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STATE OF MARYLAND

BOARD OF PUBLIC WORKS

BEFORE:

Honorable Marvin Mandel, Governor

Governor's Conference Room
State House
Annapolis, Maryland

March 13, 1974 - 10:00 a.m.

Reported by:

C. J. Hunt

1 **PRESENT:**

2 Governor J. Millard Tawes,
3 State Treasurer

4 Mr. Louis L. Goldstein,
5 State Comptroller

6 Mr. George R. Lewis,
7 Secretary, Department of General Services

8 Dr. R. Kenneth Barnes,
9 Secretary, Department of Budget
10 and Fiscal Planning

11 Mr. Louis N. Phipps, Jr.,
12 Assistant Secretary,
13 Department of Natural Resources

14 Mr. Vladimir A. Wahbe,
15 Secretary, Department of State Planning

16 Mr. J. Max Millstone,
17 Director of Administration,
18 Department of General Services

19 Mr. William Perkins,
20 Assistant Secretary, Department of
21 Budget and Fiscal Planning

 Mr. Edward L. Middleton,
 Administrator, Board of Public Works

 Mr. Andrew Heubeck, Jr.,
 Secretary, Board of Public Works

ALSO PRESENT:

 Miss Betty Suit,
 Administrative Assistant

P R O C E E D I N G S

GOVERNOR MANDEL: Let's get started.

MR. HEUBECK: The first item, Governor, we have the Budget Bureau's agenda, Department of Transportation.

DR. BARNES: Governor, on my budget or my agenda, there are several items that relate to the Department of Transportation. On the Department's agenda, items relating to the Department of Transportation, which question has been raised on, have been replaced in this agenda from last month's agenda. Secretary Hughes is here to explain the items in question. They are general items under the Department of Transportation, Page 1T, Items 3T and 4T. Item 3T relates to Interstate I-70 construction.

MR. HUGHES: Governor, I will let Mr. Fisher explain that. That is a new contract. While Mr. Fisher is getting his papers together I might make a statement with regard to MCA. MCA is a firm which has succeeded to the old firm of Matz Childs. I believe that this reorganization took place sometime in December of 1973,

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1 and at that time we received assurances, written
2 assurances from the new firm of MCA that Mr. Matz and
3 Mr. Childs under the reorganization were no longer
4 associated in any way, shape or form with the new
5 corporation of MCA. Having had that assurance, we
6 then considered them as being qualified for State
7 service, having what you might call purged themselves
8 and until that was done, they were not considered for
9 any new business with this Department.

10 MR. FISHER: I am David Fisher, Department
11 of Transportation.

12 Item 3T, which pertains to an agreement
13 covering inspection services for a portion of the
14 Interstate System in Baltimore City, is basically the
15 City project in which the City pays all the matching
16 funds, the Federal government pays the Federal share
17 of the project. With the Federal Bureau of Public
18 Roads, the State is required to carry out these agree-
19 ments and enter into the agreements on behalf of the
20 City so the State has no financial interest in the
21 project at all. It serves as a conduit, you might

1 say, for passing through the money and for supervising
2 the expenditure of Federal funds.

3 The agreement is for inspection services and
4 the basis of the agreement is the actual reimbursement
5 of direct salaries of personnel involved on the project,
6 plus an allowance in here to cover overhead costs of the
7 firm, the pay roll additives, such as Social Security,
8 et cetera, for the individual, plus a profit, and this
9 generally equates to a multiplier of about 2.02 in this
10 case of direct salaries for the consultant.

11 He was of course required to submit before
12 the agreement was executed in here the salary rates of
13 the personnel who were proposed to place on the job.
14 The Interstate Division for Baltimore City established
15 the number of people that they felt were necessary,
16 established the classifications for these people and then
17 established a schedule for use of the people and it is
18 set up in a bar schedule something like this, with the
19 number of people running across horizontally and the
20 time so that inspection services are tied in with the
21 length of time that the contract is expected to run,

1 with the individual's time for each performance, each
2 type of service, such as bridge inspector, grading
3 inspector, project manager, et cetera.

4 The overhead rates which are allowed for
5 the consultant are based on audits, pre-audits which
6 were performed by the finance section of the State
7 Highway Administration, so it is generally just a re-
8 imbursement thing of his actual cost, plus these
9 allowances, with the number of people who he is going
10 to assign to the job dictated ahead of time.

11 GOVERNOR MANDEL: Actually this is a contract
12 between the City and the Federal government?

13 MR. FISHER: Yes.

14 GOVERNOR MANDEL: And your office is merely
15 a conduit of the Federal funds?

16 MR. FISHER: That's correct.

17 GOVERNOR MANDEL: The Board of Estimates
18 has approved this for Baltimore City.

19 MR. FISHER: The Board of Estimates approved
20 the funding for it. There is an agreement between the
21 State and the City which guarantees the City then becomes

1. responsible for all the costs which the State has entered
2 into under this agreement.

3 GOVERNOR MANDEL: The City has approved this
4 specific contract?

5 MR. FISHER: Yes.

6 GOVERNOR MANDEL: It has been before the
7 Board of Estimates?

8 MR. FISHER: It has been before the Board of
9 Estimates. The consultants have signed the certificates
10 and have notarized. The agreements have to be approved
11 by the Federal Highway Administration before they come
12 down here.

13 GOVERNOR MANDEL: Have they signed the
14 affidavits that are required now under State law?

15 MR. FISHER: Yes, sir. Copies of the
16 affidavits have been made available to Dr. Barnes.
17 They have been notarized.

18 GOVERNOR MANDEL: Louie, do you have any
19 questions?

20 MR. GOLDSTEIN: This MCA, that is a new
21 firm? Is that part of a conglomerate or subsidiary of

1 some large firm?

2 MR. FISHER: MCA is the subsidiary of Walter
3 Kidde.

4 MR. GOLDSTEIN: Who is Walter Kidde?

5 MR. FISHER: Walter Kidde, Inc., who is a
6 New Jersey firm. Of course, the old Matz Childs Associ-
7 ates firm, through action of their Board of Directors and
8 with concurrence of Walter Kidde, who is the sole stock
9 owner of all the stock in Matz Childs, took action back
10 between November and December of last year to change the
11 name and to assign or elect new personnel to the
12 organization. This has all been duly filed with the
13 Secretary of State in Delaware, where they are incorpo-
14 rated. I have copies of all those resolutions and
15 records of file.

16 MR. GOLDSTEIN: Have you checked? This new
17 firm, MCA, does it have the ability to do these jobs,
18 have qualified and competent personnel?

19 MR. FISHER: They have adequately qualified
20 personnel, very qualified personnel. They are financially
21 able.

1 MR. GOLDSTEIN: Who checked that out?

2 MR. FISHER: We have financial statements
3 which we have received, which were checked out by the
4 finance personnel.

5 MR. GOLDSTEIN: Who checked out the qualifi-
6 cations of the engineering personnel to do this type
7 of work?

8 MR. FISHER: These were reviewed by the
9 Interstate Division and by the State Highway Administra-
10 tion, in the negotiations with the consultant. In
11 other words, the State Highway Administration and the
12 Interstate Division said we want certain type people,
13 certain classifications of people on this job. They
14 reviewed what the personnel, the consultant has, what
15 background and experience he has.

16 MR. GOLDSTEIN: That is the Federal Highway
17 Administration in Washington? They have checked them
18 out too?

19 MR. FISHER: The FHA has concurred in the
20 agreement. The agreement was presented to them but
21 the individual reviews of the personnel, their qualifi-

1 cations was done between the State Highway Administration,
2 Construction Division and the Interstate Division
3 personnel.

4 GOVERNOR MANDEL: You say the Federal High-
5 way Division has approved this contract?

6 MR. FISHER: The Federal Highway Administra-
7 tion of Washington.

8 GOVERNOR MANDEL: Are they aware of all the
9 changes in the new corporation?

10 MR. FISHER: Yes, sir.

11 GOVERNOR MANDEL: They have been made aware
12 of all this?

13 MR. FISHER: They have been made aware of the
14 changes in the name of the organization, yes, sir.

15 MR. GOLDSTEIN: The Federal Highway Ad-
16 ministration is paying 90 percent.

17 MR. FISHER: They are paying 90 percent
18 of the eligible cost. Because of some overhead al-
19 lowances which are not always authorized, the 90 per-
20 cent drops down sometimes to 82 or 85, somewhere in
21 that order.

1 MR. GOLDSTEIN: Baltimore City is paying the
2 rest?

3 MR. FISHER: Baltimore City is paying all the
4 rest of the cost.

5 MR. GOLDSTEIN: It would be anywhere from 10
6 to 18 percent?

7 MR. FISHER: Right.

8 MR. GOLDSTEIN: The State of Maryland is not
9 paying anything on this contract at all?

10 MR. FISHER: The State has no obligations
11 financially at all.

12 MR. GOLDSTEIN: And Mr. Matz and Mr. Childs
13 are not getting anything out of this contract?

14 MR. FISHER: Mr. Matz and Mr. Childs are not
15 members of the corporation of MCA Engineering Corporation.

16 GOVERNOR TAWES: Dave, that was a question.
17 I think you partly answered it but do you have the
18 documents, resolutions, where the business has now been
19 transferred from the old Matz Childs to the new MCA
20 Engineering Corporation?

21 MR. FISHER: Yes, sir. I have records here,

documentation and all.

1
2 GOVERNOR TAWES: Could you furnish members
3 of the Board with copies of those documents that you
4 have?

5 MR. FISHER: I would be happy to, and the
6 record where they have been filed with the Secretary
7 of State in Delaware.

8 MR. GOLDSTEIN: I think it would be well for
9 us to have copies.

10 MR. FISHER: I would be glad to furnish each
11 member of the Board a copy.

12 GOVERNOR MANDEL: Will you furnish a copy
13 to the Secretary of the Board so it could go into the
14 minutes?

15 MR. FISHER: All right, sir. I have copies
16 of it all here, one copy, if anybody wants to see it
17 now.

18 MR. GOLDSTEIN: I wonder if you could keep
19 the Board of Public Works advised, when these companies
20 are now changing their names and changing their
21 personnel? This is the first time I have had that

1 information about this company.

2 MR. FISHER: We will be happy to.

3 MR. GOLDSTEIN: We have no way of knowing
4 about MCA. I thought it was a new company. I know you
5 qualify them before you give them an opportunity to bid.
6 Is that right? Don't you qualify all these people
7 before they bid on any work?

8 MR. FISHER: Yes. They are interviewed
9 before any agreement is entered into, to identify what
10 their qualifications are and what their personnel
11 capabilities are.

12 GOVERNOR MANDEL: Any further questions?

13 GOVERNOR TAWES: I don't have any.

14 DR. BARNES: The next item is on Page 16,
15 also MCA. Item 14 relates to the Maryland Transpor-
16 tation Authority, and has to do with an MCA engineering
17 contract in connection with construction of the approach-
18 way from the Baltimore Harbor Tunnel to connect I-95
19 over Route 1.

20 GOVERNOR MANDEL: That was the item that was
21 before the Board at the last meeting.

1 DR. BARNES: That was before us the last meet-
2 ing.

3 GOVERNOR MANDEL Dave, Harry?

4 MR. HUGHES: I might briefly say, due to the
5 details of this contract, that this is an amendment to
6 an original contract that was executed in '68, I believe,
7 with the Toll Authority, which is now the Maryland
8 Transportation Authority. The amendment came to our
9 attention sometime last, late summer, August or Sep-
10 tember, and it was brought to the attention of the
11 Maryland Transportation Authority at one of their open
12 meetings, which the President was in attendance and they
13 instructed the staff and the legal division to explore
14 this matter rather thoroughly, and in some great detail,
15 and to come back at a later date, and to submit their
16 recommendations with regard to the amendment to the
17 contract.

18 This was done, and a report was made back
19 to the Authority, and upon the recommendation of the
20 staff and the justifications and the facts brought to
21 the attention of the Authority at that time, the Authority

1 gave the amendment its approval. Subject to that then
2 it was placed on the Board agenda, the agenda of the
3 Board of Public Works in the usual course of business.

4 MR. GOLDSTEIN: You say the Authority. Who
5 is on the Authority? What is the Authority?

6 MR. HUGHES: The Authority is the legal body
7 that was created when this Department was set up to
8 assume the exclusive responsibility for operating and
9 maintaining and financing and whatever the toll
10 facilities, the J. D. Kennedy Highway and the bridge
11 and tunnel, which were financed under two separate trust
12 agreements, and this Authority was required to maintain
13 the integrity of those agreements, as a continuation
14 of the old State Roads Commission, which used to serve
15 in that capacity as well as the State Roads Commission.

16 MR. GOLDSTEIN: Who is on the Authority?

17 MR. HUGHES: The Authority members are Mr.
18 Joseph Browne, who was the former Chairman of the Board
19 and President of the Union Trust Company, Mr. Mercer
20 Smith, who was the Vice President of the C&P Telephone
21 Company, Mr. Herman Gruehn, I really don't know what

1 Mr. Gruehn is, I think he was with the Gas and Electric
2 Company, was he not?

3 MR. GOLDSTEIN: Yes.

4 GOVERNOR TAWES: Yes, the financial man.

5 MR. GOLDSTEIN: Before he retired.

6 MR. HUGHES: Before he retired, Mr. Bill
7 Wheeler from Montgomery County, former member of the
8 House of Delegates and a lawyer, Mr. Laister Mobley
9 from Hagerstown and Mr. Ralph Diffenderfer from Baltimore
10 County. There are six members of the Authority, and I
11 serve as Secretary of Transportation under the law as
12 Chairman of that Authority.

13 MR. GOLDSTEIN: And they approved it?

14 MR. HUGHES: Yes, sir. After quite a bit of
15 background investigation and factual information,
16 which Mr. Fisher is prepared to present to you today
17 and discuss with you.

18 GOVERNOR MANDEL: But they approved it in
19 open meeting?

20 MR. HUGHES: Yes, sir, in open meeting. As
21 a matter of fact, there was a press article on this. The

1 meeting was January 7, 1974. The following day, January
2 8, 1974, there was a news account of the action taken
3 by the Authority on this contract.

4 MR. GOLDSTEIN: What newspaper covered it?

5 MR. HUGHES: It was the Evening Sun. Mr.
6 Horace Ayers wrote the article. I have a copy of the
7 newspaper article.

8 GOVERNOR MANDEL: I would like to see it.

9 MR. HUGHES: It is a little difficult to
10 read. The important part of it starts here.

11 The pertinent part is the last column of
12 that article.

13 MR. FISHER: Right-hand side, first paragraph.

14 MR. HUGHES: These are the minutes of the
15 meeting of January 7th when this item was approved by
16 the Authority. The last page really gives it. That
17 shows who was in attendance.

18 GOVERNOR TAWES: Do you have another copy of
19 the newspaper article?

20 MR. HUGHES: I am getting one.

21 MR. GOLDSTEIN: Is Mr. Hale here today?

1 MR. HUGHES: I don't know.

2 MR. GOLDSTEIN: Edmond Hale?

3 MR. HUGHES: Dave says he is.

4 This is a copy of the minutes of the meeting
5 of the Committee on September 10. The pertinent informa-
6 tion is on Page 5.

7 MR. GOLDSTEIN: May I ask a question, Governor?

8 GOVERNOR MANDEL: Go right ahead.

9 MR. GOLDSTEIN: In the minutes of your
10 September 10th meeting, on Page 5, the third paragraph,
11 Matz Childs originally submitted the supplemental agree-
12 ment, is that correct?

13 MR. HUGHES: That's correct.

14 MR. GOLDSTEIN: Then on January 7, 1974, at
15 that meeting, that was after --

16 MR. HUGHES: The reorganization.

17 MR. GOLDSTEIN: -- the reorganization of the
18 firm?

19 MR. HUGHES: That's correct.

20 MR. GOLDSTEIN: Now Mr. Hale is President
21 of the firm?

1 MR. FISHER: Yes.

2 MR. GOLDSTEIN: Is Mr. Hale here?

3 MR. FISHER: Yes.

4 MR. GOLDSTEIN: Mr. Hale, may I ask you a
5 question? Now that your firm has been reorganized,
6 does Mr. Matz and Mr. Childs have anything whatsoever
7 to do with your firm?

8 MR. HALE: Nothing whatsoever. They receive
9 no salary, get no bonus, get no profit sharing, they
10 have nothing at all to do with the firm. They are not
11 employees, they are not stockholders, they are completely
12 out.

13 MR. GOLDSTEIN: Now that your firm is reorgan-
14 ized do you have sufficient trained personnel to carry
15 on these contracts?

16 MR. HALE: Yes, sir, without question. We
17 have not lost a person.

18 MR. GOLDSTEIN: Where is your home, sir?

19 MR. HALE: Maryland.

20 MR. GOLDSTEIN: Are you a Marylander?

21 MR. HALE: Yes, sir.

1 MR. GOLDSTEIN: You are not a New Jersier?

2 MR. HALE: No, sir.

3 MR. GOLDSTEIN: How long have you lived in
4 Maryland?

5 MR. HALE: All my life except for service in
6 the Army.

7 MR. GOLDSTEIN: Where did you go to school?

8 MR. HALE: Johns Hopkins University.

9 MR. GOLDSTEIN: Did you all sign an affidavit
10 that nobody coerced you or you didn't give anybody
11 anything for these contracts?

12 MR. HALE: Yes, sir.

13 MR. GOLDSTEIN: Under oath?

14 MR. HALE: Yes, sir.

15 MR. GOLDSTEIN: You haven't been mixed up in
16 any of these so-called pay-offs and scandals, have you?

17 MR. HALE: No, sir, I have not.

18 MR. GOLDSTEIN: Thank you, sir.

19 GOVERNOR MANDEL: Ask one more question, he
20 won't get mixed up anymore?

21 MR. GOLDSTEIN: Only the Good Lord knows what

1 lies in the future.

2 MR. HALE: Yes, sir.

3 MR. GOLDSTEIN: All depends on how hungry
4 he gets, Governor.

5 MR. HALE: I will never get that hungry.

6 MR. GOLDSTEIN: I thank you. Thank you,
7 Mr. Hale. You answered my question. I want it in the
8 record, for the newspaper, radio, television, and the
9 public so everybody knows what we are talking about.
10 We appreciate your coming down here and answering these
11 questions.

12 MR. HALE: Thank you.

13 GOVERNOR MANDEL: How long have you been
14 associated with the company?

15 MR. HALE: Four years.

16 GOVERNOR MANDEL: Thank you very much.

17 Dave, can you give us some of the details
18 of the background of the reason for this extension?

19 MR. FISHER: I think it might be pertinent
20 to say that the agreement, the basis of the fee that was
21 worked out on the '68 agreement continues over into

1 the work order here in the agreement that you have
2 before you today, that this was direct salaries of the
3 personnel, plus, again, an allowance for overhead,
4 pay roll additives of the personnel and an allowance
5 for property. Under the original agreement, it meant
6 that they got direct salary reimbursements plus 111
7 percent to cover these other costs. Under the new
8 agreement, they get direct salaries, plus 102 percent,
9 or almost a 10 percent decrease on this, as a result of
10 audit indicating a decrease in the cost of the overhead
11 for operation of the firm.

12 The initial agreement was entered into in
13 October, 1968 and had been previously given approval
14 by the Board of Public Works on September 11, 1968.

15 The proposal at the time in here was that the
16 consultant was to undertake this effort of inspection
17 of construction at a time period in here that would
18 have completed all his services by the opening of the
19 I-95, between the two Beltways, Baltimore and the
20 Washington Beltways. That was in the end of December,
21 1970. The basis for the estimate in here was worked

1 around those dates, those construction dates, and a
2 number of personnel who were agreed upon would be assigned
3 to the project.

4 He was given approval to go ahead right
5 after, with the design right after the agreement was
6 executed, which was the end of 1968, and in February
7 of '69, we ran into a lot of vocal objections by the
8 community of Elkridge. This project extended the Harbor
9 Tunnel approaches from Route 1 to Elkridge over to I-95,
10 just west of the Potapasco River. It was all located in
11 Howard County. The community there got quite concerned
12 about the proposed construction, and the impact which it
13 would have on the community. The elected officials
14 of Howard County became involved in it, and they
15 approached the State Roads Commission at the time,
16 indicating their concerns and their desire in here to
17 try to modify the location if at all possible. Because
18 of these objections in here, the State Roads Commission
19 stopped action by the consultant and his efforts until
20 additional studies could be made in here, acknowledging
21 the request of local interests and the government

1 officials of Howard County, and came up with a report
2 covering the cost, impacts and the various problems
3 associated with all of the alignments which they felt
4 would be practical, plus the alignment included in
5 the engineering study and it wasn't until the end of
6 July when there was a meeting with the elected officials
7 of the County and representatives of the community and
8 the decision was made on alignment to go ahead, that
9 allowed the consultant then to get back to work in
10 August of that year.

11 MR. GOLDSTEIN: '69?

12 MR. FISHER: August of '69. So you had a
13 delay in here from February of '69 until August of '69
14 in the activities of the consultant with respect to
15 design of the project.

16 In April of 1970, when preliminary plans
17 were submitted to the then Bureau of Public Roads, now
18 the Federal Highway Administration, to obtain approval
19 for the connection into I-95, because I-95 was part of
20 the Interstate System, and any connections to it would
21 be subject to approval then by the Federal Agency; at

1 that time they raised a number of questions concerning
2 the proposed design, and requested modifications to it,
3 which ultimately resulted in widening the bridge over
4 I-95 and widening to two lanes the ramp connection into
5 I-95. This includes considerable additional engineering
6 work. The studies had to be made. It wasn't until
7 August of '70 then, that was from April of '70 when
8 the Bureau first raised these questions and objected to
9 some of the designs until August of '70, that the con-
10 sultant got approval to go ahead with revisions to the
11 plans in order to conform to these requirements for
12 widening of the connections into I-95, modifications
13 of the bridge structure over I-95.

14 By that time it was recognized that the
15 initial interest in trying to have this job under
16 contract and completed really by December of '70 when
17 95 was to be opened wasn't too practical and we decided
18 to try to move some of these contracts and get construc-
19 tion started so the project which had been originally
20 conceived as one total contract was divided into two
21 contracts, with the first one involving construction

1 from Route 1 up short of the crossing of I-95 and the
2 other one, the connection, the bridge crossing 95 and
3 the ramp connection into I-95.

4 This created additional problems in that it
5 meant procedures had to be established for bypassing,
6 detouring, handling traffic on I-95, while construction
7 of this structure across 95 was under way and connections
8 were made into I-95, so that there was delay then in
9 getting the contract out.

10 Actually, the 1968 agreement in here had
11 anticipated that construction would be started here at
12 the end of May, 1969 and completed in December of 1970,
13 which was a period of about 19 months. Actually, because
14 of delays or problems associated with design of con-
15 nections into I-95, construction didn't get under way
16 until November 1971, and is just now being completed.

17 We had an increase here in the construction
18 time over what had originally been anticipated of about
19 eight months.

20 The nature of the work of course became
21 quite different. Where it had originally been conceived

1 as rather simple structures, which would cross 95 in
2 connection with one single ramp connection into I-95,
3 the topography in this area, if we were to view it,
4 is exceedingly rough. The original topography, well,
5 the only topography available in the original estimates
6 on this, were geological survey maps, and it was found
7 that the maps were not too accurate and when surveys
8 were made in here the length of structures on the
9 project had to be, or were lengthened by about 900 feet.
10 In other words, it was about 900 feet more of structure,
11 elevated structure. Some of it was 60 or 70 feet in
12 the air; that had been determined from the original
13 maps which were available.

14 MR. GOLDSTEIN: Did the engineer go out
15 there and view the area before he made up his plans?

16 MR. FISHER: Went out and viewed it and they
17 used the geological survey maps to prepare the pre-
18 liminary layout on it. But because of the sharp changes
19 in elevation, gorges, et cetera, it is very steep slopes,
20 there was displacement in the topography, which was not
21 quite accurate and it was only determined as a result

1 of surveys which were made at the beginning of the
2 design.

3 The bridge structures, I say, became quite
4 more complex. They were simple structures anticipated.
5 The structures would cost, would have been perpendicular
6 pretty much to the roadway, turned out to be curved
7 structures on super elevations, which meant that we
8 got into the need for more qualified type of personnel
9 for the inspection of it. In other words, you couldn't
10 use the same type of experienced personnel. You needed
11 far greater experience in assuring proper construction
12 of these more complicated structures.

13 MR. GOLDSTEIN: On that point, how much extra
14 did the Federal government pay, requiring you to double
15 the lanes, and changing the modifications? Did they pay
16 any additional money?

17 MR. FISHER: There was no participation by
18 the Federal government in the project.

19 MR. GOLDSTEIN: Even though it was an Inter-
20 state project?

21 MR. FISHER: The I-95 was an Interstate

1 project. The Harbor Tunnel-I-95 connector of course
2 was a totally financed project, which was connecting to
3 the Interstate System and its connection was subject to
4 their approval of the design, et cetera, as a right to
5 be able to connect to it.

6 MR. GOLDSTEIN: They didn't pay any extra
7 costs --

8 MR. FISHER: No, sir.

9 MR. GOLDSTEIN: -- by changing and modifying
10 the original contract?

11 MR. FISHER: No, sir. They are not responsible.
12 You have the same thing where you extend any State road,
13 or any County road, try to make a connection into the
14 Interstate System.

15 GOVERNOR MANDEL: You mean even though they
16 don't contribute anything they tell us what to do?

17 MR. FISHER: They tell you what will be
18 acceptable to them. It is like getting a permit from
19 any other agency. We had to get a permit and maybe a
20 filling station, say for channelization, the State tells
21 them what they have to do to form channelization, curb,

1 gutter, et cetera. Federal people tell us what we have
2 to do in the way of connections that are going to be
3 allowed to come into the Interstate System.

4 GOVERNOR MANDEL: In other words, in order to
5 connect up into the Interstate road they tell you what
6 you have to build?

7 MR. FISHER: Yes.

8 GOVERNOR MANDEL: They don't pay anything
9 for it?

10 MR. FISHER: They don't go all the way back
11 but they tell you what you have to build for connections
12 that enter into the highway itself.

13 As I indicated, we had an additional time
14 here of construction then. We had more extensive con-
15 struction, we had two lanes instead of one, we had a
16 bridge that was almost twice as wide as the original
17 one that was proposed, so the time of construction
18 increased by about eight months or about 42 percent of
19 the time that had been originally estimated. Because
20 of the two contracts, the fact that we had greater
21 type of viaduct structure involved in here, because we

1 had to control traffic on I-95, we had two inspectors
2 out there, when some of the erection of the steel across
3 I-95 was going on, we had to accommodate the detouring
4 of traffic, we required more inspectors in the final
5 analysis than originally had been anticipated. Under the
6 initial agreement here we anticipated about 11, maximum
7 of inspectors at any time but for the life of the job
8 about seven and a half, and under the '74 agreement
9 here we came up with a maximum of 15 inspectors, with an
10 average of about 11 inspectors throughout the life of
11 the project.

12 So we had additional, you might say three and
13 a half inspectors for the life of the job over what
14 had originally been anticipated or an increase of about
15 46 percent necessarily that were required to adequately
16 inspect the project.

17 It was for these reasons then, you have the
18 42 percent increase in time, 46 percent increase in
19 numbers of personnel and of course because the project
20 did not start until almost two and a half years after
21 the original time anticipated because of the delays and

1 the problems associated with it, of course, we experi-
2 enced increased salaries for personnel. Because of
3 the higher quality of personnel we had to have on some
4 of these structures, of course we had higher salaried
5 costs for those so the combination of added time,
6 additional number of people and the inflation which
7 occurred in some of the salary costs contributed to the
8 increase which we have in this agreement over the
9 earlier agreement.

10 Now, all of the amounts to be paid the con-
11 sultant are subject to audit. All of his pay roll, pay
12 rolls, are audited, his overhead is audited. He has to
13 certify and identify these people at these particular
14 salaries were actually employed on the job for each of
15 the periods of time before he is reimbursed for them.

16 GOVERNOR MANDEL: Dave, was all this informa-
17 tion available at the meetings of the Transportation
18 Commission?

19 MR. FISHER: Yes, sir.

20 GOVERNOR MANDEL: This is what they based
21 their judgment on?

1 MR. FISHER: Yes, sir.

2 GOVERNOR MANDEL: Louie, do you have any
3 questions, or Governor?

4 GOVERNOR TAWES: No.

5 MR. GOLDSTEIN: I think you asked the
6 pertinent questions. In other words, when the six-man
7 Commission that Mr. Hughes just explained had a meeting in
8 September and again in January of this year they had all
9 this pertinent information and they reviewed it?

10 MR. FISHER: Right, sir. As you will notice
11 from the September 10th meeting, when it was initially
12 brought up they didn't feel that they had enough
13 information to act. That is why it was deferred and
14 then you didn't have a meeting again until January 7th,
15 at which time the legal department and the staff had
16 been backed out, developing documentation, reasons, et
17 cetera, so it was at that time then that the Commission
18 did have information presented to them as a result of
19 reviews and studies by the legal staff of the Department
20 of Transportation and the executive staff of the Mary-
21 land Transportation Authority.

1 MR. GOLDSTEIN: Are there sufficient monies
2 in the toll funds to pay these costs?

3 MR. FISHER: Sir?

4 MR. GOLDSTEIN: Are there sufficient monies
5 in the toll or trust funds, I should say, to pay these
6 costs?

7 MR. FISHER: Yes, sir. The financial people
8 at least have reviewed it and said there is sufficient
9 monies.

10 MR. GOLDSTEIN: Maryland National Bank is the
11 trustee?

12 MR. HUGHES: Maryland National Bank is the
13 trustee under the Trust Agreement.

14 MR. GOLDSTEIN: They review all these ex-
15 penditures?

16 MR. HUGHES: I don't know that they have to
17 review every expenditure of the Authority. The con-
18 sulting engineer designated in the Trust Agreement has
19 to approve.

20 MR. GOLDSTEIN: That is what I mean. They have
21 to review every expenditure, like of Coverdale and

1 Colpitts, the traffic engineers?

2 MR. HUGHES: Yes, sir. They have to approve
3 expenditures and then they go to the bank.

4 MR. GOLDSTEIN: In other words, you had
5 three or four checks on this. You had the Highway
6 Administration check it, you had Harry Hughes's Depart-
7 ment of Transportation check it, you had this Board,
8 made up of Mr. Gruehn and Mr. Browne and all these other
9 distinguished citizens of Baltimore.

10 MR. FISHER: Then you have got an audit.

11 MR. GOLDSTEIN: You have an audit check of
12 it?

13 MR. FISHER: Yes.

14 MR. GOLDSTEIN: You have had about four
15 different checks on this before it came to the Board
16 of Public Works?

17 MR. FISHER: That's right.

18 MR. HUGHES: That's right.

19 MR. GOLDSTEIN: You had a certification
20 under oath by Mr. Hale that nobody was paid off,
21 nobody is getting a contribution, under the table,

1 top of the table, in the wash room or anything like that.

2 MR. FISHER: We have a copy right here.

3 GOVERNOR MANDEL: All this information was
4 available at two public hearings, is that right, before
5 the Transportation Department?

6 MR. HUGHES: It was available at the second
7 one.

8 GOVERNOR MANDEL: It was brought up at the
9 first and all this information was given to them at
10 the second hearing?

11 MR. HUGHES: Yes.

12 MR. GOLDSTEIN: Governor, may I make an
13 observation? I would hope and pray that in any of the
14 items you submit from here on out, that you would in-
15 clude a paragraph in the submission that these items
16 have been checked by your Transportation Review Board
17 and by the XYZ Committee, and give the dates of the
18 meetings, and say whether they were public meetings,
19 or private meetings, will you, put it right in the
20 record?

21 MR. FISHER: Yes, sir. We will. We generally

1 try to indicate all the approvals.

2 MR. GOLDSTEIN: You don't have that in here.

3 MR. FISHER: Is there any comment down there,
4 the end of the item?

5 MR. GOLDSTEIN: You have the proposal reviewed
6 and approved by the Secretary of the Department of
7 Transportation of the State of Maryland. That is very
8 nice. That is Harry Hughes but if you had added two more
9 sentences, also by your Transportation Committee, by
10 the Highway Administration, and the audit and also by
11 the engineer or consultant for the Maryland National
12 Bank as trustee. I see you have proposed amendment,
13 reviewed, approved by the Maryland Transportation
14 Authority, meeting of January 7th. You have two there.
15 You don't have the others there. I believe it would
16 save a lot of time.

17 MR. FISHER: Yes, sir.

18 MR. GOLDSTEIN: I also suggest maybe we ought
19 to do like we do with the property items. We always
20 have a meeting before we come over here, Mr. Harrison,
21 Mr. Phipps and representatives of Governor Tawes's

1 office, and my own office. We sit down and review
2 these items. If there are any questions, we try to get
3 them clarified so we can discuss them right here in a
4 public meeting. I would like to make that suggestion.

5 MR. HUGHES: We will welcome that.

6 MR. FISHER: Very happy to.

7 MR. GOLDSTEIN: That saves a lot of embarrass-
8 ment for everybody. Today everybody is looking at every
9 item with a crystal ball, looking through the paper
10 and at us too. We want them to do that. We want them
11 to have a crystal clear view of everything so there will
12 be no doubt when we okay these items that we are
13 spending taxpayers' money and looking after the public
14 interest. What do you think about that?

15 MR. FISHER: I would be very happy to.

16 MR. GOLDSTEIN: How about it, Dr. Barnes?

17 DR. BARNES: I would be available. You can
18 always call me.

19 MR. HUGHES: We would welcome that and every
20 action taken by this Transportation Authority is done
21 in open public meetings.

1 MR. GOLDSTEIN: You have minutes of it?

2 MR. HUGHES: Yes, sir. Every one.

3 MR. GOLDSTEIN: Thank you, sir.

4 GOVERNOR MANDEL: Are there any other
5 questions?

6 GOVERNOR TAWES: I have none.

7 DR. BARNES: There is one other item while
8 Secretary Hughes is here, on the supplemental agenda,
9 General Item 78.

10 MR. GOLDSTEIN: I wonder if we could take up
11 on the regular item about the taxicabs while you are
12 here, Item No. --

13 GOVERNOR TAWES: -- 2T.

14 MR. GOLDSTEIN: -- 2T, about the taxicabs.
15 We had a contract once before which gave exclusive
16 right to XYZ Company to handle all the passenger
17 transportation. That man subsequently came back and
18 said he couldn't make it. You all took it over and have
19 been running the buses and limousines?

20 MR. HUGHES: That's correct.

21 MR. GOLDSTEIN: Now we are trying to get the

1 taxicabs that are operated out of Anne Arundel County,
2 is that correct?

3 MR. HUGHES: Independent operators.

4 MR. GOLDSTEIN: Independent operators of
5 taxicabs.

6 MR. HUGHES: Yes.

7 MR. GOLDSTEIN: You want the taxicabs to pay
8 a thousand dollars per cab?

9 MR. FISHER: A thousand dollars per year.

10 MR. GOLDSTEIN: Per cab?

11 MR. FISHER: Per cab payable quarterly, and
12 Mr. Goldstein --

13 MR. GOLDSTEIN: Isn't that an awfully high --

14 MR. HUGHES: They agreed to it.

15 MR. FISHER: I have here 14 individual cab
16 operators who have now signed agreements on the basis
17 of the agreement that we sent to you, subject to Board
18 approval of course, agreeing to this, and Mr. Arenson
19 met with representatives of the operators, had a number
20 of talks with them and this was what was developed out
21 of that, those meetings, and was concurred in by all of

1 them and evidenced by the fact that some 14 of them have
2 already come in and said we will sign an agreement.

3 GOVERNOR TAWES: That answers my question.

4 MR. GOLDSTEIN: That answers my question.

5 I think Governor Tawes had the same thing. In other
6 words, the 14 taxicab companies are perfectly willing
7 to pay a thousand dollars each year, quarterly payments,
8 \$250 each, to come in and pick up passengers and carry
9 them back and forth and everybody is happy?

10 MR. FISHER: Yes, sir.

11 GOVERNOR MANDEL: Thank you very much, Dave.

12 The other item we might as well get rid of
13 and I think you will be all finished. Go ahead.

14 DR. BARNES: On the supplemental agenda,
15 General Item A8, which relates to a trip of the Aviation
16 Administrator out of the country and the reason it is
17 on the supplemental agenda rather than the regular agenda
18 is Secretary Hughes was under the understanding that
19 only out of the country convention travel requires Board
20 of Public Works approval. Consequently this item wasn't
21 submitted routinely along with the regular agenda.

1 However, since the Board of Public Works's policy in
2 the past has been all out of country travel, the question
3 was raised and for that reason Secretary Hughes sub-
4 mitted it as an extra item which we submitted to you
5 last Friday, rather than the usual one week in advance.
6 Secretary Hughes is here to present this. There is
7 reason for understanding it.

8 GOVERNOR MANDEL: Go ahead.

9 MR. HUGHES: Gentlemen, I have some questions.
10 Maybe it is a matter of interpretation, whether this
11 kind of travel is required to be approved by the Board
12 of Public Works, and if Dr. Barnes has a different
13 interpretation, I think out of this some long range
14 good may come. My interpretation is that travel regu-
15 lations do not apply to business that concerns out of
16 State travel business. I think I should explain the
17 trip first and then maybe cover what happened.

18 As you know, and have probably read in the
19 newspapers recently, the French government just recently
20 opened a new airport facility, international airport,
21 Charles De Gaulle Airport, seven miles out of Paris,

1 and it is really recognized as an airport of the future.
2 The French government extended invitations to the
3 aviation communities throughout the entire world to
4 come to the opening ceremonies, tour that new facility.
5 TWA, because, by accident, I suppose, was flying the
6 first transatlantic flight into that airport. There-
7 fore it could have been Air France, anybody, but it
8 happened to be TWA and the French government asked TWA
9 to participate with them in the inaugural ceremonies
10 for the opening of the facilities.

11 As a result of that, TWA applied to the
12 Federal Civil Aeronautics Board, CAB, for approval
13 to fly a hundred aviation officials from this country
14 to that ceremony. There is a special provision in the
15 CAB Rules and Regulations that permit this kind of
16 thing by any airline when they participate in an
17 inaugural ceremony.

18 All of those officials who went, and they
19 came from all over the country, practically every
20 major international airport in this country was repre-
21 sented, had to meet in New York and all get on the plane

1 as one body of 100 people. I might add that among the
2 group were some 20 members of the press. They were
3 flown to Paris as a group. They disembarked from the
4 airplane by a separate ramp as a group, and they were
5 seated in the ceremonies as a group, as the official
6 representatives of the aviation communities of the
7 United States. There was no other way to participate
8 as an official of that group other than being a part
9 of it. You could not buy a ticket. You could not go
10 separately. You had to be a part of the group.

11 Mr. Arenson brought this matter to my
12 attention, that the invitation had been extended, and
13 I approved it and I would approve it again, and I
14 suggested, to which he readily agreed, that the Director
15 of Engineering should go as the other representative
16 from Maryland and Baltimore-Washington International
17 Airport so that we could maximize in a short time the
18 benefits of such a trip, rather than have me go, and
19 that the Director of Engineering tour the facilities
20 and submit a report, which he is intending to do very
21 shortly.

1 The invitation, as I say, was extended and
2 we do have a written invitation from the French govern-
3 ment, which I can't understand because it is in French,
4 asking the Director of Aviation to participate as an
5 official along with airport officials from all over this
6 country in their capacity as airport officials.

7 That is the trip. Unfortunately, the press
8 account didn't say that. The press account said, would
9 give the indication that TWA was flying a couple of
10 Maryland officials free of charge and that was it,
11 period.

12 GOVERNOR MANDEL: Did you tell them all this
13 background?

14 MR. HUGHES: Yes, sir.

15 GOVERNOR MANDEL: They didn't print it?

16 MR. HUGHES: The conflict --

17 GOVERNOR MANDEL: I am shocked.

18 MR. HUGHES: The conflict of interest charge
19 I think is also ill-founded. For one thing, I think
20 by the very nature of the trip that I have described,
21 where the invitation was extended by a foreign govern-

1 ment and the representation was as an official, discounts
2 that theory and secondly we don't negotiate with TWA.
3 We negotiate with all of the airline community. We
4 negotiate with their negotiating team, which represents
5 the entire airline industry, because whatever they pay
6 in landing fees, they all pay. It is not a matter of
7 negotiating with individual airlines.

8 Now when this matter came to my attention,
9 getting to the procedures involved, my interpretation
10 of the travel regulations was that this kind of travel
11 did not require approval of the Board of Public Works.
12 I did call Comptroller Goldstein to explain the trip
13 to him. I advised him that I was not asking for his
14 approval, would not ask for his approval, and also
15 advised him that I would fully assume all responsibility
16 for the judgment made in approving this trip, and I
17 restate that today.

18 Whether or not the item is subject to approval
19 of the Board is something you gentlemen will have to
20 determine. My interpretation is that it does not require
21 such approval.

1 GOVERNOR MANDEL: Are there any questions?

2 MR. GOLDSTEIN: Governor, I just want to get
3 the record straight. This item was first presented to
4 me by Mr. Fisher. Where is Mr. Fisher?

5 MR. FISHER: Right here.

6 MR. GOLDSTEIN: I was sitting right here.
7 You were standing there, right, sir, on the 27th of
8 February?

9 MR. FISHER: Right.

10 MR. GOLDSTEIN: What did I tell you, sir?

11 MR. FISHER: You said you thought that it was
12 not a good idea to be accepting a trip at the expense
13 of the airline.

14 MR. GOLDSTEIN: That's right. I didn't
15 approve or disapprove it, is that right?

16 MR. FISHER: Yes.

17 MR. GOLDSTEIN: Dr. Barnes, what did I say
18 to you?

19 DR. BARNES: Same thing.

20 MR. GOLDSTEIN: I told Mr. Hughes the same
21 thing. Mr. Rascovar didn't I tell you on the telephone?

1 Mr. Rascovar.

Yes.

2 MR. GOLDSTEIN: I am not responsible for the
3 trip. I have been trying to get a policy established
4 about travel since last summer when I went to Bermuda
5 as a guest of the Maryland Bankers, where I spoke and
6 I contributed something to their meeting, they con-
7 tributed something to my knowledge. I think we did a
8 pretty good job of handling State funds. They said that
9 wasn't right to be done. At that time I wanted to get
10 a policy established so we would all have it for every-
11 body, whether in State travel, out of state travel or
12 whether we speak to different groups. Naturally when
13 you go to France, you see a 75 to a 100,000 acre airport.
14 I don't know where you can build one in Maryland that
15 big. I am sure it helps you to get some idea of how big
16 an airport can be.

17 MR. HUGHES: One of the things that was
18 learned was what not to do.

19 MR. GOLDSTEIN: Based on the things we had
20 in Texas, too. I am under the impression if we had a
21 clear-cut policy, each department head, each cabinet

1 member would know exactly what to do and what not to do.
2 It would save a lot of embarrassment. That makes
3 interesting reading to the American public when they
4 see two distinguished Americans going over to Paris.
5 You couldn't pay me to go to Paris. They don't treat
6 us right. I have no interest in Paris. I can have as
7 good time in Baltimore as in Paris and I don't have
8 to pay all of those taxes and that sort of thing, but
9 I think we have got to establish a policy once and for
10 all, Governor, and I referred your letter to Henry Bosz
11 and Bernie Nossel in my office, serves on that travel
12 committee, with Mr. Perkins and Dr. Barnes's office.
13 Hopefully we will have a policy established by the
14 next meeting of the Board of Public Works.

15 GOVERNOR MANDEL: I think it important we
16 do. We have been working on this since last summer.
17 I know it is very difficult to distinguish between
18 invitations from foreign governments, invitations as
19 we get them, from State governments asking us to send
20 some of our people down. For example, just recently
21 we have had requests from the governors of several

1 states to send people down from our insurance department
2 to go over the insurance company's activities, how they
3 have been able to be as successful as they have in the
4 short period of time. We have had requests on our
5 program for the Power Plant Siting Act, and how that
6 is working, to send people there. I know it is difficult.

7 A line has to be drawn. We have appointed
8 this committee. We would like a report by the next
9 meeting so we can have a firm policy so these kind of
10 things don't happen.

11 I think the Secretary's interpretation,
12 you can interpret it exactly the way he did if you
13 read present regulations. It was an invitation from
14 a foreign government, but a government who apparently
15 for all intents and purposes was paying all the expenses,
16 so I don't see where there is a conflict of interest
17 there, where another government is paying expenses of
18 our officials, but I think we have to establish the
19 policy along these lines.

20 MR. HUGHES: Governor, I'm not sure whether
21 the French government was paying the expenses. I have

1 explained the situation, that it was the French
2 government invitation.

3 MR. GOLDSTEIN: I doubt if they paid any-
4 thing.

5 MR. HUGHES: Whatever arrangements.

6 GOVERNOR MANDEL: Whatever arrangements
7 they made the invitation was from another government.

8 MR. HUGHES: Yes, sir.

9 GOVERNOR MANDEL: And the same as we get
10 requests as I just said, from governors around the
11 country and from governments around the country, to
12 let some of our people come down there and help them
13 with some of the problems they have. On some occasions
14 we pay the expenses and other occasions they pay the
15 expenses. However, if they pay the expenses we don't
16 question them where they got the money from. I mean,
17 I assume another government is acting in good faith.
18 I don't think we ought to make them sign an affidavit,
19 like we do with consulting engineers, as to where they
20 got their money from or if they are paying anybody so
21 that we can come over there, but I do think we need a

1 firm policy on it and I think this is already taking
2 place. I think, as you said, it is your responsibility
3 and you have assumed that responsibility.

4 I personally don't see where it is an item
5 that should be before the Board at this moment, unless
6 either of the other members feel differently. Louie,
7 do you?

8 MR. GOLDSTEIN: No. Our distinguished
9 friend, I have every confidence in Harry Hughes. When
10 he makes a statement, I believe it. He has assumed
11 responsibility. It is right in his shop.

12 MR. HUGHES: I'm willing to assume that.

13 MR. GOLDSTEIN: You have broad shoulders.
14 You are a big, strong man.

15 GOVERNOR TAWES: I would like to make this
16 observation, that when this matter is referred to this
17 special committee that there ought to be some method
18 whereby a department would not have to wait until the
19 meeting of the Board of Public Works. There should be
20 some authority that you could give the department head
21 the correct information whether they can or can't.

1 GOVERNOR MANDEL: My personal feeling is
2 that once we establish the guidelines and give it to
3 every secretary, he ought to make that decision. We
4 oughtn't even be bothered with it.

5 MR. GOLDSTEIN: It used to be he came to
6 the Comptroller and we approved it promptly. Then they
7 took it out of our hands for approval. They left it
8 to the department heads.

9 GOVERNOR TAWES: That is right. Governor,
10 regardless of how tight they make this regulation,
11 there is going to be some item pop up somewhere that
12 isn't covered by this item. Then I think there should
13 be a committee responsible for making the approval and
14 not have to wait until the Board meets to give it.

15 MR. GOLDSTEIN: You have Henry Bosz, you
16 have Mr. Perkins and Bernie Nossel. All three are
17 career State employees.

18 GOVERNOR TAWES: As a member of this Board
19 I will take their word for whatever they did.

20 MR. GOLDSTEIN: That is the confidence I
21 have in them. If they would consult with them, if there

1 is any doubt, call us on the telephone. We can
2 straighten it out quickly, but to come here after the
3 fact and try to shift the burden is not fair.

4 GOVERNOR TAWES: That is bad.

5 GOVERNOR MANDEL: When the decision comes
6 up, decision has to be made, you have to get it on
7 the agenda. Lots of times we consider these after
8 the fact. It is ridiculous. I think your suggestion
9 is well taken, Ken, if some system can be worked out
10 for your committee to have approval of these items it
11 would be perfectly all right with me and only come to
12 the Board of Public Works where there is real dispute,
13 something we should have to resolve.

14 Thank you, Harry.

15 Does that take care of all of the Department
16 of Transportation items?

17 MR. PERKINS: There is one other item on
18 there, LT.

19 GOVERNOR MANDEL: That is another agreement
20 with Dixon Speas.

21 Dave, do you want to just briefly address

1 yourself to it? That is the first item. That is on
2 the airport plan.

3 MR. GOLDSTEIN: I had a question on that.

4 MR. FISHER: This is an agreement, I think
5 about \$6500, for services of a consultant in connection
6 with preparing a grant application to the Federal
7 government in order to obtain funds to develop a master
8 plan for the Baltimore-Washington International Airport.

9 As you will notice, the firm of Dixon Speas,
10 the prime consultant and several subs are involved in
11 it. Dixon Speas was originally selected to do the
12 total development plan as a result of some 40 notices
13 that went out to various consultants all over the
14 country, asking them to submit proposals as to their
15 qualifications and proposed methods of handling an
16 airport development plan.

17 From those 40 requests for proposals that
18 were sent out, six consultants were selected as being
19 considered the most qualified and the six were then
20 interviewed by a committee of the Planning Personnel
21 in the Department and the Aviation Personnel to select

1 one of them and the firm of R. Dixon Speas was selected
2 from the original 40 requested as best qualified and
3 capable firm for accomplishing this work.

4 Because it is anticipated they will be per-
5 forming the total master plan study, it was felt that
6 they were in the best position then to do this pre-
7 liminary activity of developing the request for the
8 grant from the Federal government.

9 Now that involves preparing time estimates
10 and cost estimates for doing each item of study that
11 would be involved in preparing the total master plan.

12 GOVERNOR MANDEL: It involves \$6500?

13 MR. FISHER: It involves \$6500 in this
14 instance. We have certificates that have been notarized
15 from each six of the firms, each of the subcontract
16 firms.

17 GOVERNOR MANDEL: Any questions?

18 MR. GOLDSTEIN: Yes, Governor. This is a
19 one-time contract?

20 MR. FISHER: This will be what you might
21 call a very preliminary phase in the total transportation

1 master plan for the airport.

2 MR. GOLDSTEIN: Will they be hired to do the
3 complete work after?

4 MR. FISHER: This is what was intended. This
5 was the basis of all these requests.

6 MR. GOLDSTEIN: How much does that contract
7 involve, roughly?

8 MR. FISHER: I really don't know offhand.

9 MR. GOLDSTEIN: How much are you planning to
10 spend out there?

11 MR. FISHER: This will be the master plan,
12 development plan of the airport and it is interfaced
13 with Washington National.

14 MR. GOLDSTEIN: Weren't they required to
15 prepare a very elaborate plan for the airport a while
16 ago?

17 MR. FISHER: Greiner did a few years ago.

18 MR. GOLDSTEIN: Will that whole plan be
19 discarded?

20 MR. FISHER: No, sir. Some elements of that
21 plan, of course, you have the present terminal buildings

1 and there were some storage facilities built there,
2 but you have the problem of zoning in the adjacent area,
3 the problem of noise pollution, air pollution.

4 MR. GOLDSTEIN: You had an overall plan
5 done by J. E. Greiner Company?

6 MR. FISHER: That was done in the initial
7 development of the airport when it was a City facility,
8 done quite a few years ago.

9 GOVERNOR MANDEL: In those days they contem-
10 plated spending what, \$250 million?

11 MR. FISHER: Yes.

12 GOVERNOR MANDEL: That was about 12 or 15
13 years ago, or 10 years ago.

14 MR. FISHER: More than that.

15 MR. GOLDSTEIN: Whenever it was, I saw that
16 plan today. It would cost us a billion dollars.

17 This would be an updated plan?

18 MR. FISHER: This activity here involves
19 the identification of the work which is to be done
20 in performing the master plan study. What activities
21 in the way of noise pollution are to be carried out,

1 what activities in the way of air pollution, what
2 zoning considerations for not only the airport but
3 for the surrounding area in here, the communities that
4 surround that, how is zoning in that area to be handled.

5 MR. GOLDSTEIN: Let's assume the new Land
6 Use passes in this session of the assembly. Would they
7 be consulting with the Land Use Planning Committee?
8 Would they be consulting with Mr. Wahbe?

9 MR. FISHER: Yes, sir. This involves
10 consultation with local zoning people, State zoning
11 people, with the master plan, State master plan, with
12 RPC in the development of the airport, back in the
13 regional area, and also it will consider here its
14 impact and relationship to Washington National and
15 Dulles Airport.

16 MR. GOLDSTEIN: Nobody in Maryland could
17 do this kind of work? In other words, no engineering
18 company in the whole State of Maryland could do this
19 kind of work?

20 MR. FISHER: No, sir. I say, we sent out
21 some 40 requests. We are interested in obtaining the

1 best and most qualified people. Some of these environ-
2 mental aspects of course are quite new. There are very
3 limited personnel.

4 MR. GOLDSTEIN: When you hire these out of
5 state people, do you keep a check on their income tax,
6 W-2 forms and assure they pay the State of Maryland
7 their share of income tax, working here and living here?

8 MR. FISHER: I think this was something we
9 discussed.

10 MR. GOLDSTEIN: I want this in the record.

11 MR. FISHER: This was at the last meeting.

12 MR. GOLDSTEIN: Would this be in the contract,
13 or put in their contract?

14 MR. FISHER: Requirements that they pay their
15 necessary licenses.

16 GOVERNOR MANDEL: I think the requirement is
17 that they be eligible to do business in the State of
18 Maryland.

19 MR. GOLDSTEIN: Right. Also I want to be
20 sure that they pay their share of income taxes, too.

21 MR. FISHER: Right. That was reviewed in

1 the audit of payments to these consultants.

2 MR. GOLDSTEIN: Okay. Thank you, sir.

3 GOVERNOR MANDEL: Thank you, Dave.

4 I think that takes care of all the agenda of
5 the Department of Transportation.

6 DR. BARNES: General Item 8B, State Roads
7 Commission, seven positions, 100 percent federally
8 funded under the Safety Project that they have in
9 conjunction with the Department of Health and Mental
10 Hygiene, General Item 8B of the supplemental.

11 MR. GOLDSTEIN: Page 8?

12 DR. BARNES: Yes, sir. This is to develop
13 profiles on drivers, and primarily for Baltimore City.

14 MR. LEWIS: Page 2 of the supplemental.

15 GOVERNOR MANDEL: Does anybody know the
16 details of that plan or that program?

17 DR. BARNES: Yes, sir. They have several
18 levels. Len, I don't know if you can explain it better
19 than I can. They have several levels of drivers that
20 they try to develop profiles on that are involved in
21 accidents.

1 GOVERNOR MANDEL: That is not the plan where
2 they were going to go out and stop everybody on the
3 highway and give them a breathalyzer test?

4 DR. BARNES: No, sir. What this does, if
5 you have been arrested and there is a possible charge
6 of driving under the influence, Level 1, the social
7 drinker, they make them attend an alcoholic session.
8 There are four sessions with 20 to 30 offenders per
9 session. For the Level 2 problem drinker, that goes
10 up, a different number of sessions. They require these
11 people to attend or else pay a larger fine or get more
12 points if they don't and it is in conjunction with,
13 they have three additional counselors who will be
14 trained at Johns Hopkins in a six-month course to
15 provide the instruction. The program runs through
16 December of this year.

17 GOVERNOR MANDEL: Ken, what I am getting
18 at, is this going to apply to people who are issued
19 summonses for driving under the influence?

20 DR. BARNES: Yes, sir, that is correct.

21 GOVERNOR MANDEL: It is not going to be

1 somebody, they just can go out on the highway one time
2 and stop your car and say you are going to take a
3 breathalyzer test?

4 DR. BARNES: No, sir. Those who have been
5 stopped by the police because they apparently are
6 driving under the influence.

7 MR. GOLDSTEIN: This program then ceases
8 if you don't have any Federal money, is that correct?

9 DR. BARNES: Yes.

10 MR. GOLDSTEIN: Is that clear?

11 DR. BARNES: It is stopped at the end of a
12 one-year program, a one-year program.

13 GOVERNOR MANDEL: What is the other item?

14 DR. BARNES: Item 5C, Page 3, Office of
15 the Secretary request, for proposed agreement between
16 the Department of Transportation and the Department of
17 Public Safety, through the Safety Enforcement Division
18 of the Maryland State Police, and primarily this is
19 that Division required to enforce laws on overweight
20 trucks.

21 GOVERNOR MANDEL: Isn't that the same agree-

1 ment they have always had?

2 DR. BARNES: Yes, sir.

3 Item 13 is the last item on Transportation.

4 GOVERNOR MANDEL: The Department of Trans-
5 portation pays the State Police for the weight testing
6 program?

7 DR. BARNES: That is right. That is an
8 agreement signed by the parties, and it is a pro forma
9 thing that requires the Board approval.

10 GOVERNOR MANDEL: Right.

11 DR. BARNES: It is on Page 1111 of the budget.
12 It is spelled out in detail.

13 GOVERNOR MANDEL: Are there any other ques-
14 tions of Ken?

15 MR. GOLDSTEIN: On Dr. Barnes's agenda?
16 Are we going through his whole agenda?

17 GOVERNOR MANDEL: No, talking about those.
18 He was trying to clean up all of the Department of
19 Transportation items. That is all we have.

20 MR. GOLDSTEIN: That is all I have.

21 GOVERNOR MANDEL: Do you want to vote on

1 these contracts now so we won't forget them later?

2 The first item was 1T. Is there any objection to that?

3 MR. GOLDSTEIN: No, sir.

4 GOVERNOR MANDEL: That is the one that Dave
5 just covered, Dixon Speas. If there is no objection
6 the item is approved.

7 GOVERNOR TAWES: No objection.

8 GOVERNOR MANDEL: 2T, that was the taxicab
9 owners.

10 GOVERNOR TAWES: I have no objection.

11 MR. GOLDSTEIN: I have no objection to that.
12 That has been approved and you have all these people
13 interested.

14 GOVERNOR MANDEL: If there is no objection,
15 2T is approved.

16 3T. That was the contract with MCA
17 Engineering Corporation.

18 MR. GOLDSTEIN: Baltimore City.

19 GOVERNOR MANDEL: Baltimore City contract.

20 GOVERNOR TAWES: I have no objection.

21 GOVERNOR MANDEL: If there is no objection,

1 that item is approved.

2 MR. GOLDSTEIN: I feel we have had a good
3 hearing on it. It clarified everything I had in my
4 mind. I see no reason not to approve it.

5 GOVERNOR MANDEL: The next item was 4T.
6 That is the extension of the agreement with formerly
7 Matz Childs, now MCA Engineering.

8 GOVERNOR TAWES: I feel the same. We got a
9 lot of information about it. I feel better satisfied.

10 MR. GOLDSTEIN: Governor, since I asked that
11 this matter be reviewed, I feel that now that we have
12 the information given to us by Mr. Hughes and Mr. Fisher,
13 and they told us about all the various checks on this
14 project, starting with the Transportation authorities
15 reviewed it on September 10th, again on January 7th
16 and they had to go through their regular audits and
17 also the engineer and the Maryland National Bank, the
18 trustee for the funds, and that we had a statement from
19 Mr. Hale, who now heads up this MCA -- of course, I
20 didn't know anything about this new company until it
21 was explained here this morning -- I feel that we should

1 approve it.

2 GOVERNOR TAWES: I feel the same way.

3 GOVERNOR MANDEL: If there is no objection,
4 then, the item will be approved.

5 The item covering the trip to the Charles
6 De Gaulle Airport has been removed from the agenda
7 and the Secretary is going to take care of that himself.

8 I think we have covered the items here.
9 Are there any more public hearings?

10 MR. HUEBECK: No.

11 GOVERNOR MANDEL: Let's start in on your
12 agenda, Andy.

13 MR. GOLDSTEIN: Governor, I would like the
14 record to show that Mr. Fisher will have a preview of
15 these items in the future and give a more complete
16 background on the items when they go on the agenda.

17 GOVERNOR MANDEL: And that you and someone
18 from Governor Tawes's office will meet with him regu-
19 larly.

20 MR. GOLDSTEIN: Dr. Barnes.

21 GOVERNOR TAWES: Ed Schamel.

1 GOVERNOR MANDEL: Ed Schamel, you and Dr.
2 Barnes.

3 MR. GOLDSTEIN: I would like your assistance,
4 Mr. Middleton. You are an engineer, aren't you?

5 MR. MIDDLETON: Yes.

6 MR. GOLDSTEIN: Would you come to those
7 meetings? You have the background as a licensed
8 engineer.

9 MR. MIDDLETON: A licensed engineer.

10 MR. GOLDSTEIN: I think it would be a good
11 idea to have him there so we can have his expertise.

12 MR. HUEBECK: The first item I have is Item
13 No. 1.

14 GOVERNOR TAWES: Those people are not here.
15 That is that Canary Island item.

16 GOVERNOR MANDEL: Aren't they here?

17 MR. HUEBECK: No. They are withdrawn.

18 GOVERNOR TAWES: They were told that this
19 Board had opinions from your attorney, Jack Eldridge,
20 and they are now going to the Legislature for whatever
21 relief they can get.

1 GOVERNOR MANDEL: I think that is where it
2 probably belongs, in the Legislature.

3 MR. GOLDSTEIN: Page 1?

4 GOVERNOR MANDEL: Yes.

5 MR. GOLDSTEIN: Is it withdrawn?

6 GOVERNOR MANDEL: It is withdrawn.

7 MR. LEWIS: We have under the direction of
8 the Board notified Dr. Radoff with a revised warrant
9 for vacant land. We included the items that you
10 suggested at the last meeting.

11 GOVERNOR MANDEL: So hereafter when anyone
12 applies for a patent they will be put on notice we
13 are not giving them good title, just right, title and
14 interest, whatever it may be. Okay. This item is
15 withdrawn.

16 MR. LEWIS: I will leave a copy of it with
17 you, Governor, if you would like to see it.

18 MR. GOLDSTEIN: Governor, Item 2, Page 3,
19 naming that new building the Governor Herbert O'Connor
20 Building. I want to make that motion. That is a very
21 good idea, a great governor.

1 GOVERNOR MANDEL: What happened, checking
2 around, Herb O'Connor, Jr. called me and said that
3 there are buildings named after former governors, all
4 except his father. This was just at this time
5 appropriate for the State Office Building in Baltimore
6 City, where he came from, and he thought to name it
7 after him --

8 MR. LEWIS: Mr. Albert has a statement
9 that he may want to make.

10 MR. ALBERT: It is even more appropriate.
11 Governor O'Connor was the one that signed the bill
12 setting up the Maryland Medical Assistance Program
13 for medically indigent.

14 MR. GOLDSTEIN: Do you remember the bill
15 number, the year and the chapter number?

16 MR. ALBERT: I believe in 1943 or 1945.

17 GOVERNOR MANDEL: That is fine. If there
18 is no objection we approve that.

19 MR. GOLDSTEIN: Right.

20 MR. LEWIS: We will get the necessary
21 plaques for the dedication.

1 MR. GOLDSTEIN: The next item I have is
2 Item 14.

3 I want to be sure the system will work after
4 it is built. Is the gentleman here from the Health
5 Department? That is Item 14, and I think Item 16.
6 Is Mr. Gross around?

7 GOVERNOR MANDEL: There are some familiar
8 names on here. Item 4?

9 MR. GOLDSTEIN: Yes.

10 GOVERNOR MANDEL: There are familiar names
11 on there that I think we should get a part of the
12 record.

13 MR. PHIPPS: Wetlands?

14 GOVERNOR MANDEL: Yes, but it should be a
15 matter of record so nobody can question it.

16 MR. GOLDSTEIN: W. A. Tawes.

17 GOVERNOR MANDEL: These are merely Wetlands
18 permits.

19 GOVERNOR TAWES: I don't know who W. A.
20 Tawes is.

21 GOVERNOR MANDEL: I want everybody to know

1 you don't know him.

2 MR. GOLDSTEIN: This is Joe Manning's place
3 down there?

4 MR. PHIPPS: Yes.

5 MR. GOLDSTEIN: We reviewed this. It was
6 Item No. --

7 GOVERNOR MANDEL: 74-35.

8 MR. GOLDSTEIN: Yes.

9 GOVERNOR MANDEL: I wanted to bring it to
10 your attention.

11 MR. GOLDSTEIN: September 5, 1973 we approved
12 it as a Wetlands item.

13 GOVERNOR MANDEL: Yes.

14 MR. GOLDSTEIN: William A. Badger, that was
15 approved on January 18, 1974. That is Mr. William A.
16 Badger. Where is he? He was sitting here a while ago.

17 MR. PHIPPS: Wetlands permits.

18 GOVERNOR MANDEL: This is simply Wetlands
19 permits, no misinterpretation.

20 MR. GOLDSTEIN: It reads within nine feet,
21 backfill 650 cubic yards, approved by the Wetlands group

1 on January 18, 1974.

2 GOVERNOR MANDEL: Right. Okay.

3 MR. GOLDSTEIN: We keep a regular document on
4 all these cases.

5 GOVERNOR MANDEL: So do I. I want to make
6 sure there is no misunderstanding about it.

7 GOVERNOR TAWES: Mr. Middleton, that item
8 that you talked to me about yesterday, was it you or
9 Andy brought it in to me, on Ocean City, Westward Ho?

10 MR. MIDDLETON: I brought those in.

11 MR. GOLDSTEIN: That is not on here.

12 MR. MIDDLETON: No, sir.

13 MR. GOLDSTEIN: Mr. Gross, Item No. 14, Page
14 20, down in Caroline County, giving extra money for
15 the sewer system. Will that work out when it is
16 finished?

17 MR. GROSS: Yes, sir.

18 MR. GOLDSTEIN: I want to be sure. We had
19 some trouble. I want to be sure after we build it it
20 will work.

21 MR. GROSS: Yes, sir, it will.

1 GOVERNOR MANDEL: If it don't, what are we
2 going to do?

3 MR. GROSS: I think I will have to leave.

4 GOVERNOR MANDEL: You are going to jump
5 overboard.

6 MR. GOLDSTEIN: Something new, Item 16,
7 Governor, they want a sewage disposal plant for fish.

8 GOVERNOR MANDEL: We discussed that last
9 time.

10 MR. GOLDSTEIN: I certainly would like to
11 have this matter deferred and studied, because we are
12 running out of money to build sewage systems for
13 people. I have been up to the one in Accident, up
14 on Bear Creek and as fast as that water runs, and
15 cold as that water is, you see, you can't rear trout
16 in warm water. It has to be cold water.

17 MR. LEWIS: We have researched this since
18 the last meeting and we now have, Mr. Phipps has a
19 letter from the Administrator in the Fisheries Ad-
20 ministration and also concurs with the Water Resources
21 that it would be essential to treat the materials

1 cleaned out of the fish hatchery. However, the question
2 becomes somewhat moot now because if you recall we
3 had indicated domestic sewage from the visitors
4 center and several houses on the property were being
5 placed underground. We were notified on the 7th of
6 March by the Health Department, Mr. Merrill Glaser
7 who visited this site with the County Health Department
8 and they have indicated that we could not go under-
9 ground with the domestic sewage, so the plant will be
10 designed to handle domestic sewage as well as the
11 other sewage.

12 GOVERNOR MANDEL: Val, do you want to say
13 something?

14 MR. WAHBE: The connection of the con-
15 struction of hatcheries, I believe there is a special
16 fund in the Department of Natural Resources from
17 fishing licenses with which to pay for it. It is
18 not a question of whether it is needed or not. It
19 is a question of what do we pay for it with, what
20 source of funds do we use, is it the General Con-
21 struction Loan from which funds were provided, or is

1 it the Water Quality Loan Act, or whether it is the
2 special fund which could finance hatcheries.

3 MR. GOLDSTEIN: In other words, you pay to
4 get a license to catch trout. You have to have a
5 special license?

6 MR. WAHBE: Yes, sir. There is a special
7 fund which they can probably use. Maybe they are out
8 of funds.

9 MR. GOLDSTEIN: The reason I asked this
10 question, I live down in Tidewater, Maryland. Right
11 now we have a big run of yellow and white perch. I
12 had fresh yellow perch and corn bread for my breakfast
13 this morning. If you go up to Hill's Bridge, right
14 in Prince George's, this morning I didn't go that
15 way but yesterday morning I went that way, and you
16 have 150 people there fishing. Saturday morning the
17 same way; Sunday, my soul and body, they were as far
18 as the eye could see on the banks. Anywhere in Queen
19 Anne's, on the Patuxent, down to the headwaters of
20 the Wicomico across 236, any one of the Eastern Shore
21 rivers, Wye Mills, Chester River -- I see my good

1 friend from up around Kent County, but as you go down
2 Route 5, before you hit St. Mary's City, down in Charles
3 County, anywhere the fish come there are thousands of
4 them. You can pick them up in your hand. You don't
5 have a sewage system for that. They only come once in
6 the spring. I don't know. I am not a technician or a
7 biologist, but all these years we have been rearing
8 trout in Maryland. We never had any need for a sewage
9 system to take care of a little bit of waste that comes
10 out of the fish. You could have a holding pond,
11 couldn't you? Are you the expert on fish? I thought
12 he was an expert sitting there. He looked like an
13 expert.

14 MR. LEWIS: We will be required to provide
15 a treatment system for domestic waste so the addition
16 of this waste item sure will not increase the plant
17 capacity.

18 GOVERNOR MANDEL: You won't have to increase
19 it for that?

20 MR. LEWIS: No, sir.

21 MR. GOLDSTEIN: That won't interfere with

1 the tertiary treatment of human waste?

2 MR. LEWIS: No.

3 GOVERNOR MANDEL: This won't interfere with
4 any of the lifestyle of the trout?

5 MR. LEWIS: No, sir.

6 GOVERNOR MANDEL: We don't want to interfere
7 with their lifestyle, you know, by telling them their
8 waste has to be treated a little differently than they
9 have always done it for a million years.

10 MR. GOLDSTEIN: In other words, George,
11 this item will be taken off the agenda?

12 MR. LEWIS: Withdraw the item. Here is a
13 copy of the letter.

14 MR. GOLDSTEIN: This would make a nice
15 story.

16 GOVERNOR MANDEL: Read the first line, Lou.

17 MR. GOLDSTEIN: I see my good friends from
18 Rock Hall sitting here.

19 GOVERNOR MANDEL: That is withdrawn.

20 What is the next question?

21 MR. GOLDSTEIN: No. 17. Will this complete

1 the Crownsville Hospital Center?

2 MR. GROSS: No, sir. My name is Charles
3 E. Gross, with the Environmental Health Administration.
4 This is only one phase of improvements of the Crownsville
5 Hospital. This is a surge tank that would even
6 out the peak flow to the plant that is primarily caused
7 by backwashing of filters at the water treatment plant,
8 and this particular peak flow from this backwashing
9 operation has caused some severe operating problems
10 at the plant. Plans for this, of course, are finished.
11 Permit has been issued by our Department. I believe
12 bids have been taken. Mr. Lewis can speak to that
13 point, so that work can proceed on this phase immediately.
14 There are some additional expansions and improvements
15 that will be constructed at that plant.

16 I believe the estimate is about \$300-some
17 odd thousand for that additional work.

18 GOVERNOR MANDEL: Does that plant just
19 serve the hospital?

20 MR. GROSS: Yes, sir, it does.

21 MR. LEWIS: We had the award of the contract

1 for this at the last meeting, if you recall.

2 GOVERNOR MANDEL: Right.

3 MR. GOLDSTEIN: Mr. Gross, is 18 and 14
4 the same item?

5 MR. GROSS: It is the same project, sir,
6 but 14 was an additional grant. Item 18 is a loan,
7 which would be paid back.

8 GOVERNOR MANDEL: That is listed on 14,
9 isn't it? Or is it?

10 MR. GROSS: No. There is different wording.
11 No. 18, they call it the same project number, C24303.

12 GOVERNOR MANDEL: Yes, but on 14, the last
13 item, State of Maryland Loan, \$147,750.

14 MR. GROSS: It is referenced there, but
15 the actual request for approval is Item 18.

16 GOVERNOR MANDEL: I see.

17 MR. GROSS: They come from different
18 portions of the 1968 loan, requiring separate approvals
19 and separate approval.

20 MR. GOLDSTEIN: Next time have these items
21 side by side so we get the whole picture. Here you

1 have two items for the same project.

2 That answers my question.

3 GOVERNOR MANDEL: Okay.

4 MR. GOLDSTEIN: They are both Denton,
5 Maryland, Caroline County.

6 GOVERNOR MANDEL: The next item? We have
7 the Open Space agenda?

8 MR. GOLDSTEIN: Yes, sir, Open Space, Mr.
9 Phipps's agenda.

10 MR. PHIPPS: You have a letter, I believe,
11 that was delivered to you this morning.

12 MR. GOLDSTEIN: We have some people here
13 from Kent County, Item 6A. I imagine they want to get
14 back. It is a very fine project, Governor, Turner's
15 Creek, the Barroll home. We asked them a while ago to
16 see if they could acquire the home and the site, 21.46
17 acres, State share six percent \$97,000. I think the
18 Chairman of the County Commissioners is here. Give
19 your name for the record right here.

20 MR. EDWARDS: Glen Edwards, Chairman of the
21 County Commissioners, Kent County.

1 Two years ago Kent County was here to request
2 approval of Open Space funds to purchase land for a
3 park in Kent County. This project was approved and
4 Kent County now owns 140 acres of park land which is
5 under development.

6 At the particular time that we were here
7 before the parcel of property that we are now considering
8 and asking approval to purchase was not for sale. This
9 was known as the Barroll home site. This was retained
10 at that particular time by the owners who now have
11 decided to put this property on the market, with the
12 understanding that the County had with the Barroll
13 family at that time, was an understanding of right of
14 first refusal, that Kent County would be given the
15 opportunity to purchase this land, which is in the
16 center of the 140 acres we now own.

17 That is our project and our primary mission
18 for being here today.

19 GOVERNOR MANDEL: If I remember correctly,
20 when this matter was before the Board at that time we
21 recommended that you go back and try to purchase that

1 home?

2 MR. EDWARDS: That is right.

3 GOVERNOR MANDEL: I am glad to see you've
4 been able to do it.

5 MR. GOLDSTEIN: I had the pleasure of hunting
6 with Mr. Barroll many times. We used to sleep in the
7 bedroom above the barn. The bed was 250 years old. It
8 had a good feather mattress and the Judge and I would
9 sleep in that bed before we would go hunting.

10 GOVERNOR MANDEL: That is why we told them
11 to buy it. Put a sign on there, Louie Goldstein slept
12 here.

13 MR. GOLDSTEIN: The point I make, this is a
14 very old home, an unusual home. It is built more like
15 a big city townhouse, like a Philadelphia townhouse.

16 MR. EDWARDS: Yes, sir.

17 MR. GOLDSTEIN: It is one room wide. It
18 sits on top of the beautiful elevation looking down the
19 creek. It would be an ideal thing for the headquarters.
20 I imagine you would use it for that?

21 MR. EDWARDS: We plan to restore it and keep

1 the home as part of the park.

2 MR. GOLDSTEIN: You have your own County
3 money to restore it?

4 MR. EDWARDS: Yes.

5 GOVERNOR MANDEL: That is fine. Anybody
6 else want to be heard on it?

7 MR. GOLDSTEIN: I see my good friend Mr.
8 Harris with his lovely daughter and the Chairman of
9 the Board of County Commissioners, another member of
10 the Board of County Commissioners. Mr. Davis is here,
11 too. Do you want to say anything?

12 MR. DAVIS: Louie, I would like to say on
13 your Board you have the owner of two farms very close
14 to this property, Mr. Ed Middleton, and Ed, I think
15 you are proud of this County. We consider you part
16 of Kent County. We would be remiss to leave you out.
17 You are part of us now.

18 MR. MIDDLETON: Thank you. It is a wonderful
19 county.

20 GOVERNOR MANDEL: You are not going to buy
21 his farms, are you?

1 MR. MIDDLETON: Mr. Davis will sell it to
2 you.

3 GOVERNOR MANDEL: If there is no objection
4 I think we will approve the item.

5 MR. GOLDSTEIN: I move we approve it.

6 MR. DAVIS: Thank you.

7 MR. GOLDSTEIN: Governor, the other two
8 items if I remember correctly were Items No. 10A and
9 11A.

10 GOVERNOR MANDEL: Those are the Baltimore
11 County items?

12 MR. GOLDSTEIN: Yes, sir.

13 GOVERNOR MANDEL: We have the letter this
14 morning, I think.

15 MR. GOLDSTEIN: 12A and 13A. The background
16 of that, Governor, we had a meeting with the Baltimore
17 County officials back on January 29. Mr. Phipps was
18 there, Baltimore County Recreation and Parks, Fred
19 Dewberry, members of the Board of Education and the
20 Legislative liaison officer, Office of the Budget,
21 and Mr. Wahbe was there, Department of State Planning,

1 and Governor Tawes was there, Ed Schamel was there,
2 so we had quite a meeting.

3 GOVERNOR TAWES: I remember it very well.

4 MR. GOLDSTEIN: It concerned the whole
5 setup of Baltimore County's Open Space Program as
6 it ties in with recreation, also the Public School
7 Construction Program. I believe these items are a
8 result of that meeting.

9 MR. PHIPPS: Yes, sir.

10 MR. GOLDSTEIN: Do you want to take over
11 from there?

12 MR. PHIPPS: Yes, sir. I would recommend
13 that the Board approve 10A, since they are Open Space
14 requests, and are also subject to -- Mr. Comptroller,
15 all we are doing is allocating a portion of their
16 apportionment which at the present time is some \$7
17 million, but they have these projects planned in their
18 capital budget program, so I recommend that 10A be
19 approved.

20 Item 11A, in view of Skip Carey's letter
21 and discussions with Secretary Wahbe, I would like to

1 withdraw this and we will get back with the Interagency
2 School Commission for more information.

3 MR. GOLDSTEIN: Withdrawing it?

4 MR. PHIPPS: 11A.

5 GOVERNOR MANDEL: That is withdrawn.

6 MR. WAHBE: Yes.

7 MR. PHIPPS: Secretary Wahbe agrees.

8 GOVERNOR MANDEL: How about 12A?

9 MR. PHIPPS: We recommend approval of 12A
10 as part of this capital budget. I would like to
11 change one item, where it says C, for change order,
12 it is a mistake. It should be construction.

13 GOVERNOR MANDEL: Where is that, now?

14 MR. PHIPPS: In construction, it says change
15 order. It should be construction.

16 GOVERNOR MANDEL: Okay.

17 MR. GOLDSTEIN: That took care of that.

18 MR. PHIPPS: Item 13A I would like to also
19 withdraw and we will get with the Interagency School
20 Commission and try to get back very shortly.

21 GOVERNOR MANDEL: All right, so there is

1 no mistake now, Item 10A is approved?

2 MR. PHIPPS: Yes, sir.

3 GOVERNOR MANDEL: Item 11A is withdrawn?

4 MR. PHIPPS: Right.

5 GOVERNOR MANDEL: Item 12A is approved?

6 MR. PHIPPS: Yes.

7 GOVERNOR MANDEL: Item 13A is withdrawn?

8 MR. PHIPPS: Right.

9 GOVERNOR TAWES: 14A?

10 GOVERNOR MANDEL: 14A is the City of Hagers-
11 town.

12 MR. PHIPPS: This was a request originally
13 for \$31,141. We recommend \$15,300 not be approved
14 and we set it out this way because the mayor of Hagers-
15 town requested that we do it this way, so we said we
16 would and he might at a later date come before you to
17 review this, but you have told us to present it this
18 way. We asked for approval of \$11,858, but we would
19 not pay inspection fees, library, snack bar, patio,
20 and so forth. We recommended this be turned down.

21 MR. GOLDSTEIN: We want to do the same

1 thing with the others. Any time we give the city some-
2 thing, they ought to be able to inspect it. It is for
3 their own benefit. Why should we pay inspection fees
4 and for the snack bar and for a big overstuffed lounge
5 for somebody to sleep on, love on, do anything on?
6 We are approving \$11,958, not approving these items,
7 inspection fees, office and library furniture, snack
8 bar equipment, miscellaneous. It is not justified.
9 That is \$15,300.

10 MR. PHIPPS: They were not part of the
11 original agreement, inspection fees.

12 MR. GOLDSTEIN: We want to make it clear we
13 are not approving these items, these kind of items.
14 That is a precedent.

15 MR. PHIPPS: Yes, sir.

16 GOVERNOR MANDEL: What we are approving is
17 the State's share, \$11,958.82?

18 MR. PHIPPS: Yes, sir.

19 GOVERNOR MANDEL: Okay.

20 Now we can go to Ken's agenda.

21 DR. BARNES: Any questions?

1 GOVERNOR MANDEL: Ken Barnes's agenda,
2 Item 2.

3 MR. GOLDSTEIN: Governor, I had the first
4 one there about these incinerators.

5 GOVERNOR MANDEL: Go ahead.

6 MR. GOLDSTEIN: I thought they were giving
7 away the incinerators.

8 DR. BARNES: Mr. Cecil is here, Mr. Comp-
9 troller. He wants to present this. The item relates
10 to the Division of Animal Industry's incinerators.

11 MR. CECIL: Yes, sir. The Health Department,
12 Mr. Goldstein, more or less condemned our incinerators
13 at the locations of College Park and Salisbury and
14 Centerville and we have to give them a date when we
15 will replace these.

16 The ones we have now are outdated and out-
17 moded and we have got to come up to the emission
18 standards set by the Environmental Agency.

19 GOVERNOR MANDEL: Are you replacing the
20 incinerators with other incinerators?

21 MR. CECIL: Yes, sir.

1 MR. GOLDSTEIN: I thought you were doing away
2 with the incinerators. Isn't there another way to get
3 rid of the waste?

4 MR. CECIL: No, sir. It is dead animals
5 which are coming to the laboratory and they perform
6 autopsies on them. We have no other way.

7 MR. GOLDSTEIN: Do you have some way to
8 dispose of these animals?

9 MR. CECIL: No, sir. These are diseased
10 animals. In other words, they have diseases. They
11 don't want to transport these over the road. We have
12 a health problem on it.

13 MR. GOLDSTEIN: I thought companies came
14 and bought them and they rendered the fat and took care
15 of the hides.

16 GOVERNOR MANDEL: He says these are all
17 diseased. They wouldn't do that.

18 MR. GOLDSTEIN: They will come down to the
19 country and pick up a dead horse, any damn thing that
20 dies out in the field, a dead calf. We don't have a
21 laboratory down in Southern Maryland. That is how they

1 get rid of them, or else dig a hole and bury them.

2 MR. CECIL: A lot of these are chickens
3 down in Salisbury and they are performing autopsies
4 and experiments on them. There is no way of disposing
5 of that.

6 MR. GOLDSTEIN: How about large animals,
7 like steers? How about a 1500-pound bull?

8 MR. CECIL: Under these considerations they
9 would have to cut them up in small pieces and then
10 burn them. It is more an efficient process. Take now
11 a large steer at the University, I guess it would take
12 them all day to burn that up. These are at the rate
13 of 200 pounds an hour. It will be more efficient.
14 Prince George's County, the Health Department is
15 really giving us a fit in College Park because the
16 University is going to put that in and we are going
17 to share the cost of that.

18 MR. LEWIS: These are approved by the Health
19 Department.

20 MR. GOLDSTEIN: I want to find out if they
21 had a need. I approve it.

1 GOVERNOR MANDEL: Item 2, can you explain
2 that?

3 DR. BARNES: Yes, sir, I can.

4 GOVERNOR MANDEL: It is going to be difficult,
5 but go ahead.

6 DR. BARNES: Well, Mr. Cecil will backstop
7 me on this one. The University of Maryland originally
8 had the responsibility for this particular function of
9 the program and in their operation they didn't create
10 new jobs. They hired these people on contracts, and
11 they considered them, however, as University employees
12 and they were entitled to retirement and other fringe
13 benefits. Now that they have become part of the
14 Department of Agriculture they are really trying to
15 clean up the problem in terms of getting them out of
16 this neither employee nor non-employee status by
17 making them employees of the Department of Agriculture,
18 rather than contract employees of the Department of
19 Agriculture. The University had them for 20-some
20 years in some instances before.

21 GOVERNOR MANDEL: That is the reason I

1 asked the question. How can they keep them as contract
2 employees all that time? How do they become eligible
3 for all the State benefits as contract employees?

4 DR. BARNES: Because the University of
5 Maryland is not part of the State Merit System.

6 GOVERNOR MANDEL: I know they have autonomy,
7 but does autonomy go that far?

8 DR. BARNES: It has in this instance, and
9 a number of others, yes, sir.

10 GOVERNOR MANDEL: God Almighty.

11 MR. GOLDSTEIN: Do they pay them retirement
12 benefits? Has that been paid over the years?

13 MR. CECIL: They pay hospitalization, re-
14 tirement, anything else, all State benefits.

15 MR. GOLDSTEIN: In other words, was that
16 paid while they were working for the University of
17 Maryland?

18 MR. CECIL: Yes, sir.

19 MR. GOLDSTEIN: We are not giving these
20 people any extra benefits that you don't give regular
21 employees? They come on the same basis as the other

1 employees and they understand that?

2 MR. CECIL: Yes, sir. These are special
3 funded employees.

4 MR. GOLDSTEIN: They work full or part time?

5 MR. CECIL: Full time.

6 MR. GOLDSTEIN: They work just like anybody
7 else?

8 MR. CECIL: That is right.

9 MR. GOLDSTEIN: They don't sit around in a
10 classroom or go to school?

11 MR. CECIL: No, sir.

12 GOVERNOR MANDEL: What was the reason for
13 you keeping them as contracts all those years?

14 DR. BARNES: I don't know. I will get you
15 the answer. It was simply the way they were funded.

16 GOVERNOR MANDEL: There has to be some
17 reason. They weren't reporting them as employees, in
18 other words, to the Legislature?

19 DR. BARNES: Yes, sir.

20 GOVERNOR MANDEL: I see. Can we find out
21 if there are any more of them around like that?

1 DR. BARNES: Yes, sir. There may be. We
2 don't have the same reporting system for them. An
3 employee of the University, if he transfers to some
4 other State agency, you even have difficulty trans-
5 ferring him.

6 GOVERNOR MANDEL: Tell them we would like
7 to know how many contract employees they have of this
8 type.

9 MR. GOLDSTEIN: I'm sure our good friends over
10 there will find out, too. How many?

11 MR. HOOVER: I don't know, but I expect
12 State Roads would have some. Remember, we had a
13 question about that a couple of years ago.

14 MR. GOLDSTEIN: Yes. We were supposed to
15 do away with contract employees.

16 DR. BARNES: State Roads is different.
17 They are hourly rate employees in most instances.

18 GOVERNOR MANDEL: They are different. They
19 work on an hourly rate, but these people are contract
20 employees getting all of the benefits, retirement and
21 everything else. I was always under the impression

1 that when you had a contract employee, he did not become
2 part of the Retirement System or anything else, so will
3 you check it out, Ken, and find out?

4 DR. BARNES: Yes.

5 MR. CECIL: They would take care of all of
6 our employees in our Department and clear the matter
7 up, with no loss of benefits.

8 GOVERNOR MANDEL: I wasn't worried about the
9 employees, but I was just concerned about the method.

10 DR. BARNES: We picked this up as part of
11 the Budget Analysis for the going-in 1975 budget, but
12 it was too late to act on the 1975 budget because of
13 the time limitation.

14 GOVERNOR MANDEL: What is the next item?

15 Thank you.

16 MR. GOLDSTEIN: Thank you.

17 Let's see. I had GI3, Page 3.

18 DR. BARNES: This item relates to the
19 Division of Housing and relates primarily to trailers,
20 and I found out in searching out the item, industrialized
21 buildings.

1 MR. GOLDSTEIN: Is that a new assistant's
2 job?

3 DR. BARNES: Yes, sir. It really means a
4 modular. Yes, sir, it is. There is about 30,000
5 mobile homes in Maryland. This man's job would be
6 to go to anybody that builds a mobile home and check
7 out to see whether they meet the State standards under
8 the local code for houses which can be built in
9 Maryland. It is possible for somebody to buy one
10 without going through this, but then they would be
11 certified that it has not been found or has not been
12 certified to meet State standards.

13 The local governments could still approve
14 a non-certified house, but in order for it to meet
15 the standards of this particular one, the Division
16 of Housing does need some individual who becomes the
17 inspector.

18 Basically that is what this person is.
19 There are 11 testing facilities in Maryland.

20 MR. GOLDSTEIN: How does this effect 30,000?

21 DR. BARNES: Primarily, he will contact

1 counterparts in other states where the factories are
2 that manufacture modular houses and trailers and
3 determine what their certification standards are for
4 a modular house or trailer. He doesn't have to look
5 at each trailer. That is built to a particular speci-
6 fication. They so certify. That is all he needs to
7 do.

8 MR. GOLDSTEIN: I hope it works.

9 MR. LEWIS: This position is being paid,
10 the same as our construction inspectors. This is our
11 top grade.

12 MR. GOLDSTEIN: Okay.

13 DR. BARNES: Three thousand mobile homes
14 and about 600 modular units, based on last year's
15 experience.

16 MR. GOLDSTEIN: Item No. GI4, Page 4. Are
17 these salaries in line with other salaries, these
18 boiler inspectors?

19 MRS. HEARN: Ann Hearn, Department of
20 Personnel. Yes, sir. The Department here has been
21 for the last two or three times we have been able

1 to hire anybody, we have had to use the 3-A process to
2 give them authorization to hire above the minimum
3 number. On this we recommended that it would help if
4 we got a one grade adjustment instead of two, and the
5 Department assures us that that would do absolutely
6 no good, they couldn't get anywhere, so in the face of
7 three vacancies out of the four positions, and docu-
8 mented evidence in the Department that it has been
9 trying to fill the jobs, we couldn't argue. They had
10 to at least see if approving salary would let them
11 get people. We're talking about a grand total of I
12 think five positions altogether.

13 DR. BARNES: These people have to have a
14 license, plus five years experience?

15 MRS. HEARN: Right.

16 MR. GOLDSTEIN: Do you still think hiring
17 with that salary, that background, you have to have
18 five years experience?

19 MRS. HEARN: Yes.

20 MR. GOLDSTEIN: Do you think you could hire
21 them if you raise the salary?

1 MRS. HEARN: The Department thinks so.

2 MR. GOLDSTEIN: Maybe your departments are
3 too strong. Maybe some nice young people would like to
4 work in this business. You have to have five years
5 experience. How can a man coming out of college have
6 experience?

7 MRS. HEARN: You can't be an inspector if
8 you have less than that.

9 MR. GOLDSTEIN: Maybe that is why you can't
10 fill the jobs.

11 DR. BARNES: It doesn't require college
12 training. You have a high school diploma and as long
13 as you get five years experience in working in boiler
14 operations, you become then licensed under the licensing
15 law.

16 MR. GOLDSTEIN: I see. Okay.

17 MR. MIDDLETON: You can pick it up under
18 contract.

19 MR. GOLDSTEIN: That is right.

20 On GI5, Page 5, I have a question. What
21 happens when the Federal money runs out for all these

1 hygienists?

2 DR. BARNES: That is the OSHA program.

3 GOVERNOR MANDEL: It is the OSHA program
4 with Federal funds.

5 DR. BARNES: There is every indication
6 that program will continue.

7 GOVERNOR MANDEL: Not only that, but under
8 the agreement they have if the Federal funds expire,
9 then industry pays it.

10 DR. BARNES: That is right.

11 GOVERNOR MANDEL: So that no matter what
12 happens the State doesn't pay for any of it.

13 MR. GOLDSTEIN: It didn't say it in here.
14 When Federal funds expire, industry pays for it?

15 GOVERNOR MANDEL: That is right. Industry
16 has agreed to pay for it on that program if the Federal
17 funding doesn't come through.

18 MR. GOLDSTEIN: Thank you.

19 GOVERNOR MANDEL: That is the whole program,
20 not just these jobs.

21 MR. GOLDSTEIN: The next one I have is GI8,

1 Page 8, the trooper that got robbed.

2 DR. BARNES: I don't know what else you could
3 add.

4 MR. GOLDSTEIN: In other words, State
5 Troopers now work in Baltimore City?

6 DR. BARNES: Yes, sir. They were undercover
7 troopers.

8 GOVERNOR MANDEL: They were working with
9 the narcotics squad.

10 MR. GOLDSTEIN: I get you. No objection to
11 it.

12 GOVERNOR MANDEL: By the way, it was a
13 State Trooper working in the Drug Abuse Program that
14 resulted in those arrests of the people up there.

15 GOVERNOR TAWES: Yes, Mazon, is that his
16 name?

17 GOVERNOR MANDEL: Yes.

18 GOVERNOR TAWES: He is chief of it.

19 MR. GOLDSTEIN: GI9, we gave prior approval
20 of that.

21 GOVERNOR TAWES: Yes.

1 MR. GOLDSTEIN: GI10, Page 10.

2 GOVERNOR MANDEL: On this 9, when we were
3 over at the Governor's Conference last week, Ken, on
4 this having to qualify by March 31, we met with Wine-
5 berger and there is a bill that passed the House, I
6 think, and it is already in the Senate to extend that
7 time for reporting under this, to extend the date
8 beyond March 31.

9 I think the work ought to be done. I think
10 we should check that.

11 DR. BARNES: That could be. That is 100 per-
12 cent federally funded program in any event. We might
13 save some Federal dollars because if they get behind,
14 they are going to pay time and a half and everything.
15 It avoids also where you would have your save harmless
16 provision. It might be some backfill that is behind.
17 This would prevent that.

18 MR. GOLDSTEIN: The next item I had was GI10,
19 Page 10, Consumer Protection Division of the State Law
20 Department.

21 Are these full time jobs? I see the pay is

1 75 percent Federal, 25 percent State. Are these full
2 time jobs?

3 DR. BARNES: The Attorney General says they
4 are. That is the best I can answer.

5 GOVERNOR MANDEL: This is the result of an
6 agreement I think under the 4-A program.

7 DR. BARNES: Right.

8 GOVERNOR MANDEL: Right.

9 DR. BARNES: Yes, sir.

10 GOVERNOR MANDEL: Where the Department of
11 Social Services entered into a contract with the Law
12 Department?

13 DR. BARNES: That is right.

14 GOVERNOR MANDEL: It is funded 75 percent
15 by Federal funds.

16 DR. BARNES: Right.

17 MR. GOLDSTEIN: All right, sir.

18 Disposal of property. We took care of the
19 Department of Transportation items, didn't we?

20 GOVERNOR TAWES: Yes.

21 Is that all of Ken's?

1 GOVERNOR MANDEL: I think that takes care
2 of Ken's agenda.

3 MR. GOLDSTEIN: Let me check to make sure
4 I have covered everything here.

5 GOVERNOR MANDEL: George, we will go to
6 your agenda.

7 MR. LEWIS: It is a relatively small agenda
8 at this time.

9 GOVERNOR TAWES: Good for you.

10 MR. LEWIS: There was a short period of time
11 between meetings this time. It does make it nice,
12 though.

13 GOVERNOR MANDEL: It sure does.

14 MR. LEWIS: I don't have any items.

15 GOVERNOR MANDEL: I couldn't find too much
16 to complain about.

17 MR. GOLDSTEIN: There were very few, George.
18 Let me check it here.

19 My first one was Item C10, Page 15.

20 MR. LEWIS: That is the one I think that
21 related to Matz Childs.

1 MR. GOLDSTEIN: No, that is Green Associates.
2 That is Item No. C10, Page 15.

3 MR. LEWIS: The mechanical contract they
4 have had for some time. The project was bid some time
5 ago. This is a change order.

6 MR. GOLDSTEIN: Is this firm changing names,
7 too? I saw something in the paper.

8 MR. LEWIS: We have been notified that they
9 are anticipating a change in name and we are working
10 now with the attorneys for both companies to make the
11 change.

12 MR. GOLDSTEIN: There is no problem here?

13 MR. LEWIS: No. There isn't.

14 MR. GOLDSTEIN: Okay.

15 MR. LEWIS: There is one that has a mistake
16 on it. It is Item C16. It says the change order was
17 applicable to Matz Childs, and that is MCA.

18 MR. GOLDSTEIN: That was my next item,
19 strike out Matz Childs Associates.

20 MR. LEWIS: Put in MCA. This change, by
21 the way, was reported to the Board some time ago on

1 this contract.

2 MR. GOLDSTEIN: Is the press here? We want
3 to be sure we call it to their attention that we dis-
4 cussed it. I want the record to be sure to show we
5 discussed it, there was a mistake and it is MCA, is
6 that right?

7 MR. LEWIS: MCA, that is right.

8 MR. GOLDSTEIN: The next item I have is
9 Item A10, Page 26.

10 MR. LEWIS: I might point out that I think
11 all of the surveying items we have on the agenda are
12 the result of multiple proposals now. We are making
13 requests for multiple prices on surveying contracts.

14 MR. GOLDSTEIN: Look on Page 26, A10, 10
15 acres, not to exceed 1500, then 15 acres not to exceed
16 700, 14 acres not to exceed 1275.

17 MR. LEWIS: It all depends on the type of
18 area we are surveying. In this case we are probably
19 in Allegheny County, probably all woodland which
20 requires considerable more time, but they are multiple
21 proposals. In other words, we have more than one price

1 and we have selected the lowest price.

2 MR. GOLDSTEIN: You don't have any trouble
3 getting bids?

4 MR. LEWIS: Right now we are not. We have
5 several of them where we have a central price and we
6 go back to try to get a second. It appears it will
7 work out. In our call bid, they won't consider them
8 a bid. They will give a price and let us consider
9 price a factor.

10 MR. GOLDSTEIN: Item M4, Page 31, Howard
11 County. This project is now completed?

12 MR. LEWIS: This completes the project.
13 This is the extension of water along Dorsey Run Road
14 to put Perkins on a public system. It is coming out
15 of the escrow account that we have on the sale of the
16 land to the Market Authority.

17 MR. GOLDSTEIN: But it is now complete?

18 MR. LEWIS: This completes that particular
19 unit.

20 MR. GOLDSTEIN: It is satisfactory, working
21 better than the old system?

1 MR. LEWIS: Yes, sir, very desirable. Now
2 we have everything in Howard County off of our suggested
3 treatment system onto a public water system.

4 MR. GOLDSTEIN: The Market Authority, every-
5 thing we have in that County is now on the County
6 Sewage System? It is off our Jessups treatment plant?

7 MR. LEWIS: No, on the County water system,
8 not on the sewage treatment. The sewage treatment,
9 all of this is going into the Jessups treatment plant.

10 MR. GOLDSTEIN: The water is Howard County?

11 MR. LEWIS: Yes, everything in Howard County,
12 including Patuxent and Jessups is on Howard County
13 water system.

14 MR. GOLDSTEIN: They are responsible for
15 keeping it up?

16 MR. LEWIS: Yes, as part of that change
17 order we made when we built the tank for the Market
18 Authority and gave the tank to the County.

19 MR. GOLDSTEIN: That took care of everything
20 I had, except the property items there.

21 On the property items, like St. Mary's, we

1 are going to hold those up until we have the hearing
2 this afternoon?

3 MR. HARRISON: That is what I understand.

4 GOVERNOR MANDEL: St. Mary's, two o'clock.

5 MR. HARRISON: Yes, sir. There is the
6 Howard and Smith properties that I understand are
7 going to be held over until your meeting this afternoon.

8 MR. LEWIS: D1, Page 34, D2, Page 35 --

9 MR. GOLDSTEIN: D3 on Page 35A, Governor,
10 Item D3, I suggest that we go back and negotiate that
11 price on that property of the Cloverdale Corporation.
12 They are from Texas?

13 MR. HARRISON: No, sir. That is not down
14 in Texas. These are a local county ownership.

15 MR. GOLDSTEIN: Anyway, they provide the
16 property for \$840,000 instead of \$871,351, so we save
17 better than \$31,000?

18 MR. HARRISON: You are absolutely right.
19 We have the option. The only thing I found out for
20 you, that there was a tenant on the property and I
21 have been told by the Relocation Team the maximum limit

1 that these people are entitled to is \$4500.

2 MR. GOLDSTEIN: What kind of tenant is he?

3 MR. HARRISON: Caretaker for the property.

4 MR. GOLDSTEIN: Can he stay on the property
5 for a while?

6 MR. PHIPPS: Yes, sir, be glad to have him.

7 MR. GOLDSTEIN: Do we move him?

8 MR. HARRISON: Natural Resources will do
9 that.

10 MR. PHIPPS: You say no relocation costs.
11 There might be some.

12 GOVERNOR MANDEL: He said there could be some.

13 MR. HARRISON: Could be a maximum of \$4500
14 relocation cost.

15 MR. GOLDSTEIN: No relocation costs involved
16 in this transaction?

17 MR. HARRISON: This is correct, sir. The
18 option came through stating the property was unimproved.
19 We put that star in there with the explanation.

20 MR. GOLDSTEIN: The caretaker has been hired
21 by the owner, Cloverdale?

1 MR. HARRISON: That is correct.

2 MR. GOLDSTEIN: There is an old house on
3 the property?

4 MR. HARRISON: Yes, sir.

5 MR. GOLDSTEIN: Why wouldn't that be their
6 responsibility?

7 MR. HARRISON: Well, if the State needs the
8 property, I mean they --

9 MR. GOLDSTEIN: I understand. Is the State
10 going to let this man stay on as caretaker? Does he
11 get paid anything in salary?

12 MR. HARRISON: Mr. Phipps, these questions
13 are yours. Would you allow the man to stay on the
14 property and pay him a salary?

15 MR. PHIPPS: No, not pay him a salary.

16 MR. GOLDSTEIN: Does the man get a salary
17 from Cloverdale?

18 MR. HARRISON: I don't know.

19 GOVERNOR TAWES: What item is this?

20 MR. GOLDSTEIN: Item 3, Page 35A. You star,
21 no relocation costs are involved in this property

1 transaction.

2 GOVERNOR MANDEL: What he has just said is
3 that there could possibly be some relocation costs
4 because there is a caretaker on the property.

5 MR. HARRISON: That is right, sir.

6 GOVERNOR MANDEL: What Louie's asking is,
7 why can't you just leave the caretaker there and let
8 him take care of the property?

9 MR. PHIPPS: Glad to. This is next to the
10 Pierpont property, Mr. Comptroller.

11 MR. HARRISON: That is the last piece at
12 the bottom. We now own everything at the southern end
13 of Seneca Creek State Park.

14 MR. GOLDSTEIN: The creek is on the east.
15 This goes to the west?

16 MR. HARRISON: Yes, sir.

17 MR. GOLDSTEIN: I visited there. I know
18 exactly where the property is. I move we buy this
19 property and we will leave the question of caretaker
20 up to Mr. Phipps to find out more about it.

21 GOVERNOR MANDEL: Right. If there is no

1 objection, we will approve it.

2 MR. HARRISON: I have one other item. I
3 received it yesterday. Of course, it was too late to
4 send to you but I have copies of it here. That is the
5 property, Mr. Goldstein.

6 MR. GOLDSTEIN: The one that Mr. Tilghman
7 Brice, the lawyer for the estate --

8 MR. HARRISON: Yes, sir. We were able to
9 option that at a price within our range.

10 MR. GOLDSTEIN: Do you have the papers so
11 we can look at them?

12 MR. HARRISON: Yes, sir.

13 GOVERNOR MANDEL: Is that an extra item?
14 Is that an added item?

15 MR. HARRISON: This is an added item and
16 we would appreciate it if you would number it as Page
17 35B. If you would mark this as 35B.

18 GOVERNOR MANDEL: It is below your appraisal,
19 isn't it?

20 MR. HARRISON: Yes, sir.

21 GOVERNOR TAWES: Is this the Tilghman Brice

1 MR. HARRISON: He represents the Mills
2 Estate.

3 MR. GOLDSTEIN: There is a different name
4 then.

5 MR. HARRISON: Yes, sir. Mills is the
6 personal representative of the estate of

7 One thing I want to bring to your attention,
8 Mr. Goldstein, if you note the price we are paying
9 for this property in relationship to the appraisals.

10 MR. GOLDSTEIN: Right.

11 MR. HARRISON: I just wanted to make that
12 clear, that we optioned it for less than the lowest
13 appraisal, which may mean an explanation to the Federal
14 government.

15 GOVERNOR MANDEL: May need an explanation?

16 MR. HARRISON: Yes.

17 GOVERNOR MANDEL: You mean we have to
18 justify buying it for less than the appraisal?

19 MR. PHIPPS: And I feel they can come back
20 and audit it and make us pay it. I feel they should
21 go jump in the lake.

1 MR. GOLDSTEIN: We come back to the same
2 thing, Ken. Here is people driving us crazy to buy
3 this damned piece of property, just worrying the hell
4 out of us every day. I get phone calls, Governor Tawes
5 gets them, pleading with us to buy the property so the
6 estate can be straightened up. Here we are tantalized.
7 If that is the case I move we don't buy the property.
8 Take it off the take line. I mean every time we have
9 somebody holding an ax over our head.

10 GOVERNOR MANDEL: If we buy it at that price,
11 you mean to say that the Federal government could then
12 come in and, what would their action be?

13 MR. PHIPPS: They could tell us, make us
14 pay the higher appraisal but since the estate is closed,
15 I would take that chance.

16 GOVERNOR MANDEL: I would like to see them
17 force it. I would like to go to bat with them on that.

18 MR. MALLOY: They won't accept it if there
19 is good reason documented.

20 MR. GOLDSTEIN: Mr. Tilghman Brice, one of
21 the finest attorneys in the State of Maryland calls my

1 office every day. Mr. Swann how many times did you
2 call them back?

3 MR. SWANN: Half a dozen, I would believe.

4 MR. GOLDSTEIN: Saying the State is holding
5 up the estate, holding up the creditors. We are doing
6 the estate a favor.

7 MR. MALLOY: It is documented to that effect.

8 GOVERNOR MANDEL: I move we accept it, tell
9 the Federal government we accept it and let them come
10 back at us.

11 MR. MILLSTONE: What we do is accept the
12 low appraisal, the low appraisal as the recognized
13 acquisition cost?

14 MR. HARRISON: In other words, if I could
15 raise a question --

16 GOVERNOR MANDEL: What do you mean?

17 MR. MILLSTONE: Accept the low appraisal as
18 our authorized acquisition price?

19 MR. HARRISON: If I offer him four and he
20 accepts it, the government would approve it.

21 GOVERNOR MANDEL: He bought it for 41. You

1 buy it for 41. Damned if I'm going to go for more than
2 they want.

3 MR. GOLDSTEIN: We called Mr. Brice, told him
4 we couldn't get it on until April. He pleaded for this
5 agenda because he wanted to settle this estate. We
6 are doing these people a favor. Otherwise I vote no,
7 to set the record straight, we not buy the property
8 and take it out of the take line. Show us where the
9 property line is. It is part of a larger tract of land.

10 GOVERNOR TAWES: Aren't you penalizing these
11 people because of government regulations?

12 GOVERNOR MANDEL: No, I would say we buy it
13 at the price we agreed to.

14 MR. PHIPPS: They are willing sellers. We
15 are willing buyers.

16 MR. GOLDSTEIN: Show us where the property
17 is.

18 MR. PHIPPS: This is it.

19 MR. GOLDSTEIN: This little piece in red.
20 Here is the take line?

21 MR. PHIPPS: That is right.

1 MR. GOLDSTEIN: All we do is move the take
2 line and leave the property out. It won't affect any-
3 thing.

4 MR. PHIPPS: We leave the property.

5 GOVERNOR MANDEL: Yes. I think we entered
6 into an option, entered into an agreement. Let's buy
7 it and let the Federal government tell us we are wrong.

8 MR. GOLDSTEIN: Can we stipulate the agree-
9 ment, write it down, that at the insistence of the
10 attorney for the estate --

11 MR. PHIPPS: Mr. Wahbe --

12 MR. GOLDSTEIN: Mr. Tilghman Brice, that
13 we expedited the matter, placed it on the agenda in
14 order to pay off the creditors so they wouldn't have to
15 have a lawsuit or pay the high interest rate. That is
16 why we are approving it today at that price. It is a
17 willing buyer-willing seller.

18 MR. MALLOY: I think that will do it.

19 MR. GOLDSTEIN: I want that in the record.

20 MR. MALLOY: That is all it requires, if
21 you accept the price less than the low option there

1 will be documented reasons for it.

2 GOVERNOR MANDEL: Okay.

3 I have one other thing marked that I over-
4 looked before. On Page 26, All, I'm just curious about
5 this. It says, approved as requested for the appointment
6 of an engineer for 15.7 acres of park land, Patapsco
7 State Park, to be transferred to the League of Maryland
8 Horsemen.

9 Who are the League of Maryland Horsemen?

10 MR. GOLDSTEIN: Weren't we trading land with
11 them?

12 MR. PHIPPS: Yes, sir.

13 MR. LEWIS: For the purposes of the survey,
14 to trade it.

15 GOVERNOR MANDEL: I thought the way it was
16 written we were giving land away.

17 MR. LEWIS: It is written back there.

18 DR. BARNES: The only problem they had is
19 people in that territory may be opposed to State land
20 having been transferred for use of something that could
21 be considered a nuisance by people that have interests

1 there.

2 MR. GOLDSTEIN: Dr. Barnes, when Louie
3 Phipps brought this thing to the Board here -- you have
4 got the plat?

5 MR. PHIPPS: No, sir. They are holding a
6 piece of property by the Henderson Hospital within the
7 park. We are trading an in-holding for out of the
8 boundary of the park. This has been reviewed with
9 the County Commissioners of the County and I have been
10 told that they are in agreement, according to Delegate
11 Ryan. The Board approved the item, I guess.

12 GOVERNOR MANDEL: We are just not giving
13 away a piece of land. That is the way it appeared to me.

14 MR. LEWIS: You approved this exchange some
15 time ago. This is worded badly. I apologize.

16 GOVERNOR MANDEL: I want it noted that we
17 did rate it as a transfer of land.

18 There is one other thing I want to bring up.
19 This is not on the agenda.

20 MR. LEWIS: I was going to bring that up.

21 GOVERNOR MANDEL: This is not on the agenda,

1 but Secretary Lewis has presented a proposal for the
2 acceleration of invoice process. As you know, we have
3 had some discussions about improving State payment of
4 bills, so that we could take advantage of discounts
5 and that sort of thing and the Secretary has been
6 working on it and now has presented us a proposal and
7 his letter is dated March 11, 1974, which would set up
8 a method of paying invoices so that every bill would be
9 paid within 30 calendar days, or if not then we would
10 be able to flag it and know why and while it is not
11 absolutely necessary I don't think for the Board to
12 approve this, I think that we should as a matter of
13 policy adopt his recommendations so it can go into
14 effect April 1, is that right, George?

15 MR. LEWIS: That is what we have suggested,
16 Governor.

17 GOVERNOR TAWES: We have all looked it over
18 and seen it. I move it be adopted by the Board.

19 MR. GOLDSTEIN: I second the motion. I
20 would like to recommend that we get copies of this
21 and place this on your cabinet meeting Monday so every-

1 body will have a copy.

2 GOVERNOR MANDEL: Have an explanation so
3 they will all understand it.

4 MR. GOLDSTEIN: Would that be a good idea?

5 MR. LEWIS: I think so. I would have all
6 committee members here. This was done by a committee,
7 Governor. It was not just the result of Secretary
8 Lewis.

9 MR. GOLDSTEIN: That will be on the cabinet
10 meeting.

11 GOVERNOR MANDEL: Motion has been made,
12 seconded and adopted that this policy be adopted by
13 the Board as a policy for processing invoices.

14 MR. GOLDSTEIN: Governor, we are also doing
15 something else with reference to the purchase of a lot
16 of cars or trucks. We have recommended to Mr. Lewis
17 that his office pay the lump sum and then allocate
18 the respective costs to the different departments,
19 and that would help expedite payment of larger items
20 when the State buys cars or trucks or other vehicles
21 in a lump sum bid.

1 MR. LEWIS: That is right.

2 MR. GOLDSTEIN: Is that right, sir?

3 MR. LEWIS: We will work with your staff,
4 but the basic concept would be that we would send the
5 transmittal out to the Comptroller for payment immedi-
6 ately upon receipt of the invoice. The invoices would
7 be sent to us.

8 MR. GOLDSTEIN: Right, sent to you on
9 delivery. In other words, you would get the invoices
10 and then pay them.

11 MR. LEWIS: Yes. You would pay by one check
12 rather than a number of checks, the same method.

13 GOVERNOR MANDEL: I have a letter here that
14 was presented by Mr. Lewis from Delta Realty Company,
15 on Delta Realty Company stationery, addressed to Mr.
16 Hance, Secretary of Agriculture, "and I am writing on
17 behalf of the Waldorf Lion's Club regarding use of
18 one of the State owned warehouses for a fund raising
19 project. The warehouse is located at Sheltingham,
20 Maryland, on Route 301. The Lion's Club sponsors many
21 functions to raise money. All of the funds generated

1 are used for needed community projects.

2 "In this case we are attempting to find
3 space to put on an antique show. We would like to have
4 the show over the 4th of July weekend and need the
5 warehouse from July 1st through July 8th. We would be
6 responsible for insurance, police protection, clean up,
7 and so forth."

8 Now we sent it over to George Lewis and
9 George Lewis is bringing it here as to whether or
10 not we grant permission.

11 MR. GOLDSTEIN: Do they charge rent?

12 MR. LEWIS: No rent.

13 MR. GOLDSTEIN: How about insurance?

14 MR. LEWIS: Insurance they would take care
15 of, leasing, and so forth. It is a tobacco warehouse.

16 MR. GOLDSTEIN: How about the other ware-
17 houses?

18 MR. LEWIS: I think the unfortunate thing,
19 this would be setting a precedent.

20 GOVERNOR MANDEL: It is my understanding
21 this warehouse has been used in the past for an antique

1 show.

2 MR. LEWIS: I think that occurred about a
3 year ago. Under whose permission I don't know. I
4 don't think the Board acted on it.

5 MR. GOLDSTEIN: How about all the stuff
6 that is stored in there? What happens to that?

7 MR. LEWIS: A good portion of the building
8 is empty right now. Everything is stored. It is in
9 one central location. It could be used. It could cause
10 no problems from Mr. Hance's standpoint, but the only
11 problem would be --

12 DR. BARNES: The next Board meeting is two
13 weeks. Why not have Mr. Hance come in?

14 MR. LEWIS: They indicated they have to have
15 an answer within a week. That is the reason he has
16 pushed the issue today.

17 GOVERNOR MANDEL: What do you think, Louie?

18 MR. GOLDSTEIN: I want to be sure that we
19 are not setting up a real precedent so that we will be
20 protected on items in there. How about the people in
21 the warehouse? Are they satisfied, the Maryland

1 Tobacco Growers?

2 MR. LEWIS: Yes. They operate out of the
3 front porch.

4 MR. GOLDSTEIN: Are they satisfied?

5 MR. LEWIS: I haven't checked with Mr. Hance
6 on that, but I will check.

7 GOVERNOR MANDEL: It would seem to me that
8 if we were going to allow that use, that we ought to
9 get some reasonable rental out of it and some guarantee.

10 MR. MIDDLETON: You can't get extra rental
11 at this time. I think you would be making a mistake
12 in insurance.

13 GOVERNOR MANDEL: The problem is if we ever
14 establish a policy of allowing the use of it and
15 allowing it for free, it is going to go on forever.
16 I don't want to turn them down. I'm not saying to get
17 a large amount.

18 MR. LEWIS: I will go back to Mr. Hance and
19 have him check.

20 GOVERNOR MANDEL: I see no objection to
21 them doing it.

1 MR. MIDDLETON: Make it very minimal.

2 GOVERNOR MANDEL: Yes, make it minimal.

3 As soon as you start that you have somebody coming up
4 here every year.

5 MR. LEWIS: If the building wasn't possibly
6 vacant now we would be in good shape to turn it down.

7 GOVERNOR MANDEL: As far as I am concerned
8 they can use it.

9 MR. LEWIS: I will establish a rental.

10 GOVERNOR MANDEL: Establish some minimum
11 rental, nothing of any substance but a minimum so we
12 have the policy on it.

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I N D E X

<u>Subject</u>	<u>Agenda</u>	<u>Item</u>	<u>Page</u>	<u>Witness</u>	<u>Page</u>
Interstate I-70	Budget	GI-8A	1	Mr. Hughes Mr. Fisher	3
Taxicabs Operating to Baltimore- Washington Inter- national Airport	Budget	2T		Mr. Hughes Mr. Fisher	39
Trip of Aviation Adminis- trator out of Country	Budget	General Item A-8 Supplemental Agenda		Mr. Hughes	41
Safety Project Positions	Budget	General Item 8B			60
Overweight Trucks	Budget	5C	3		62
Canary Island	Secretary's Agenda	1	2		67
Naming of State Office Building	Secretary's Agenda	2	3		68

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21

I N D E X

<u>Subject</u>	<u>Agenda</u>	<u>Item</u>	<u>Page</u>	<u>Witness</u>	<u>Page</u>
Caroline County Sewer System	Secretary's Agenda	14	20	Mr. Gross	72
Sewage Disposal Plant for Fish	Secretary's Agenda	16	22		73
Improvement to Crownsville Hospital	Secretary's Agenda	17	23	Mr. Gross	77
Turners Creek Acquisition- Kent County	Open Space Agenda	6A	6A	Mr. Edwards Mr. Davis	80
Replacement of Incinerators	Budget Agenda	GEF-1	1	Mr. Cecil	89
(Review of Department of Budget and Fiscal Planning Items)					87 through 105
(Review of General Services Agenda					106 through 128

0 0 0 1 2 3 4 5 6 7 8 9 0 1