several months, but we do know that people are going to have a lot of questions, and we want to be there to answer them.

With that, I'm happy to take any questions.

LIEUTENANT GOVERNOR MILLER: Thank you, Madam

Secretary. Are there any questions on this?

COMPTROLLER LIERMAN: I have questions.

LIEUTENANT GOVERNOR MILLER: Mm-hmm.

COMPTROLLER LIERMAN: Thanks.

Thanks, Secretary Wu. Good to see you. Thanks for being here. Okay, I do have a few questions. Because, as you know, the last time you brought this contract, you also said it was the last time you were bringing an extension. And so I appreciate and empathize with the position that you and your team find yourselves in. Obviously, this is a man-made, President-made, disaster that we are finding ourselves in, not a biological disaster like COVID.

But this contract was started during COVID. Obviously, before any of us -- maybe some folks over there on the side of the room were here. None of us were here. And it has now ballooned to nearly 1,500 percent of where it was originally. And I believe it was even a sole source, originally. So it just started off as a very problematic contract. And I think these repeated -- we are now compounding the challenge here and the damage. So you know, it's a little Frankenstein-esque, to be fair, this contract.

So we -- also, the State has a contract vehicle to use for call center -- for a call center that this body approved earlier this year. And so I talked with your team a little bit about this already, but I guess I would love some additional clarification on why -- and anticipating that, you know, you might need to do this -- you didn't sort of start investigating the call center contract that the

State already has, rather than simply relying on this call center contract.

MS. WU: Thank you, Madam Comptroller. So I will -- to follow on your points, first, what we needed to do to make this transition was actually procure the underlying technology. Because to your point, when we transitioned to the contractor during the pandemic, we didn't even have the ability to take our own calls anymore. So we first had to procure a vendor and underlying IT technology, LOCCS, which we did. That came on board and we started having staff -- State staff who are contract, but we are seeking this budget to convert them. They started two months ago at the end of January.

We are looking at that additional State contract. My understanding is there's only \$8,000 left on that contract, so that is going to take several weeks, if not maybe some months, to, you know, revise that contract, make sure it could be used to adapt to the technology we have procured under this LOCCS system. We absolutely are open to that.

I will also note this extension of the Accenture contract is drastically scaled back from what it even has been already at a reduced level. We are asking for the extension only to do between 50 and 75 individuals at this point. Our goal is to ramp up the State staff. Like I said, we already have 100. We have the authority to bring on another 20. We are also training other individuals across the department to be able to answer the phones and cover the excess need, if there is. So we are scaling back. You know, I recognize and I take very seriously your point that we do need to look at those other state vehicles.

COMPTROLLER LIERMAN: Okay, thanks. And then, is my understanding correct that the \$3.8 million -- although it's presented in the sheets here as a modification amount of \$3.8 million, your team said to me yesterday -and I'd like you to confirm -- that this is actually an up to. You do not -- it is

not -- you may not necessarily spend all \$3.8 million; is that correct?

MS. WU: Yes, it's -- you know, that's the capacity we could use. Again, our goal is to continue to ramp up. And frankly, we've been unclear on how much capacity we would need. Just because the nature of the actions that's been taken, it seemed like they were coming much faster than we expected. Now with the federal lawsuits, maybe they're being slowed down. It's hard for us to predict sort of week to week how much we're going to need. And the current contract and the interface with our team allows us to sort of toggle that up and down, frankly, day by day.

COMPTROLLER LIERMAN: Right. Well, and right now, it looks like your average wait time has actually decreased this month. It started at 12 -- it started at 12 minutes the week of 3/7. And now, it's at seven minutes this week. So actually, like you are having good success with your in-house staff and you are reducing wait times.

MS. WU: Yes, That's true.

COMPTROLLER LIERMAN: Okay, so I guess how -- a couple of other questions, sorry. How much are we paying each Accenture agent or how are we paying them? Is it -- it's per hour, per agent is my understanding, but --

MS. WU: I don't know how much Accenture is paying them per hour, but I believe our compensated cost is \$55 an hour per agent to Accenture.

COMPTROLLER LIERMAN: Okay. And is the technology that Accenture is using proprietary or is it licensed for our use? Will we get that technology infrastructure, when Accenture goes away or is that what we're working on right now?

MS. WU: So we actually procured separately. And thank you to the BPW for approving that technology, call center technology. And what we're going to be doing now is migrating the Accenture folks into that, so they -- it can

be one system. They've been using theirs; we've been using ours.

It's not totally as seamless as we would like. So they are able to use Genesis as the underlying system; that's a frequently used system. So we have that, and that is part of what took a while to get this migrated to State staff because we had stopped having that internal capacity.

COMPTROLLER LIERMAN: Right, I understand. We have call centers, so -- I don't think we have Genesis but. So the item also mentions that these agents -- or you added, I will say. You said that -- noted that you want additional capacity. But my understanding is that these folks, the Accenture folks, are already here. So actually, it's not additional capacity. You're just not reducing capacity. Is that correct or are you actually bringing in new people?

MS. WU: Because we're bringing in people on the State side. We see the Accenture -- so first of all, we're reducing the number of Accenture people, you know, increasing the State staff. But the "additional" means on top of the capacity that State staff can provide. Because part of the usefulness of having State merit staff is they can actually resolve issues for candidates,

COMPTROLLER LIERMAN: And Accenture can't.

MS. WU: -- and that's the requirement under the law that merit staff address those. Accenture can't do that. But if our State staff are answering basic, how do I reset my ID questions, they're not actually resolving UI claims. So we do want to have the Accenture staff there to answer more routine informational questions and provide more basic assistance.

COMPTROLLER LIERMAN: And have you -- a couple. Have you come up with a sort of average wait time that you believe is acceptable for when you'll be able to wean yourself off of the call center? I mean I'm just trying to understand, like, what your end game is. Like if your average wait time is always ten minutes or less, will you then say, okay, like, this is the number we

need, so we don't need to have a contractor. What is your sort of end goal here?

MS. WU: I can't say off the top of my head what that average wait time is. We do see a significant fall off after, you know, 10, 12. I don't know the exact minutes. But I think -- at this point, because it's so difficult for us to know what the volume is going to be like, we are frankly just trying to -- at least for the next six months, make sure we're able to address and answer the calls reasonably quickly. You know, the current wait times, we're having reasonably good success and less fall off. We'd like to keep it here. We could see it balloon depending on what happens.

COMPTROLLER LIERMAN: Yeah, I mean I think seven minutes is very --

MS. WU: Yeah.

COMPTROLLER LIERMAN: It feels good. We are -- I wish we were at seven minutes. And so considering that hourly rate of \$55 per hour, are you -- if you decide, I guess, between now and when this contract modification ends, like, will your team be working with Secretary Chaudhry on if you do need -- understanding that we don't know what's coming. You're going to ramp up your in-house team. But if -- and I hope that this isn't the case and I expect that this won't be the case -- but if you were to need additional capacity, you now have a few months to work with Secretary Chaudry to move into another contract vehicle. Is that your plan?

MS. WU: Absolutely. And in fact, our budget submission and prior calculations -- we had always looked at ramping down this existing contract. Because as you mentioned, it is quite costly.

COMPTROLLER LIERMAN: Yes.

MS. WU: We are looking for more cost-effective options. We have been in touch with Secretary Chaudhry's team, and we'll continue to talk

with them and figure out the best way.

COMPTROLLER LIERMAN: Okay. Yeah, this was not a competitively bid contract. Okay. But LOCCS seems like they're doing really well. I mean it seems that it's operational. It's up --

MS. WU: It does seem to work. And you know, we're still refining. And of course, we welcome feedback from anyone and everyone about how we can improve.

COMPTROLLER LIERMAN: Got it. And my understanding from this also is that it's 100 percent federally funded; is that accurate?

MS. WU: UI Admin has been in the past. We do have a proposal in front of the General Assembly now because federal funds, frankly, have been decreasing --

COMPTROLLER LIERMAN: Okay.

MS. WU: -- and they won't be adequate. So we do have an administrative fee proposal being considered by the General Assembly right now for special funds.

COMPTROLLER LIERMAN: Okay. I mean certainly I am excited for us to support -- not excited. I mean I wish we didn't have to support our federal workforce in this way. It's terrible. But I want us to make sure that we're supporting our federal workers and that they get this timely information, but I also don't want us to use this federal government-made disaster to waste taxpayer dollars.

And so you know, for all of us, I think we're -- we understand the fiscal situation in the State. And so we have to make sure that we move on from contracts like this that were not competitively bid and that, frankly, are just extremely expensive. So I look forward to continuing to work with your team.

Thank you for sending over this information late last night. And I look forward to

making sure that we can help our federal workers. Thanks.

MS. WU: Thank you, Madam Comptroller.

LIEUTENANT GOVERNOR MILLER: Thank you, Madam

Comptroller.

Mr. Treasurer, any burning questions?

TREASURER DAVIS: Yes.

LIEUTENANT GOVERNOR MILLER: Okay.

TREASURER DAVIS: I'm curious about something you said.

How much do we pay State workers, the regular agency with the State workers, ballpark?

MS. WU: I don't know the answer off the top of my head.

TREASURER DAVIS: Or their salary?

MS. WU: I would have to get back to you, Mr. Treasurer. I don't know the number.

TREASURER DAVIS: The reason why I asked is I heard the Comptroller saying that we're paying \$55 an hour to an agent, which is ballpark \$110,000 a year. Are we paying our agents \$110,000 a year?

MS. WU: So I will note, that's not what we're paying the agents for Accenture. That's what we're paying the company.

TREASURER DAVIS: Per agent?

MS. WU: Well, that's the per hour rate.

COMPTROLLER LIERMAN: Per hour rate per agent?

MS. WU: Absolutely.

TREASURER DAVIS: (Indiscernible).

MS. WU: It is. It is an expensive -- exactly.

TREASURER DAVIS: And --

MS. WU: It's expensive, and that's why we have been working to

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ramp this contract down because it is a costly contract.

TREASURER DAVIS: Well, they're screwing us.

COMPTROLLER LIERMAN: Yeah.

TREASURER DAVIS: Let's not sugarcoat it. There's no way we're paying State agents that are doing this work \$110,000 a year. We just aren't. And so I go with that to -- how many people are we servicing a week right now?

MS. WU: So we're getting -- over the last couple of months, I think we've gotten somewhere -- about 19,000 calls a week.

TREASURER DAVIS: 19,000 a week?

COMPTROLLER LIERMAN: Do you want me to give you this? We have --

MS. WU: I have it. I have it here somewhere. But yes, it's gone up and down.

COMPTROLLER LIERMAN: In state -- the in-state agents have answered 9,800 calls this week and Accenture answered 6,900 calls this week.

TREASURER DAVIS: 98, 69 -- okay. How much do we typically do if we -- let's say a year ago at this time, how many were we averaging a week?

MS. WU: I would say before February 14th, so looking back to January, I think we were maybe closer to 17,000 a week. It's gone up and down wildly. Some of the weeks around February 14th, we were over 20,000 -- 23, 24 thousand down to, you know, 15 or 16 thousand.

We do have a lot of repeat callers. And so you know, part of our aim is also to improve our underlying systems because, frankly, some of these contracts that were procured during the pandemic -- for our new system as well as this one -- we could have -- we could have better performance.

TREASURER DAVIS: How many -- and this was before your time. So if you don't know, I understand. How many were we doing per week under COVID?

MS. WU: That I couldn't answer you, but I think that was a much higher level. And I understand why one would have a contract to deal with extreme surges like that. That said, we know this is coming; we can plan ahead. We do believe that State staff also -- especially for a program like UI, where they can actually help people resolve problems in their claim. That's a better use of everyone's call time. Instead of someone taking a call saying, I can't help you. I'll escalate it -- click. And then, the person calls back next week. So that's why we're making this change. It's more cost effective for the State, and it provides better service.

TREASURER DAVIS: Fair enough, thank you.

LIEUTENANT GOVERNOR MILLER: Secretary Wu, look.

While all of us agree that it's great to have it all in-house -- that's what we're aiming to do, just regarding that figure of \$55 an hour, just to clarify, that doesn't go directly to the individual. It goes to the company to cover overhead costs, costs to do business, healthcare and benefits that's provided to the employee.

Right? It's not like they're getting a check for \$55 an hour?

MS. WU: Right, that's correct.

LIEUTENANT GOVERNOR MILLER: All right?

MS. WU: Yes.

LIEUTENANT GOVERNOR MILLER: All right, just wanted to clarify that. So -- and I also want to say, Secretary Wu, thank you so much for the incredible work you and your team have been doing to really support our displaced federal workers. Not only have you stepped up in great ways for this situation, but also during the F.S.K. Bridge collapse. You also stepped up, you

and your team, so thank you from the bottom of our hearts for everything you're doing.

And I want to give a great big shout out to our Chief Performance Officer, Asma Miraz, and her team for their efforts to coordinate this Administration's response to the federal layoffs, ensuring that affected Marylanders can easily and quickly navigate available resources to explore new career opportunities with the State. I think with all of us working together let's hope we can provide some great relief to our federal, dedicated public servants. So thank you so much for being here.

MS. WU: Thank you.

LIEUTENANT GOVERNOR MILLER: And any other further discussions for the remainder of the DGS Agenda?

Madam Comptroller?

COMPTROLLER LIERMAN: Thanks.

Secretary Chaudhry, good to see you. I just have a couple of things I wanted to bring to your attention. One is I just wanted to highlight Item 20-C. It seems mundane -- to quote a former Lieutenant Governor, mundane but meaningful. It's a request from DGS to award Denver-Elek, Inc. almost \$7.5 million to replace the HVAC system at the Hyattsville District Court Building.

And I just wanted to highlight and commend them for incorporating and highlighting the sustainability aspects of the project in their item where they noted that the integration of these advanced technologies ensures that the facility will meet or exceed energy performance standards, while promoting sustainability and environmental responsibility in performance with Maryland High Performance Green Building Program and more. I think this kind of information is really important for our agencies to share with the public, both to hold ourselves as agencies accountable, and I count myself in that as an agency

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head, but also for the public and potential bidders in the future to see what we're doing and what we expect from them. So I just wanted to highlight that.

And then, I do have a couple questions for you on Item 1. This item provides \$50,000 in capital grant funding to the Board of Directors of the Chesapeake Conference of the Seventh-Day Adventists. And I was -- as somebody who has brought many local bond initiatives, LBIs, in the past, I understand -- my understanding had already -- had always been that we could not bring them for churches and for religious institutions. And so I just wanted to ensure that this project conforms with the LBI guidelines established by the Department of Legislative Services: One, that the project will serve a public purpose, and two, that funding may not be used for religious purposes. So can you share details about this project, and you know, that it's actually for the entire community, not just for the Seventh-Day Adventist school?

MR. CHAUDHRY: Yeah. Thank you very much, Madam Comptroller. I appreciate that. And I will tell you that there's a couple of checks and balances we have within the grant process to ensure that -- the requirements of LBIs, you know, are not utilized for religious purposes and they're nonsectarian.

And the first one is our initiative fact sheet from -- that we collect from the grantee outlines the purposes of the grant, all the specifications associated with the cost. And in the description there, we want to make sure that we see -- when it's going to a religious organization, they clearly identify that it is a nonsectarian focus and it is for the community, not just for religious purposes. That's the first thing.

The second thing, Madam Comptroller, we have an affidavit that all grantees must sign and certify that the funds will not be used for religious purposes. And they sign and, you know, someone with authority signs that. And

what they do indicate is that it will -- either the grant funds or their own matching funds, both, will not be used for -- to further sectarian religious instruction; not in connection with any type of design, acquisition, construction of a building that we use as a place for sectarian religious worship or instruction; and also it would not be in connection with any program or department of divinity of any religious denomination. So that's what they certify on.

And in this particular project, it will be used for the community. It's going to -- it's actually an outdoor education center at this academy. It will be outdoor learning and innovative hands-on for students and for the community to learn more about the environment and sustainability. So this particular project does meet the requirements, and we've got those safeguards in place to ensure that all grants meet those -- meet those (indiscernible) safe requirements.

COMPTROLLER LIERMAN: That's great. Thanks. And this funding is dispersed on a reimbursement basis following a review by DGS, correct?

MR. CHAUDHRY: Correct.

COMPTROLLER LIERMAN: So they couldn't sort of take the money and spend \$10 on the out sort of -- outside academy and the rest of it on something else. Not that they would do that, but it's all reimbursement. Right?

MR. CHAUDHRY: Absolutely, and we were -- well, we do reimbursement. There is other opportunities there where we do pay vendors directly for them.

COMPTROLLER LIERMAN: Okay.

MR. CHAUDHRY: But that is after we certify the scope of work, what it's for. We certify everything. We make sure that the money is being spent for the intended purposes. And if they're reimbursed, we do get canceled checks.

COMPTROLLER LIERMAN: Okay, and I'm not meaning to pick

on the Seventh-Day Adventists. If this was the Catholics, I'd do the same thing. You know?

MR. CHAUDHRY: It's a process question.

COMPTROLLER LIERMAN: Yep, it's a process question.

Great, thank you.

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And then, I have one final question for the DHS representative who's here today, if possible.

MS. BROWN-BURNETT: Good morning --

COMPTROLLER LIERMAN: Hey, how are you?

MS. BROWN-BURNETT: -- Governor Miller, Comptroller Lierman, and Treasurer Davis. I'm Gloria Brown-Burnett, Deputy Secretary for Operations with the Department of Human Services. Good to see you.

COMPTROLLER LIERMAN: Nice to see you. Thanks for being here. This is about Item 24-S-MOD. This deals with the -- this deals with an out-of-state provider. And it's been a little while since I asked, but I think DHS knows of my interest in developing an in-state network of providers for youth placements. And so I just wanted to ask if you could give us an update on the out-of-state. You know, what we're doing. How DHS is moving forward on increasing our availability for in-state placements for kids?

MS. BROWN-BURNETT: Thank you for the for the question. We are completing a statement of need for a solicitation of provider services that we anticipate releasing later this spring, contingent on the final passage of the FY-26 budget, of course. We thank both the House and the Senate for continuing to support our rate reform efforts as we rebuild our provider capacity in both FY-25 and FY-26.

This statement of need will urge Maryland's providers to express interest in providing programing to serve youth with complex medical and

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behavioral health needs including diagnostic evaluation and treatment programs; psychiatric respite programing; emotional, cognitive, and developmentally delayed individuals; females; and commercially sex-exploited youth.

In this particular youth's case for this particular contract, this is a Washington County youth that was successfully placed with an adoptive family through an out-of-state provider last year. And we are hopeful that the youth will be transitioned to permanency in the form of adoption in the near future.

COMPTROLLER LIERMAN: That's fantastic. That's great. That's really nice to hear. Okay, thank you for that.

And I did see -- I'm not sure if you saw -- on Monday the Circuit Court for Baltimore City affirmed MSBCA's decision to sustain the appeal on the EBT transfer system. Has the Department come to any conclusion on how they're planning to move forward on that contract, or what the next steps are?

MS. BROWN-BURNETT: Thank you for your question. We are actually currently working with our -- discussing our options with our legal counsel and anticipate bringing an updated set of recommended actions before the Board of Public Works in the near future.

COMPTROLLER LIERMAN: Thank you. Nice to see you.

LIEUTENANT GOVERNOR MILLER: Is that it?

COMPTROLLER LIERMAN: That's it for me.

LIEUTENANT GOVERNOR MILLER: All right, thank you,

Madam Comptroller.

If there's no further discussion, may I have a motion to approve the DGS -- oh.

TREASURER DAVIS: No, we can do that.

LIEUTENANT GOVERNOR MILLER: Yeah?

TREASURER DAVIS: Let's do that and then I'll ask.

LIEUTENANT GOVERNOR MILLER: You sure?

TREASURER DAVIS: Yep. (Indiscernible.)

LIEUTENANT GOVERNOR MILLER: Okay.

All right. May I have a motion to approve the DGS Agenda?

COMPTROLLER LIERMAN: Motion to approve the DGS

agenda.

LIEUTENANT GOVERNOR MILLER: Is there a second?

TREASURER DAVIS: Second.

LIEUTENANT GOVERNOR MILLER: Thank you, Mr.

Treasurer. Thank you, Secretary Chaudhry.

Yes?

TREASURER DAVIS: My question is for Secretary Chaudhry.

(Laughter.)

TREASURER DAVIS: Maybe I should have asked it. Let me go

sit down.

MR. CHAUDHRY: Mr. Treasurer, I feel like -- you know,

Secretary Kurtz got no questions.

COMPTROLLER LIERMAN: He brought us trees.

(Laughter.)

TREASURER DAVIS: I already asked about these darn trees. It's

still dying.

(Laughter.)

TREASURER DAVIS: It's from last year, but they're dying this

year.

Because you weren't prepared or are surprised for this question, you don't have to answer it now, but if you could get back to me or we can have it at a future meeting. It's regarding YesCare. I've heard from a number of vendors

**HUNT REPORTING COMPANY** 

who haven't been paid. And I was aware that YesCare was -- or that we were withholding some funding from YesCare. So my question, I guess, is two parts.

One, how much are we withholding, and how much do they owe Maryland companies? Obviously, you know, we sort of signed them up. We went into business with them. So for me, I feel a certain responsibility that we help everyone that's supposed to get paid to get paid.

I don't believe we should allow them to just walk away from this or to reinvent themselves yet again, so that they can come and try to do business with the State. Do a low bid, make a mess of it, and then walk away and reinvent in something else. So I want to get these -- A, I want to get these Maryland companies paid. And B, how much are they withholding? And C, when they bid again, we can sort of remember this and the mess that they've created. So those are my questions. Like I said, I know you weren't prepared for that. So I'm going to -- unless you want to.

MR. CHAUDHRY: Okay.

(Laughter.)

MR. SEDTAL: I'm always ready.

For the record, Joe Sedtal, Deputy Secretary of Administration for the Maryland Department of Public Safety and Correctional Services. The Department is currently withholding the final invoice that was due to YesCare. I don't have the exact number off the top of my head. I want to believe it's around \$10 to \$12 million. The Department has -- and it has been explained to the Legislature in a number of different hearings and publicly. We have been reviewing the prompt pay provision within the existing contract, which is a very limited ability for the State to make payment in the place of a prime contractor to subcontractors, which have to be defined by an agreement per statute.

This is something that we've been reviewing to ensure that we, if

necessary, can make that payment. Obviously, the Department has been trying to encourage the prime contractor to pay its subcontractor for a significant period of time. We're currently reviewing with the Attorney General's Office the viability of this method and the ability to what level of payment could be made.

But what I can assure you is the Department has been reviewing this and wants to make sure that we do anything in a legally sufficient manner to ensure that the State doesn't get into a position where a payment could be made, and then some sort of counterclaim could be made, and the State pays twice. So we're trying to be cognizant of the fiscal responsibility for the State, that payments are only made in a way that is defensible legally. But at the same time, making sure that any subcontractors, especially Maryland companies, are paid for the work that they do.

TREASURER DAVIS: And I get that. And certainly, you know, being cautious like that I would certainly agree with. But some of these go back several years now, and they're still waiting. If there's something in the law that prohibits this, then we need to change the law. So if that is the impediment, then I would be more than happy to sponsor it if you all don't want to do it.

But it's important that when people are acting as agents on behalf of the State and they are providing a service in good faith, that they are getting compensated through the people that we selected to, you know, to provide that -- you know, to provide that payment. So I'll leave it right there for now, but I would appreciate -- when the opportunity arises -- a date on when these folks can get paid because it's our credibility that's on the line as much as YesCare's.

MR. SEDTAL: Absolutely, and I'd be happy to meet with you at any time and kind of talk through the process and talk through what kind of -- sort of some of the challenges are.

TREASURER DAVIS: Fair enough.

COMPTROLLER LIERMAN: I'm sure it would be a bipartisan bill because UPMC out in Western Maryland, I think, is owed over a million bucks. So Senator McKay would be -- and others, yeah.

MR. SEDTAL: Thank you.

LIEUTENANT GOVERNOR MILLER: Thank you, Mr.

Treasurer.

Secretary Chaudhry, any more?

MR. CHAUDHRY: No, we're happy to follow up with the Department of Public Safety and Correctional Services and make sure we've got all answers, detailed answers for the Treasurer and the Comptroller.

LIEUTENANT GOVERNOR MILLER: Thank you so much,
Secretary Chaudhry. And I think we already approved the agenda. So I just want
to give a great big shout out to the members of the Maryland General Assembly,
their teams, legislative services -- everybody that makes this session so
successful. I know there's just a few more days left, and I want to say good luck
to each and every one of them. And I look forward to seeing all of you on sine
die.

So that concludes today's meeting of the Board of Public Works.

The next meeting will be on April 23rd. We are adjourned. Thank you.

(Whereupon, at 10:47 a.m., the meeting was concluded.)