

STATE OF MARYLAND
BOARD OF PUBLIC WORKS
GOVERNOR'S CONFERENCE ROOM
STATE HOUSE
ANNAPOLIS, MARYLAND

December 12, 1984

10:30 o'clock, a.m.

Reported by:

HUNT REPORTING COMPANY
476 Governor Ritchie Highway
Severna Park, Maryland 21146
647-8300

P R E S E N T:

GOVERNOR HARRY HUGHES, III, Presiding;

HONORABLE LOUIS L. GOLDSTEIN, Comptroller;

HONORABLE WILLIAM S. JAMES, Treasurer;

SANDRA K. REYNOLD, Secretary, Board of Public
Works;

CONSTANCE LIEDER, Secretary, Department of
State Planning;

FREDERICK L. ESKEW, Assistant Secretary,
Capital Improvements Program,
Department of Natural Resources;

EARL SEBODA, Secretary, Department of General
Services; and,

MARION J. BOSCHERT, Assistant, Board of Public
Works.

- - -

<u>Subject</u>	<u>Agenda</u>	<u>Witness</u>	<u>Page</u>
SHA, I-695 and Md. Rte. 295	DOT 12-AE, p. 16	Jim Miller	4
MPA, The Terminal Corp.	DOT 23-L, p. 35	Jim Miller	4
MPA, Hart- Miller Islands	DOT 38-S, p. 58	Jim Miller	4
MPA, Dundalk Marine Terminal	DOT 6-C-MOD, p. 6	Bob Green	6
MTA, Milford Mill Line & Site Grading	DOT 7-C-MOD, p. 8	Dave Armiger	7
SAA, BWI Airport	DOT 11-AE, p. 14	Nick Schaus	10
SHA, I-695 and Md. Rte. 295	DOT 12-AE, p. 16	John Agro	12
MPA, Dundalk Marine Terminal	DOT 13-AE-MOD, p. 18	Bob Green	16
MPA, Hart-Miller Islands	DOT 17-S, p. 25	Bob Green	20
MPA, Hart-Miller Islands, Ockman & Borden Assoc.	DOT 18-S, p. 27	Bob Green	22
Secretary's Office, Special Consultant	DOT 21-S-MOD, p. 32	Bob Green	24
MPA, The Terminal Corporation	DOT 23-L, p. 35	Bob Green	26

<u>Subject</u>	<u>Agenda</u>	<u>Witness</u>	<u>Page</u>
MPA, Ft. McHenry parcels	DOT 25-RP, p. 37	Bob Green	29
MTA, Phase I Rapid Transit System	DOT 34-GM-MOD, p. 52	Dave Armiger	38
BPW, Procure- ment Advisor	SEC 10, p. 22		52
BPW, Hearing Officer	SEC 5, p. 5		53
BPW, Procure- ment Advisor	SEC 7, p. 19		54
BPW, Sale-Lease- back & Lease- Leaseback Procedures	SEC 8, p. 20		55
BPW, Title 21 Regulation Changes	SEC 9, p. 21	Warren Wright	56
DECD, Southern Avenue Shopping Center	SEC 11, p. 23	Marion McCoy Beth Myers	66
DHMH, Willoughby Beach Water System	SEC 31, p. 43		80
DHMH, COMAR 10.17.12	SEC 33, p. 45	Richard Sellars	81
DPSCS, Eastern Correctional Institution	SEC 36, p. 50		85
MFCA, Leases	SEC 46, p. 66	Don Darnall	86

<u>Subject</u>	<u>Agenda</u>	<u>Witness</u>	<u>Page</u>
MFCA, Leases	SEC 47, p. 67	Don Darnall	87
BTSUC, Salisbury State College	SEC 48, p. 68		92
Open Space, Green Ridge State Forest	SEC 4A, p. 4A	Fred Eskew	94
PSCS, Gordon C. Kamka	BFP 11-GM, p. 12B		102
MTA, Advertising Services	BFP 3-S, p. 3B	Jane Howard	103
U.M., Roofing System	U.M. 3-M, p. 4C	Don Myers	110
U.M., Water Chillers	U.M. 4-M, p. 5C	Don Myers	110
U.M., Westfarm Associates	G.S. 14-RP, p. 14		114
DHMH, Henryton Youth Center	G.S. 2-C, p. 2		114
DHMH, Spring Grove Excess Dwellings	G.S. 25-RP, p. 26		115
DNR, Rocky Gap State Park	G.S. 18-RP, p. 19		115
DHMH, Spring Grove Excess Dwellings	G.S. 26-RP, p. 27		121

<u>Subject</u>	<u>Agenda</u>	<u>Witness</u>	<u>Page</u>
DHMH, Spring Grove Excess Dwellings	G.S. 27-RP, p. 28		121
DHMH, Spring Grove Excess Dwellings	G.S. 28-RP, p. 29		121
DHMH, Spring Grove Excess Dwellings	G.S. 29-RP, p. 30		121
DECD, The Exchange	G.S. 30-RP, p. 31	Bob Beckett	125
DHR, SSA, Leases	G.S. 52-L, p. 53		131
PGCDC, Driving While Intox. Facility	G.S. 59-CGL, p. 62		132
HCDP&Z Edgewater Village	G.S. 60-CGL, P. 64		140
DHMH, Regional Inst. for Children and Adolescents	G.S. 9-AE, p. 9	Hon. Paul Muldowney George W. Bushey Robert J. Byrd	141

- - -

P R O C E E D I N G S

GOVERNOR HUGHES: Okay. Department of Transportation.

MR. MILLER: Good morning. I'm Jim Miller from the Department of Transportation. Today, we have 38 items on the Agenda. I have passed out a revised Item 12-AE on page 16, and that corrects an error in the fixed fee for that contract. 23-L, page 35, is revised, and that removes the renewal option that was previously in that agreement. And there is a hand-carried Item 38-S, which I hand-carried to the pre-Board, and have formally distributed today. Item 37-RP is withdrawn.

MR. GOLDSTEIN: 37?

MR. MILLER: Yes, sir.

MR. JAMES: What did you say about 23?

MR. MILLER: 23 removes the renewal option that was originally in there for -- I think it's The Terminal Corporation; isn't it?

MR. JAMES: I don't have any --

GOVERNOR HUGHES: Revised?

MR. JAMES: I don't have any revision of that.

MR. MILLER: Right.

GOVERNOR HUGHES: I don't -- the first two, I don't. You had two revised? I don't have either one of those. At least I don't think I have either one of those.

MR. JAMES: No, I don't have it either.

MS. REYNOLD: Here's a complete set for you, Governor; two revised and a hand-carried.

MR. JAMES: I don't have 35 -- I mean 23; I don't have 23.

MR. GOLDSTEIN: Item 23, is that revised?

MR. MILLER: It's a hand-carried item which wasn't there originally.

MR. GOLDSTEIN: Is that the same one; it's the Terminal Corporation?

GOVERNOR HUGHES: Yes.

MR. JAMES: Yes, it just eliminates the options.

MR. MILLER: Item 23 does not have "revised" written on it, by the way. Mr. Green just hand-carried it in this morning.

Okay. At this time, we're prepared to answer any questions you may have on the Agenda.

MR. GOLDSTEIN: My first item is Item 6, page 6. That was the settlement.

MR. MILLER: Yes, sir. Mr. Green will answer your questions on that item.

MR. GREEN: Good morning. I'm Bob Green, Deputy Port Administrator. Item 6 asks for your approval of a contract modification to a contract for repairs at berths 5 through 12. This is the final settlement on a claim with the John Feezer Company on this contract. The work was completed back in February of '81, and it has taken this long to get the final settlement; and this settlement is made on the recommendation of the DOT Assistant Attorney General because of the items that are in there. After their analysis and discussion with the people we have advising on the technical items that are included in the settlement, it was their opinion that we could suffer a settlement somewhere between 95-to-120,000 plus interest; and the interest, under the current rules of the Board of Contract Appeals, would have begun to run from the date the claim was first filed. So, this 105,000 that we have agreed to settle includes all interest, and we feel this

is a good settlement for the State and so recommend accepting it.

MR. GOLDSTEIN: Okay. How about Item No. 7?

MR. MILLER: Yes, sir. Mr. Armiger will answer your questions on that item.

MR. ARMIGER: I'm Dave Armiger, with the Mass Transit Administration's Contract Administration Department. Item 7 is the settlement for the contractor for additional work revolving around a differing site condition that was discovered at the Milford Mill Line and Site Grading contract on Section 'B' of the Baltimore Metro. During construction, the contractor encountered a heavy clay strata throughout the area that was not depicted on the original soil borings for the contract; and as a result of heavy rains during the spring, during the construction season, the site would not drain. Running his equipment back and forth over the site caused the soil under the clay strata to destabilize, and it was determined that to reduce the drainage and to improve the drainage on the site that additional excavation would have to be carried out, and that more material would have to be put

back in that would facilitate the drainage along with underdrains and other measures to get the water off of the site. This was a differing site condition that was not in the plans shown when he bid the contract, and the \$236,990 we feel is a fair settlement for the additional work to improve the drainage at the site.

MR. GOLDSTEIN: Were any test holes drilled prior to the construction?

MR. ARMIGER: Excuse me?

MR. GOLDSTEIN: Were any test holes --

MR. ARMIGER: There were some soil borings that showed some clay in the area, but it was not -- they were not shown in the magnitude that they found out when they got out there. Soil borings were placed periodically throughout the construction site, and there was just more out there than what they had shown on the contract; and he did not know that when he bid the job, and we didn't know it when he put the plans together.

MR. GOLDSTEIN: All right. Thank you, sir.

MR. JAMES: Why is the Federal Government

paying 85 percent instead of 80?

MR. ARMIGER: It's a different grant structure. We were using Interstate transfer funds on this particular section of the subway, and that's an 85-15 share; and I think the original Section 'A' was built under an 80-20 grant with the Federal Government.

GOVERNOR HUGHES: Interstate funds are 90-10, but when you substitute Transit for it, it goes 85-15, which is better than the 80-20 that is normal.

MR. JAMES: Okay. Our government is very complicated.

GOVERNOR HUGHES: Oh, my.

MR. GOLDSTEIN: How about Item No. 11-AE, page 14?

MR. MILLER: 11-AE?

MR. GOLDSTEIN: Yes, sir.

MR. MILLER: Okay. Mr. Schaus will answer your questions on that item.

MR. SCHAUS: Good morning, gentlemen. I'm Nick Schaus, Acting Aviation Administrator. Item 11-AE is the consultant contract to design a new structured parking facility for BWI Airport. This facility would be located

immediately in front of the terminal building and will allow passengers to enter the building and remain out of the elements and enter the terminal building directly.

GOVERNOR HUGHES: Will this be two levels?

MR. SCHAUS: Right now, we're looking at three, with one below ground, and that's one of the things that will be looked at in more detail as the number of levels that will actually be above ground. The Secretary is very concerned about the aesthetic considerations of the garage as we are.

GOVERNOR HUGHES: Yes, that's why I asked.

MR. JAMES: Is this already budgeted?

MR. SCHAUS: Yes, sir.

MR. GOLDSTEIN: And what is the facility going to cost?

MR. SCHAUS: It's estimated to cost \$18,000,000 for those first 3,000 spaces.

MR. GOLDSTEIN: And what will it cost for the additional 2,000?

MR. SCHAUS: The additional 2,000 -- I haven't seen an amount on that. I would estimate somewhere less

than the 18, based on the number of spaces and the fact that the site has been prepped for the additional 2,000 when those spaces are warranted.

MR. GOLDSTEIN: Well, say a 1,000 costs nine -- six -- I mean six. So, it will be around -- what? -- another 12,000,000. It will be around 30,000,000?

MR. SCHAUS: I think that's probably a fair estimate.

MR. GOLDSTEIN: Governor, at the pre-Board meeting I mentioned that on Monday I drove into Orlando Airport last Saturday morning; I rented a car. And it's the best facility I've ever seen. You drive -- it's three levels below where you check into the airport area of Eastern Airlines. You drive right up there; and they got a red cap that says "Yes, sir; you turn your car in here, and I'll take your bags"; and you get on the elevator, and go right up there. It's the most convenient thing I've ever seen in any airports. It's that new International Airport of Orlando. I suggest to him that maybe he ought to ride down there and look at it --

MR. SCHAUS: Yes, sir.

MR. GOLDSTEIN: -- because that one in Baltimore right now, you know, it's tough. By the time you get your luggage and check your car in, it's pretty tough; isn't it?

MR. SCHAUS: Yes, sir. It could be a better system; I agree with you.

MR. GOLDSTEIN: Now, that's the best one I've seen. I've seen them in Texas; I've seen them in Chicago; and Kansas City, where they've got new ones, but that's the best one.

MR. SCHAUS: We'll certainly look at it.

MR. GOLDSTEIN: If you're going to spend that much money, you want a first class facility, and keep the passenger in mind first.

MR. SCHAUS: Absolutely.

MR. GOLDSTEIN: He's the most valuable person you've got that goes to that airport. You please that passenger so he'll come back again and again, and talk about it. That's the reason I thought it would be good to have the input. Thank you, sir.

MR. SCHAUS: Thank you.

MR. JAMES: This No. 12 reminds me of the

ancient story about Syssicus pushing the stone up the hill. When you're trying to improve the Baltimore Beltway, it's a good idea, but the traffic always defeats you. I'm certainly not opposed to it, but --

GOVERNOR HUGHES: It's an endless cycle.

MR. JAMES: Yes, it is; and the better you make it, the worse the darn thing gets.

MR. GOLDSTEIN: It's going to cost a lot of money.

MR. JAMES: It's like some of those beautiful women being made unhappy by their own charms.

GOVERNOR HUGHES: Who said that?

MR. JAMES: I did.

GOVERNOR HUGHES: Oh.

(Laughter.)

MR. GOLDSTEIN: I thought we wanted an explanation. For Item 12, I think we ought to have an explanation; John?

MR. MILLER: Yes, sir. Mr. Agro will explain that item.

MR. AGRO: Good morning. I'm John Agro, the

Deputy State Highway Administrator. Item 12-AE is a contract for preliminary engineering services to look at improvement alternatives along the section of the Baltimore Beltway just south of Maryland 295 to U.S. 40, and also along the BW Parkway from the Baltimore City line to Maryland 46, which is the access route to the airport.

The Administration secured five proposals -- technical and price proposals -- and performed an evaluation of each. The Administration is recommending the firm of Rummel, Klepper and Kahl, which submitted the highest ranked technical proposal and the second lowest price proposal at \$412,888. After audit adjustment, we're proposing recommending this -- awarding this contract at \$408,281 on cost plus fixed fee basis.

MR. GOLDSTEIN: I see by the submission on page 17, the work is to be completed by the engineering firm by February 1, 1988. Does that mean the road is going to be finished by then? It's going to cost 54,000,000.

MR. AGRO: No, sir.

GOVERNOR HUGHES: No.

MR. AGRO: The funds for construction are not currently programmed within the CTP of the Department of Transportation. We only have funds included in our development and evaluation program, which will basically conclude project planning and approximately 30 percent completion of design plans.

MR. GOLDSTEIN: Well, when will this improvement be completed, then?

MR. AGRO: In terms of construction, we have no construction date that we can offer today; that's for future consideration as part of our capital program.

MR. GOLDSTEIN: So, it may be a dream.

GOVERNOR HUGHES: Well, I hope not. Does this involve the interchange at BW Parkway and the Beltway, which is a real problem?

MR. AGRO: That's correct; it would include that interchange, which would need to be upgraded for safety improvements and also capacity.

GOVERNOR HUGHES: You've got that merging there that's so close together. It's a real problem.

MR. GOLDSTEIN: Yes, sir.

MR. JAMES: It's a real adventure.

MR. GOLDSTEIN: There's no question about that.
I mean, the traffic is just growing and growing and growing.

MR. JAMES: I drive it frequently, and you just have to make up your mind if you're going to run the risks.

MR. GOLDSTEIN: That's right. Thank you, sir.

MR. AGRO: You're quite welcome.

MR. JAMES: That's an expensive project, too.
That's an expensive project --

GOVERNOR HUGHES: Well, if you do all of it.

MR. JAMES: -- to rebuild it out there --

GOVERNOR HUGHES: Oh, yes, yes.

MR. GOLDSTEIN: Governor, Item 13 -- I'm not going to make any fuss about it -- but here's a thing that was supposed to be 12 days, and it turned out to be 127 days.

MR. MILLER: Mr. Green will explain that item, sir.

MR. GOLDSTEIN: Yes. It's a most unusual situation; paying \$480 a day plus expenses.

MR. GREEN: Bob Green, Deputy Port Administrator.

This modification has to do with the raising of four container cranes at Dundalk Terminal. This contract was originally submitted to you sometime ago. It involves the raising by 16 feet of four container cranes so that they will be able to extend the crane device all the way across the deck of the newest container ship and reach the furthestest box on the top of the new container ships that are coming in. And this, we are now in the process of completing the raising of crane number one. We pulled it back off of the berth; the work was done; it's now back on the berth; and probably, by the end of this week or the beginning of next week, we will complete all the safety testing.

This item, here, has to do with the costs involved in having a resident engineer on-site from the original equipment manufacturer. In our original specifications, we asked that an engineer be on-site just for the initial portion of this job. As we got into the work, we determined that we wanted one of their engineers on-site for the entire job; and so, we arranged for that service for C. Itoh Company to have one of their resident erection

specialists on-site for the entire amount of the job.

The other day when I referred to the cost that is indicated in the item -- the contract costs of \$480 a day for the entire 127 dollars -- in error, I said that did not include all costs. Let me go back and rephrase it.

MR. GOLDSTEIN: You mean for 127 days; don't you?

MR. GREEN: It does include all costs; it includes all of his room and board expenses for the entire amount of the time here, and includes one roundtrip plane fare. We agreed to pick that up as part of this cost, included in the \$480 a day.

MR. GOLDSTEIN: You don't have anybody in Maryland, or in the United States of America to do this job?

MR. GREEN: Well, on this particular one, we insisted that we wanted it from the original equipment manufacturer.

MR. GOLDSTEIN: How about the next three? You have four cranes that have to be raised.

MR. GREEN: We have three more cranes. We are not -- at this time, we are not planning to have an erection specialist here for those other three cranes,

but this was the first one.

MR. GOLDSTEIN: But you had to go to Tokyo -- you had to go to Tokyo, Japan, to get this individual?

MR. GREEN: That's correct, sir.

MR. GOLDSTEIN: There was nobody in Maryland, or the United States of America who could supervise erecting this crane.

MR. GREEN: Well, they probably could have, but as I said, we wanted someone from the original equipment manufacturer.

MR. GOLDSTEIN: Just vote me "no." I vote "no."

MR. JAMES: Have you paid him already?

MR. GREEN: Well, it would come along as part of the progress payments on the construction. We've probably paid some of it. I'm certain we haven't paid all of it because we have not accepted the crane, yet.

MR. GOLDSTEIN: Do you have a guarantee it's going to work? Do you have a bond?

MR. GREEN: We have certain guarantees, yes.

MR. GOLDSTEIN: What?

MR. GREEN: Yes. See, C. Itoh did the design

for the modification, and McLean Contracting is doing the actual fabrication and erection work here. That was a separate contract that was bid. And what we wanted was the original design company to be on-site while McLean was actually doing the work.

MR. GOLDSTEIN: Thank you.

MR. JAMES: I move we approve it.

GOVERNOR HUGHES: I second it. All in favor, say "aye."

BOARD MEMBERS: Aye.

GOVERNOR HUGHES: Opposed, "no."

BOARD MEMBERS: No.

GOVERNOR HUGHES: The ayes have it with the Comptroller voting "no."

MR. GOLDSTEIN: Do you have 17, Bill?

MR. JAMES: Yes, I was just wondering about the sole source on 17; why it's a sole source. That's all. I'm just asking the question of why 17 is a sole source.

MR. MILLER: Yes, sir. Mr. Green will explain that.

MR. JAMES: Yes.

MR. GREEN: Bob Green, again. This award is to Gahagan & Bryant Associates to do certain review work that we want to have them address for us in connection with Hart-Miller Island, but also in connection with determining whether or not we can revise some of the dredge disposal capacities at Masonville and Hawkins Point. And we ask that this be considered as sole source because of the previous work that they have done in this particular area. And they've had a number of other contracts dealing with this same general area of specialty, and Gahagan & Bryant is a very knowledgeable firm in the field of dredging and dredge disposal. And we have used them before, and we do recommend that this award be made to them.

MR. JAMES: Well, actually, you know, if you are going to just retain people sole source because they've done some work before, it seems to me that, you know, you can carry that principle pretty far. You just lose any benefits of competitive competition, and I can't believe that these people are the only people who can do this job.

MR. GREEN: Well, I don't think these are the only people that could possibly do this job, but what I

do say is that based on the original other work that they have done for the State of Maryland, we -- by retaining this firm, again, we reduce the learning curve that a new firm would have. I think the State does benefit in this type of an instance. I can't say that this is the only firm that could do this work, though.

GOVERNOR HUGHES: They had done work on Hart-Miller before?

MR. GREEN: Yes. They've done work on Hart-Miller, and they also did some work in the Baltimore Harbor in connection with the Baltimore Harbor Tunnel.

MR. JAMES: Well, I just -- I'm in doubt that this is the proper procedure. I'm not going to say we're not going to approve it, but sole source is an easy way to go lots of times. Okay.

MR. GOLDSTEIN: Governor, Item 18-S on page, that's the claim against the State of Maryland by this Great Lakes. I think something ought to go in the record. They're claiming 17,000,000, I understand, and the original contract --

MR. GREEN: Item 18-S asks for your approval to

hire the firm of Ockman & Borden Associates, and this has to do with the claim that was filed sometime ago by Great Lakes Dredge and Dock Company for \$17,000,000 in connection with the construction of Hart & Miller Islands. And the DOT contracts group, headed by Bill Kahn, is familiar with Ockman & Borden because they have done work with them before, and their specialty is in the actual testimony at trial preparation for that. And the amount of the claim is so large that they have selected this particular firm that they have confidence in; and at this time, they really are not 100 percent certain that they will have to utilize the services of this firm to a great degree, but they want to be prepared and have them on-board before the need arises.

MR. GOLDSTEIN: Is this company still doing work for the State of Maryland, Great Lakes?

MR. GREEN: Ockman & Borden?

MR. GOLDSTEIN: No, Great Lakes Dredge and Dock Company.

MR. GREEN: They're not working for MPA. I can't tell you about anyone --

MR. GOLDSTEIN: They're not working down at

Hart-Miller Island now.

MR. GREEN: No.

MR. GOLDSTEIN: How about the request they want to dredge some gravel and sand from the channels?

MR. GREEN: That's not a request to MPA. I'm not familiar with that one.

MR. JAMES: That's through Natural Resources.

MR. GOLDSTEIN: Oh, I see. They better watch this company.

MR. GREEN: Yes, it's not MPA.

MR. GOLDSTEIN: I see. I just wanted to find out. Thank you, sir. 19 was already explained the other day; 20 and 22 --

How about Item No. 20 on page -- 21 -- excuse me -- 21 on page 32, Hart & Miller Island?

MR. MILLER: Yes, sir. Item 21, Jacobs Associates?

, MR. GOLDSTEIN: Yes, sir.

MR. MILLER: Mr. Green will handle that item.

MR. GREEN: Bob Green, again. This item asks for the modification to a contract that the Department of

Transportation has with the firm of Jacobs Associates. They use this firm for a number of items -- construction items, claim items -- throughout the Department of Transportation. And this contract is now up to 1,220,000, and MTA's portion of this -- dealing with the defense of the claim that I mentioned before on Hart-Miller Island -- MTA's amount is up to 322,000 of this total amount of 1,200,000. The remainder is, I think, generally dealing with the subway construction claims.

MR. GOLDSTEIN: But is this one dealing with dredging by Great Lakes; this particular --

MR. GREEN: This is dealing with that \$17,000,000 claim from Great Lakes.

MR. GOLDSTEIN: Right. So, in other words, we're going to keep adding money; you have to hire the other expert to talk about the dredging; you have to have good lawyers to evaluate it.

MR. GREEN: That's correct.

MR. GOLDSTEIN: Right expensive project.

MR. GREEN: The sum is large enough so that we want all the experts we can get on this one.

MR. GOLDSTEIN: Thank you, sir. Governor, I think Item 23-L, that Terminal Corporation, that maybe an explanation ought to be put in the record because we're trying to keep those people in the port, and their rent ought to be a little cheaper than it is normally.

MR. MILLER: Mr. Green will address that item, also.

MR. GOLDSTEIN: You got a lot of items today.

MR. GREEN: I should have left the chair up here. Bob Green, again. This contract asks for your approval of a five-year lease for the lease of the terminal warehouse at Dundalk Marine Terminal to The Terminal Corporation. The other day when we were first presented the item, we had included in the lease document that an additional five-year option to renew was included; that has now been deleted. So, this is a five-year lease only at the rentals specified. As I informed you the other day, this building was built some years ago; it was originally leased to the Modern Storage Corporation, which went into bankruptcy in early 1967; and through the Bankruptcy Court, the Terminal Corporation picked up the original lease and has stayed

with MPA and in operation of this building since that time. And their business has increased substantially over the years; we did put an addition in several years ago because of their business. We also informed them several years ago that the type of warehousing that they were doing, which was just bringing cargo in and out of the terminal without it being export or import cargo over the berths at Dundalk Terminal, we told them that they were going to have to change that type of an operation, or we would not consider offering them a new lease. I am happy to report that, I'd say, almost 80 to 85 percent of the cargo that they handle today is new import cargo to the Port of Baltimore; it's primarily heavy rolled paper coming from Brazil and Finland. And when we were beginning the deliberations on what to do with this building, we looked at a number of options, and we determined that the building is not the type that we would have built for other import cargo, container loading and unloading, or stuffing and unstuffing. So, we really have a specialized use, and we think this is the highest and best use that the State can get from the building, and we do recommend this lease.

MR. GOLDSTEIN: Well, thank you. But now, how about the rates for the other facilities: are our rates higher than they are, say, at Norfolk, or Portsmouth, or Philadelphia?

MR. GREEN: In some cases, our rates are higher. We have -- we do a number of things. Once a year, as you know, we review all of our tariff rates, and that includes the rental rates, and we specifically look at rental rates in the Dundalk area, the Baltimore area, to make certain that we are charging -- we are not undercutting the local real estate market in those areas; so that when we come to you with a rate for any one of our warehouses, we have already investigated comparable buildings in the surrounding areas. Now, to the extent that our rates for warehouses are compared with, say, Philadelphia and New York, Norfolk, we are higher. One of the reasons we are higher than those other three competing ports is a number of their leases are long-term leases; some of which we used to have. So, their rates are far below what is current today; but additionally, we feel that we have a reasonable and fair price for the facilities, and they are in use.

MR. GOLDSTEIN: Well, my next question is: are you losing any business because our rates are higher?

MR. GREEN: No, sir.

MR. GOLDSTEIN: You're sure of that?

MR. GREEN: As far as we can -- as far as we can determine, we have not lost one ton of cargo because of the rates that we charge.

MR. GOLDSTEIN: Thank you. That answered my question. Thank you, sir.

MR. JAMES: That 25, Louis, ought to have some detailed explanation. That's a big --

MR. GOLDSTEIN: I think so, yes.

MR. JAMES: -- that's a big settlement there.

MR. GOLDSTEIN: Is Mr. Green going to have an explanation of 25 for the record? It's a good deal, but I think we ought to --

MR. MILLER: Yes, sir, Mr. Green will explain that, also.

MR. GOLDSTEIN: Mr. Green, you're doing a good job today.

MR. GREEN: I think the rest of you can go home

today.

(Laughter.)

MR. JAMES: He's our star performer today.

MR. GOLDSTEIN: He had all of these items on this Agenda.

MR. GREEN: Item 25 asks for your approval of a number of items, and this has to do with an enlargement, or an expansion that the Department is planning in the South Locust Point Marine Terminal area. So, we want to acquire two parcels that have been declared surplus by the Interstate Division in connection with their completion of the new Baltimore Tunnel. These two parcels are very near South Locust Point Terminal, and we want to acquire them as part of this item that is in front of you so that we can add to the container storage area at South Locust Point. At the same time, MPA owns a piece of property at 520 Albemarle Street in Baltimore City. Some months ago, this item was before you because it originally was the property of the State Highway Administration, and they -- through the Board of Public Works, this was turned over to the Maryland Port Administration so that we could use that

particular property as part of this swap that we knew was coming along down the pike. So, the exchange of the two property values have gone through the appraisals. As a result -- end result of the appraisals of the property that the City owns near Locust Point and the appraisal of the property that MPA owns on Albemarle Street, the certain sum of money -- about \$2,500,000 -- is due to be turned over to MPA. In lieu of turning over that sum to MPA, we have asked that the Board approve the use of that amount of money through construction services through the Interstate Division of Baltimore City.

MR. JAMES: Well, I don't quite understand. As I understand it, they owe us \$2,500,000, roughly.

MR. GREEN: That's correct. That's correct.

MR. JAMES: Now, to-date, they have done work totaling 1,228,000 for us, and that they have promised to do another \$500,000 worth of work to pay it so that there would be no cash being transferred.

MR. GREEN: That's correct.

MR. JAMES: What do they do for us?

MR. GREEN: Well, as I mentioned the other day,

the tunnel construction is still going on, and there is a lot of underground work.

MR. JAMES: How does this work to help the Port? Why did you get Baltimore City to do work for the Port?

MR. GREEN: Well --

MR. JAMES: I think that's the real issue as to whether --

MR. GREEN: Okay. Well, they either have to -- they either have to pay the funds to the Port, and the Port has to go out and go through the bidding process, get contractors in to do grading work, do drainage work --

MR. JAMES: Are they going to build the parking area?

MR. GREEN: They will be doing -- building some -- doing some drainage work, storm and drain work, and parking areas; and because it is overtop of that tunnel, both parties wanted that same contractor to do that work. We think it simplifies a whole lot to have the same contractor do a lot of the work as they're going through the tunnel project.

MR. JAMES: How do you know you're getting a

good deal?

MR. GREEN: Well, we will draw up, and have been drawing up all of the engineering specifications to the work to be done; and through the Interstate Division, we are able to -- using their contract and using their existing prices that have already been determined, we can get lower prices because they were bid some time ago.

GOVERNOR HUGHES: We're using the unit prices bid by the contractor; aren't they? So --

MR. GREEN: Using unit prices, but if a new contract has to be let -- a subcontract or anything -- it is going through their normal procedures.

MR. JAMES: They'll be presenting you with the finished product.

MR. GREEN: They're presenting us with a finished project to as far as this money will go; it will not complete everything.

MR. JAMES: Well, will more money be involved to finish the --

MR. GREEN: Yes.

MR. JAMES: -- expansion?

MR. GREEN: Yes.

MR. JAMES: Who will do that?

MR. GREEN: That will come out of the Department of Transportation Trust Fund.

MR. JAMES: Will the same contractor do the work?

MR. GREEN: No. That will come out -- that will have to be publicly bid.

MR. JAMES: Okay.

GOVERNOR HUGHES: This will give you additional storage space; won't it, Bob? --

MR. GREEN: Yes.

GOVERNOR HUGHES: -- that's very much needed.

MR. GREEN: Yes. South Locust Point, when it was originally built, you had about, I think, 30 acres backing up the berths that are there. Because the container ships have gotten larger and larger, the additional cargo that's coming through has this site completely jammed. We would like to -- as a matter of practice, we like to see anywhere from 30 to 50 acres per berth as back-up storage, and this will add an additional 17 acres to that South Locust Point Terminal. As a matter of fact, the

present tenant there has been renting space all over that area to help give them the amount of acreage that they need, and this will help relieve that need.

MR. GOLDSTEIN: But you'll never have 30 to 50 acres in that area; there's too many houses -- too much commercial building already; isn't it?

MR. GREEN: Yes, we will never get, say, 50 acres per berth there.

MR. GOLDSTEIN: No.

MR. GREEN: This additional 17 acres --

GOVERNOR HUGHES: It helps.

MR. GREEN: It will be 17 more acres than we have now.

MR. GOLDSTEIN: Is the channel sufficient to bring in those larger ships? -- the channel coming into South Locust Point.

MR. GREEN: There may be a few ships that cannot get in there at this time, but that is also part of that 50-foot channel project.

MR. GOLDSTEIN: I understand that. I mean, you're getting ready to expand, and I'm just wondering if

you're going to have enough ships to be able to get in because those container ships are bigger, especially the ones from North Atlantic; those five new ones they built.

MR. GREEN: Yes.

MR. GOLDSTEIN: What do they draw when they're full loaded, coming into port?

MR. GREEN: Most of them still only need 38 feet-- 36 to 38 feet. Some of them need 42 feet, and some ships are now under construction that are pushing to a 45-foot depth.

MR. GOLDSTEIN: And they won't be able to get in there unless you dredge the channel.

MR. GREEN: If we don't dredge the channel, they won't be able to.

MR. JAMES: Maybe they can come in if not fully loaded.

GOVERNOR HUGHES: But most of your container ships --

MR. GREEN: Yes, most of the container ships --

GOVERNOR HUGHES: -- are 35 feet, and will handle it; won't it?

MR. GREEN: Yes, most of the container ships -- I can almost say almost all of the container ships today do not need 50 feet to get into any berth. Fifty foot is needed for bulk carriers: coal, iron~~ore~~ grain. Container ships need substantially less than that.

MR. GOLDSTEIN: Are they taking any cargo out, or are they just taking empty containers out of there, right now?

MR. GREEN: I'm sorry.

MR. GOLDSTEIN: Are they taking any cargo out?

MR. GREEN: Yes. Baltimore always had a reputation as about a 50-50 port, import/export, and then it later shifted so that we were primarily an importing port. So, we're now at around 60-40, but we still have -- 40 percent of our cargo is still export. It's down from what it was, but it's still a substantial amount of cargo.

MR. GOLDSTEIN: 60 percent import, and 40 percent export.

MR. GREEN: Yes, sir.

MR. GOLDSTEIN: Thank you. I think it's a good deal. Got to have the land. See, it would knock that --

GOVERNOR HUGHES: Well, that's one of the advantages we had over New York is back-up.

MR. GOLDSTEIN: Sir?

GOVERNOR HUGHES: One of the advantages we had over the New York port was back-up land. It's important.

MR. GOLDSTEIN: No question about that.

MR. JAMES: Louie, my next one is Item 30, which is those new leases over at -- wait a minute -- oh, no, no, no, no, no. That's all right. That's okay.

MR. GOLDSTEIN: Governor, Item 34 is a very important item with reference to communication. Right now, the police in Baltimore cannot have the communications underground.

MR. MILLER: Yes, sir. Mr. Armiger will explain that item.

MR. GOLDSTEIN: And the other day when we discussed this, I want to be sure they got a common system so they can reach each other. I'm sorry. Go ahead, sir. Excuse me.

MR. ARMIGER: Dave Armiger with the Mass Transit Administration. This is a request to provide additional

funds under our master agreement with the City of Baltimore, resulting out of the construction of the Metro. Some of this is for general housekeeping, to clean up some leftover items for completion associated with the construction. The bulk of the money -- \$679,000 -- is to provide a radio communication system in our tunnels and underground stations for the Baltimore City Police Department so that when the police officers of the City of Baltimore are in our underground areas they will be able to communicate with the police on the surface in case there is an emergency, or need to communicate.

MR. GOLDSTEIN: My question is --

MR. ARMIGER: Yes.

MR. GOLDSTEIN: -- if your Metro people have one system, and the Baltimore City Police Department has another, they won't be able to communicate with each other.

MR. ARMIGER: That is correct. This system does not provide for a common channel for our police department to communicate with the Baltimore City Police Department by radio.

MR. GOLDSTEIN: Well, don't you think you ought

to have it?

MR. ARMIGER: They are not going to have it, and I checked with our communications people at the MTA, and it will not be that way; there will be no common channel for communications. There is none today; we do not have any way of communicating with the Baltimore City Fire Department; and I found out that this is also the same situation at the Metro down in Washington, D.C. -- they have no single common communications channel for emergencies. So, their Metro cannot communicate with the various police departments and fire departments in the various counties down there, and neither can we. And the way the system works today is: if there is a Baltimore City police officer in the City in an underground station, and he needs to communicate in an emergency situation, he has to get to one of our emergency telephones in the station and call our Central Police Station in our OCC building, which is manned 24 hours a day, and then they will in turn contact our police department and the Baltimore City Police Department; and if one of our officers needed Baltimore City Police Department assistance, he could radio to our police depart-

ment at their radio, who would then call the Baltimore City dispatcher and have police --

MR. GOLDSTEIN: That's a horse and buggy system. We're in the 20th century and getting ready to go in the 21st century with all types of computers. That doesn't make sense.

MR. ARMIGER: I understand that from our --

MR. GOLDSTEIN: It doesn't make sense, sir.

MR. ARMIGER: Well, I --

MR. GOLDSTEIN: And here, you're asking us to go -- just to have communications between the Baltimore City Police, but they ought to have communications with your -- suppose you have some kind of tragic accident in that tunnel and can't get to the darn telephone, and your people can't contact them.

MR. ARMIGER: At that point in time, our people can contact our operations and control center, which is manned 24 hours a day, and they pick up the telephone and call the police department and the fire department immediately in case of an emergency; and it's almost instantaneous, but it's not --

MR. GOLDSTEIN: That's fine on paper.

MR. ARMIGER: -- it's not the same radio channel.

MR. GOLDSTEIN: That's fine on paper, but you get some kind of tragic accident, it won't work.

MR. ARMIGER: We also determined that to do this -- to make the whole system complete, we would also have to have a common channel for the Baltimore County Police Department and the Baltimore County Fire Department for when we go out to Owings Mills, and the estimate right now is in the millions of dollars to provide this communication-- this common communication system, and we don't have the funding to do it; and we feel that with the radio patches through the dispatchers, that it's almost instantaneous as far as getting the people into the area.

GOVERNOR HUGHES: What is the purpose of this?

MR. ARMIGER: Okay. Right now, the Baltimore City Police Department, when they are in our tunnels and our underground stations, have no communications with that police department on the surface; they can't hold of their dispatcher to call for assistance.

GOVERNOR HUGHES: This would permit them to do

that.

MR. ARMIGER: This will permit them to do that.

GOVERNOR HUGHES: So, this is an improvement over the situation you just described.

MR. ARMIGER: Definitely an improvement. Right now, the only way the Baltimore City Police Department -- if they encounter a situation underground, the only way they can contact anybody is to get to a telephone in our system and call.

GOVERNOR HUGHES: Yes, I understand that, but you sort of gave the --

MR. ARMIGER: Now, they will be able to call immediately to the surface and get to their dispatcher, who will immediately call our dispatcher and send additional police officers down.

GOVERNOR HUGHES: I understand, but you sort of gave the impression when you described the system a while ago that that's what we were going to have; but what you're really saying is that this is going to improve that situation so the Baltimore City Police Department people, when they're down in a station somewhere, can immediately radio

the Baltimore City Police Department.

MR. ARMIGER: That's correct. That's what this system will do.

GOVERNOR HUGHES: They don't have to go an emergency telephone to do it.

MR. ARMIGER: That's right. This will alleviate that problem.

MR. GOLDSTEIN: But they won't be able to communicate with the Metro police.

MR. ARMIGER: That is correct.

GOVERNOR HUGHES: Yes.

MR. GOLDSTEIN: You see?

MR. ARMIGER: There's no common channel.

GOVERNOR HUGHES: But I thought it was even worse than that.

MR. GOLDSTEIN: Well, I know, but it's bad like it is right now.

MR. ARMIGER: Yes.

MR. JAMES: Well, they're not down in the subway system very often.

MR. ARMIGER: They do patrol. We have a policy

at the MTA right now that an officer -- a Baltimore City Police Department officer will be given free passage on the trains and throughout the station if he is in uniform. To the extent that they're down there, we really don't know. We do know that with this communication system and the fact that they will now be in communication with the service, it will increase --

MR. JAMES: In other words, if they happen to be down there --

MR. ARMIGER: -- it will increase their visibility in our stations.

MR. JAMES: Are you going to spend 819,000 so that somebody --

MR. ARMIGER: 679,000 of that is for the communication system; the rest of it is for other items that have to be cleared up.

MR. JAMES: So, if a Baltimore City policeman happens to be in the subway system, he does have some contact with his own police system. That's about what it amounts to, right.

MR. ARMIGER: That's what this system will provide.

Now, he's none at all. The only communications he has in the case of an emergency is a telephone; the emergency telephones are located throughout the system.

MR. GOLDSTEIN: Mr. Armiger, may I ask you a very pertinent question: have you asked like Motorola, or General Electric, or AT&T, or these different -- all these new companies now in the business to come make a study and give you a price?

MR. ARMIGER: We haven't had a total price, but our -- Motorola is providing this equipment for the Baltimore City Police Department; and I talked to our senior communications engineer yesterday, and he doesn't have a readily available figure because they haven't done it for both the county extension and the city, but he feels it would be in excess of \$2-or-3,000,000 by the time we get this installed if we could get the frequencies and get some sort of sharing arrangement between the County, the City, and the State of Maryland. It's extremely expensive.

MR. GOLDSTEIN: I have a radio in my car. I can contact the State Police in any part of the State of Maryland; I can contact our Alcohol Tax Unit; I can contact

the Department of Natural Resources. I mean, it just doesn't -- and I used to be signals officer of the 3rd Marine Division; that's way back there 40-some years ago, and we had a uniform system during the Army -- got rid of the Navy and Marine Corps stuff. That's way back there 40-some years ago. I don't quite understand what the heck you're talking about.

MR. ARMIGER: Well, all I know is that we have one set of frequencies --

MR. GOLDSTEIN: Can you give us in writing -- can you get Motorola to give us in writing what it would cost to make a study, or get these other companies that produce that kind of equipment today? There's so many different products on the market.

MR. ARMIGER: Well, would you want a system for Charles Center all the way out to Owings Mills? -- because that's the only way to really do it.

MR. GOLDSTEIN: I'm not talking about Owings Mills; that hasn't been built yet. They're building --

MR. ARMIGER: No, but it's being built right now --

MR. GOLDSTEIN: Yes, it ought to be considered, right.

MR. ARMIGER: -- and I think it would be a waste of money, personally, to do this with just for Baltimore City in case we had an emergency out in the county --

MR. GOLDSTEIN: We're not talking just about Baltimore City. We're talking about Baltimore City, right now; but Owings Mills? Yes, get the price for Owings Mills, too.

MR. ARMIGER: Okay.

MR. GOLDSTEIN: Sure.

MR. ARMIGER: I'll if we can come up with something because we're in contact with Motorola all the time.

GOVERNOR HUGHES: If a Baltimore City policeman is down in one of the stations, does he have a walkie-talkie?

MR. ARMIGER: He does now, but that only communicates with the Baltimore City Police Department -- but he can't do that, now, when he's down there. It will not -- this system allows him to communicate with the surface. Now, when he's down there, he's shut out from radio communications with his own dispatcher because the radio signals --

GOVERNOR HUGHES: Okay, get us something.

MR. ARMIGER: -- can't get to the surface.

GOVERNOR HUGHES: Okay, just get us something from Motorola.

MR. GOLDSTEIN: Well, here's the reason I'm requesting this. If some kind of tragic thing happens, the burden is going to be on you and your people to work with; it's not going to be on the Board of Public Works.

MR. ARMIGER: That's agreed.

MR. GOLDSTEIN: Some of you people got your head buried in the sand up there when it comes to communications. We're so far ahead on communications in this country that you ought to have a system that you can get in touch with each other. Suppose you have a big wreck in there, and the guy faints before he can get to that telephone -- your man, he faints; by golly, the shock just killed him --

MR. ARMIGER: Well --

MR. GOLDSTEIN: -- it would be the darnedest mess you ever seen in this world.

MR. ARMIGER: The track of the train is also

monitored from our operations and control center. They would know if there was an emergency, if it happened, immediately.

MR. GOLDSTEIN: That's very nice when everything is works perfect.

MR. ARMIGER: Yes, sir.

MR. GOLDSTEIN: But you see what happened down in Mexico City the other day; you see what happened down in India the other day; didn't you? That ought to alert you. I mean, things happen, and then they say "Well, the system didn't work."

MR. ARMIGER: I'll have our engineering department get in touch with Motorola and see what the cost of a common system would be.

MR. GOLDSTEIN: You got the human element. I'm looking ahead and hoping we'll never have any kind of a tragic accident and need it; but if you got it, then you can save lives. The lives, you can't buy them.

MR. ARMIGER: Yes, sir.

MR. GOLDSTEIN: Thank you, sir.

MR. ARMIGER: Okay.

MR. JAMES: I don't have anything else.

GOVERNOR HUGHES: Anything else?

MR. GOLDSTEIN: I have nothing else. I move we approve the Agenda with the exception of the items withdrawn.

MR. JAMES: I second it.

GOVERNOR HUGHES: It's been moved and seconded that the Transportation Agenda be approved with the exception of those items previously acted upon or withdrawn. All in favor, say "aye."

BOARD MEMBERS: Aye.

GOVERNOR HUGHES: Opposed, "no."

BOARD MEMBERS: (No response.)

GOVERNOR HUGHES: The ayes have it. The Agenda is approved.

MR. MILLER: Thank you, gentlemen.

GOVERNOR HUGHES: Thank you.

MR. GOLDSTEIN: Thank you.

GOVERNOR HUGHES: Bob, you can take the rest of the day off.

(Laughter.)

GOVERNOR HUGHES: If you gentlemen will take over, I've got to go.

MR. GOLDSTEIN: All right, sir. What Agenda do you want to take up now?

GOVERNOR HUGHES: The Secretary's.

MR. GOLDSTEIN: The Secretary's. Okay.

(Whereupon, Governor Hughes left the room.)

MR. GOLDSTEIN: The Secretary's Agenda?

MS. REYNOLD: Okay. The Secretary's Agenda this morning consists of 52 items, and would like to withdraw Item No. 10.

MR. GOLDSTEIN: Item No. 10?

MS. REYNOLD: That's correct.

MR. JAMES: On that Item No. 10, Sandy, before you bring that back, do you think you could have a preliminary review of that with the Comptroller and me --

MS. REYNOLD: Yes, sir, I'd be glad to.

MR. JAMES: -- because that will require some study of both the law and the regulations to see how they fit together.

MS. REYNOLD: I'd be glad to.

MR. GOLDSTEIN: What's your first one, Bill?

Item No. 5, I think, needs a comment.

MR. JAMES: 5 is my first one.

MR. GOLDSTEIN: Item No. 5?

MS. REYNOLD: Item No. 5 is a request for your approval of the appointment of a Hearing Officer for the case of Eldreth Construction Company. There are, under the Bribery Statute, an individual or a company may be disqualified from entering into State, County, or subdivision contracts if he is proven to have admitted to certain acts that would subject him to that disqualification. The law requires that if the Board does not have a hearing on the matter, the person is disqualified without any further action.. Therefore, what we're requesting you to do is to let me contract with the Board's Hearing Officer to hold this hearing, and then a report will be made to you with a recommendation at the earliest Agenda that we can.

MR. GOLDSTEIN: Do you have somebody in mind for the Hearing Officer?

MS. REYNOLD: Yes, sir. We would like to use the same Hearing Officer that we used in the debarment

cases.

MR. JAMES: Well, is there any reason to accelerate this because apparently this man is in a very unfortunate situation economically, and, I mean, days mean a lot to him.

MS. REYNOLD: Yes. I believe that we have everything set up to work as quickly as possible once you give your approval.

MR. JAMES: We can get a report back by the next meeting of the Board.

MS. REYNOLD: That's what I was hoping.

MR. JAMES: Yes.

MS. REYNOLD: That's what I have planned for.

MR. GOLDSTEIN: Thank you. Bill, do you want an explanation of No. 8? That's a new rule and procedure for sale and lease back transactions.

MR. JAMES: Well, just a minute. Okay, 7, University of Maryland. Oh, yes, yes. This No. 7, is that all right with you; that agreement with the University of Maryland? That's satisfactory?

MR. SEBODA: Yes, sir.

MR. JAMES: All right.

MR. GOLDSTEIN: That's on those leases.

MS. REYNOLD: Yes.

MR. JAMES: Yes, 8 --

MR. GOLDSTEIN: 7 is okay.

MR. JAMES: Well, no, I -- these are the --

MR. GOLDSTEIN: You have no problems with them?

MR. SEBODA: No.

MR. GOLDSTEIN: No. 8?

MR. SEBODA: No, we sent that one over.

MR. JAMES: Wait a minute. Now, No. 8 --

MR. GOLDSTEIN: That's the procedures for
sale-leaseback and lease-leaseback transactions.

MR. JAMES: Yes. These are -- now, I would
like to know whether these are -- they say that these are
interim procedures. You're waiting for comments from the--

MS. REYNOLD: Yes, sir. At the last meeting,
you all asked that we get these get out to the various
agencies for comment. In the interest of time, we have
brought these to you for formal approval as interim pro-
cedures. I must say we've gotten quite a bit of response;

and so, we may be refining these further at a later date.

MR. JAMES: All right.

MR. GOLDSTEIN: Okay?

MR. JAMES: Okay.

MR. GOLDSTEIN: No. 9, that's the new changes in procurement.

MS. REYNOLD: Yes. Item No. 9, I would like to ask Warren Wright, the Board's Procurement Officer, to step up to the podium. Item No. 9 is a series of changes to the Title 21 regulations. Most of these involve merely a bringing of the regulations into line with the laws that were passed last session.

Warren, do you want to give just a very brief overview, and then the Board can ask questions.

MR. WRIGHT: Okay. My name is Warren Wright; I'm the Board's Procurement Advisor. Item 9 requests that the Board give approval for publishing as proposed regulations certain changes to COMAR Title 21, the State's procurement regulations. These would be published in the Maryland Register; we would go through a public comment period; and, we would come back for final action by the

Board at a later date.

Now, most of the changes that we're proposing are simply to conform the regulations with recent law changes; and I give you a real brief summary of what each of these is, but before I do that: During the Board's earlier review of these, they had certain -- the Board had certain concerns, and we have some substitute pages, which Ms. Reynold will pass out which addresses these concerns. Pages 7 --

MR. JAMES: Now, we have -- wait a minute -- Warren, we have a summary of the proposed rules -- amendments to the rules, and I don't think you have to go into each. However, the changes that exist here that are going to be made, I think if you go into that a little bit, that would just shorten it up.

MS. REYNOLD: Yes. Let me just say before Warren explains them to you: I would like to introduce into the record certain substitute pages, which we have discussed yesterday, and I would like to substitute them in the record. They will be new pages 17, 18, 29, 30 and 31. And I'll put those substitute pages with the material

sent to you previously.

MR. GOLDSTEIN: Have you got them, Bill?

MR. JAMES: No, I don't think so.

MS. REYNOLD: I've got two pages for you, Treasurer. Warren, why don't you go ahead and explain that?

MR. JAMES: I don't mean to say you shouldn't give us an overview, briefly, but concentrate on the changes.

MR. WRIGHT: Concentrate on the changes?

MR. JAMES: Yes.

MR. WRIGHT: Okay. Page 17: The initial proposal included an addition to the mandatory -- one of the mandatory clauses for differing site conditions. The Board has some concerns about an addition which provided that if a contractor had prior knowledge of site conditions that the clause would not be basis for filing a claim. This addition was removed, but we do provide an alternative clause, now, under which no equitable adjustment in contract price is made and the contractor assumes responsibility for site conditions as they may exist. So, we have two

clauses which can now be used: one is the one in which the State assumes liability; and the other is one in which the contractor assumes liability. That's essentially the first change.

MR. JAMES: So, either we assume the responsibility of unforeseen changes, or the contractor does. That's about what it amounts to.

MR. WRIGHT: Yes, sir. One way or the other.

MR. JAMES: He understands that in advance.

MR. WRIGHT: That would be part of the -- one of the mandatory clauses contained in the bid solicitation.

MR. JAMES: So, contracts could be bid both ways.

MR. GOLDSTEIN: That would be put in the bid request.

MR. WRIGHT: Yes, sir.

MR. JAMES: They could be.

MR. WRIGHT: Could be bid both ways, and --

MR. GOLDSTEIN: That would be right in the general conditions of the bid request -- request for bids.

MR. JAMES: Right. Okay.

MR. GOLDSTEIN: That's good. Thank you.

MR. WRIGHT: Okay. The second concern, page 18, the substitute page. This provides amendments to the "Termination for Default" clause, which would enable the State to have more flexibility in making a re-procurement and collecting excess re-procurement costs in the event of a contractor's default on a contract. The existing clause limits the State to making a re-procurement under the same terms and conditions as the initial procurement. The changes to the clause essentially open it up so that the State can make re-procurement in whatever manner it is deemed necessary under the circumstances.

MR. JAMES: So, if costs more, why, the contractor would be responsible.

MR. WRIGHT: The contractor is liable.

MR. JAMES: But if he goes broke, I suppose it's pretty hard to recover, although I guess he has a bond.

MR. WRIGHT: In many cases, he'll have a bond; yes, sir.

MR. JAMES: Yes.

MR. WRIGHT: Page 29, the substitute page. This pertains to the regulation on expedited and emergency

procurements. As the Board is aware of, we have a new expedited procurement method that we're trying to implement. And what this change on page 29 accomplishes is that it allows the Board to direct a procurement agency, or a control agency to take any action that the Board deems appropriate concerning an emergency procurement which has been made. As the Board is aware, there have been some abuses of the emergency procurement process, and this would enable the Board to consider what action should be taken and direct the agency to take them.

MR. JAMES: It would be reported as part of an agency's agenda so that --

MR. WRIGHT: Yes, sir. The emergencies will be reported as part of the Secretary's Agenda.

MR. JAMES: Do we have a new page on this?

MS. REYNOLD: What they have from yesterday is what you're talking from; right, Warren?

MR. WRIGHT: Yes, sir.

MR. JAMES: Well, I don't --

MR. GOLDSTEIN: 29 is a new substitute page; isn't it?

MR. JAMES: 29?

MR. GOLDSTEIN: Yes.

MR. JAMES: I don't have -- I don't think I have a substitute page.

MR. GOLDSTEIN: It has 29 written on it with "substitute" right on the bottom of the page.

MR. JAMES: I don't have that.

MS. REYNOLD: I'm going to give you all of these in case you don't have them. It would be 29, 30 and 31. That would be all the substitute pages.

MR. GOLDSTEIN: 29, 30 and 31 is all new substitutes.

MS. REYNOLD: Yes.

MR. GOLDSTEIN: Is yours right?

MR. SEBODA: No; we'll get them.

MR. GOLDSTEIN: Okay. I want to be sure you get everything for the record.

MR. JAMES: Yes, get the golden words.

MR. GOLDSTEIN: Do you have copies; do you have that? Do you have the new pages?

MR. SEBODA: (Nods head affirmatively.)

MR. GOLDSTEIN: Now, these substitute pages clarify the expedited procurements; is that correct, sir?

MR. WRIGHT: Expedited and emergency; yes, sir.

MR. GOLDSTEIN: Emergency, right.

MR. WRIGHT: Page 30 --

MR. JAMES: But if the Board is not satisfied with an emergency action, at least they will be able to investigate it --

MR. WRIGHT: Yes, sir.

MR. JAMES: -- and then determine whether there has been abuse of that, or take whatever action may be necessary in the situation, under the circumstances, which is really not being done now because there is really no effective review.

MR. WRIGHT: Correct. What the regulation does is expand the reporting requirements for emergencies so that more information is available to the Board. It also requires reporting, for example, of modifications to emergency procurement contracts.

MR. JAMES: Which is completely beyond any review now.

MR. WRIGHT: Yes, sir.

MR. JAMES: Right.

MR. WRIGHT: So, there will be considerable information provided to the Board on emergencies, and the Board, again, has the latitude to direct any action they deem appropriate.

MR. JAMES: Right.

MR. WRIGHT: Page 30 addresses the expedited procurement method, and the change made on page 30 provides that competitive solicitation of bids or offers shall be the preferred method of entering into an expedited procurement contract. And the process may include public notice in newspapers, posting on bid boards, or direct mail solicitation from the business community.

MR. GOLDSTEIN: You don't think that should be "shall include" instead of "may"?

MR. WRIGHT: It was initially "shall," and it was at the Board's recommendations that we changed it to "may." The circumstances under an expedited procurement may preclude this solicitation process being used, but this change was made at the request of the Board.

MR. JAMES: The Board will have a review -- a prior review of this so we'll be able to look at whether the proper procedures were followed.

MR. GOLDSTEIN: Okay. Well, we can always change it if it's not working.

MR. JAMES: Yes.

MR. GOLDSTEIN: All right, sir.

MR. WRIGHT: And the final page, page 31. This provides that when an agency has knowledge that they must make an expedited procurement, that they can start the process immediately and notify the Secretary to the Board, providing certain determinations and findings that it's a necessary -- that the use of the process is necessary. This will provide scrutiny of the, you know, basis for entering into the expedited procurement --

MR. JAMES: During the process.

MR. WRIGHT: -- during the -- yes, sir, during the process, and will not cause any delay to the agency. Now, at any time prior to the Board giving formal approval to use the method, any member of the Board would be able to suspend the use of the method. In other words, before

it comes to you on an Agenda item, during the process -- the procurement process -- you'll have opportunity to see what's being done and express any views you may have at that point.

So, that's, in essence, the summation of the changes.

MR. JAMES: Before any contract is entered into, the Board has to have -- will have prior approval.

MR. WRIGHT: Yes, sir.

MR. JAMES: Yes. Okay. All right.

MR. GOLDSTEIN: Thank you. You gave a very fine explanation.

MR. WRIGHT: Thank you.

MR. GOLDSTEIN: Item 10 is withdrawn. 11 -- do you want anymore information on 11?

MS. REYNOLD: Item 11 is a \$784,000-plus loan -- MICRF loan to Prince George's County for the Southern Avenue Shopping Center project. I believe Ms. McCoy is here from DECD if you would like a further explanation.

MR. JAMES: Well, I think we've heard it, although --

MR. GOLDSTEIN: Do you want to ask anything about that MICRF loan?

MR. JAMES: Well, yes, I think --

MS. McCOY: Gentlemen, the loan for --

MR. JAMES: Yes, just describe this package; that's all.

MS. McCOY: The entire package of all four loans, sir?

MR. JAMES: Yes, I think, to just see how it all fits together, and do it briefly.

MS. McCOY: All right. You have before you the one for Southern Avenue in Prince George's County.

MR. JAMES: Not -- that's just this one loan.

MS. McCOY: That's right.

MR. JAMES: Describe the package that goes into that Southern Avenue Shopping Center.

MS. McCOY: Basically, the package is a MICRF loan of \$784,136 at an interest rate of 4 to 11.22 percent. MICRF is a \$900,000 First American Bank umbrella bond, and Prince George's County, through their CDBG funds, are putting in somewhere between \$90,000 to \$116,000, and the

private investment is 180-to-208,000 -- \$205,000.

MR. JAMES: There is private money in it.

MS. McCOY: Yes, sir.

MR. JAMES: Okay.

MS. McCOY: All of them have to have private money, sir.

MR. JAMES: Okay.

MS. McCOY: You know, I have -- I noticed your concern, on Monday, about the interest rates on MICRF, and I thought it would be well to leave it with Sandy -- and I've underlined the pertinent sections in the law dealing with the fact that MICRF can make loans anywhere from zero percent to one-eighth of one percent above the bond issue -- bond sale rate. And I thought you might want to see that and have this for your records, and then we can talk about it at the next submission if there are any questions.

MR. GOLDSTEIN: Have you met this particular individual? You don't have the responsibility for this program; do you?

MS. McCOY: I have a response from the County.

Mr. Glendening, the County Executive, is trying to be here, if necessary, and I understand he was going to try to be here by 11:00. It's obvious he wasn't able to make it; but, yes, the person who will be the principal involved and principal recipient is here, Ms. Myers, if you are interested in meeting her and asking her any questions.

MR. GOLDSTEIN: Yes, I'd like to ask Ms. Myers. Ms. Myers, do you want to come and identify yourself, please?

MS. MYERS: Yes, sir. My name is Beth Myers. I'm presently residing in Washington, D.C.

MR. GOLDSTEIN: I can't hardly hear you. Can you speak up?

MS. MYERS: All right, yes. We're doing the project in Prince George's County; it's a shopping center, and I'd be glad to offer any explanations that I can to you.

MR. GOLDSTEIN: According to this presentation, you've had a lot of experience with residential projects, but this is your first commercial project; is that correct?

MS. MYERS: Most of our projects have been mixed use: office and condominiums.

MR. GOLDSTEIN: Do you have tenants in view that will rent the space after you rehabilitate it?

MS. MYERS: Yes, sir, Peoples is already in the project.

MR. GOLDSTEIN: Peoples Drug Store?

MS. MYERS: Yes, sir.

MR. JAMES: Do you have a food store?

MS. MYERS: Yes. One of the sons from B. Green's, who is a very well-established company in Maryland, is going in there.

MR. JAMES: Excuse me, Louis, I interrupted you.

MR. GOLDSTEIN: Go ahead. That's all right.

Peoples Drug Store --

MS. MYERS: Yes.

MR. GOLDSTEIN: -- and B. Green.

MS. MYERS: Yes.

MR. GOLDSTEIN: They're topnotch -- both of them are topnotch people.

MS. MYERS: Yes, we think so, and they're taking -- they will be taking a majority of the center.

MR. GOLDSTEIN: In other words, the drug store

and B. Green will anchor the thing.

MS. MYERS: Yes, and Exxon.

MR. GOLDSTEIN: And who is the other tenants?

MS. MYERS: All right. We have a cleaner in there, who is a minority that's been there for a number of years; he's been very successful -- a carryout, and a barber shop, and we'll try to get other service tenants.

MR. GOLDSTEIN: Do you have adequate parking there?

MS. MYERS: Yes, plenty of parking. The center is 58,000 square feet, and it's the -- we're purchasing 14.8 acres. As it presently stands, we have more parking than is even required in Prince George's County.

MR. JAMES: You say Exxon; that's a filling -- a service station, I suppose.

MS. MYERS: Yes, it is.

MR. JAMES: Can I ask a question here, Louis?

MR. GOLDSTEIN: Go ahead, Bill.

MR. JAMES: I see the developer says -- it says \$205,000 in soft costs. What do you mean by that? Maybe, Marion, you can answer that.

MS. McCOY: Go ahead.

MS. MYERS: Soft costs, we determine differently than hard costs, hard constructions costs, or acquisition costs. Soft costs are things like architectural fees; our points that we have to pay; interest; if we have a shortfall, we have a reserve --

MR. JAMES: Is this money you have to lay out, actually?

MS. MYERS: Oh, yes, yes.

MR. JAMES: So, that 205,000 is actually a capital investment by the private developer?

MS. MYERS: Where are you --

MR. JAMES: Yes, I don't understand what --

MS. McCOY: Let me answer them.

MS. MYERS: Okay. I'm sorry.

MS. McCOY: The 205,000, or the 180,000, right now there's been a change in the finance plan; that, initially, she's put in 108,000, but had been adjusted to 205,000. And basically, there are some costs that MICRF won't pay for: soft costs; or will MILA pay for. So, it was incumbent that the recipient then put up those

costs.

MR. JAMES: It's a nebulous term, "soft costs."

MS. McCOY: Well, she's ascribing, sir; they're things that aren't capital costs. They're things like air conditioning, or plumbing, or concrete, or things of that nature that you --

MR. JAMES: Well, that all costs money -- hard costs -- hard cash.

MS. McCOY: Hard costs are really the things that the umbrella, the MICRF and the MIDFO loan, will pay for. MIDFO --

MR. GOLDSTEIN: But in other words, she's going to put up 205,000; is that correct? -- of your money. You're going to put up 205--

MS. McCOY: That will be the maximum amount. It may be as little as 180,000.

MR. GOLDSTEIN: But in other words, you --

MS. MYERS: I already have in the project, now, \$187,000 --

MR. GOLDSTEIN: You have 187,000.

MS. MYERS: -- cash -- hard cash in the project.

MR. JAMES: I see.

MS. MYERS: Yes, sir. I took a second on my house to do this project.

MR. GOLDSTEIN: Well, I just want to be sure that you got some of your hard earned money in there --

MS. McCOY: We made sure of that.

MR. GOLDSTEIN: -- and that way you have a loving interest in it, see.

MS. MYERS: I also have my house pledged for this project.

MR. GOLDSTEIN: Well, the reason I ask these questions: if you got some of your good, hard earned money in it, you're going to love the place, and you're going to work hard to see that it succeeds.

MS. MYERS: And not only that --

MR. GOLDSTEIN: But you got "OPM" -- "other peoples' money" --

MS. MYERS: You're right. You're right.

MR. GOLDSTEIN: -- and you may say "Well, goodbye, goodbye, I'm going down to Florida," and you all --

MS. MYERS: No, not only that --

MR. GOLDSTEIN: Well, see, we've seen these things. We've been sitting around here for a long time, you know.

MS. MYERS: Ms. McCoy has made sure of that; I can tell you.

MR. GOLDSTEIN: So, we just want to be sure that you're successful. We want to help you, see; we're here to help you and to cooperate with you. We want to be sure that --

MS. MYERS: Okay. I know.

MR. GOLDSTEIN: -- you realize what your responsibilities are.

MS. MYERS: I've done a lot of business with the First National Bank of Maryland, and they have insisted the same thing. The project we have been working on for over a year.

MR. GOLDSTEIN: Yes, Ma'am.

MS. MYERS: We have taken no money in development. It has taken all of my time to do this project.

MR. GOLDSTEIN: Well, that's why the --

MS. MYERS: So, I have a lot invested in it.

MR. GOLDSTEIN: -- that's why it ought to be successful because you love it, and you're working at it.

MS. MYERS: It better be.

MR. GOLDSTEIN: You see?

MS. MYERS: There are a number of reasons that we're interested in the project; not just as a financial venture, but it's a good community service, and I think that we hope to make a name for ourselves in Prince George's County and do other projects there.

MR. GOLDSTEIN: Have you done other projects in Prince George's County?

MS. MYERS: No, this is the first.

MR. GOLDSTEIN: But where have you had your other projects?

MS. MYERS: All in the District of Columbia.

MR. GOLDSTEIN: In Washington, D.C.

MS. MYERS: Yes.

MR. GOLDSTEIN: Well, see, Washington, D.C. came out of Maryland in 1791, out of Prince George's County. So, you're going right back home.

MR. JAMES: Well, you know, Ms. Myers, you're

very remarkable to be involved in this. What is your technical background?

MS. MYERS: I have a master's degree in business. My family has been in the real estate business for a number of years. My father did the first downtown shopping center in Norfolk, Virginia.

MR. JAMES: So, for you, it's kind of a family -- projection of a family type of experience.

MS. MYERS: Yes.

MR. GOLDSTEIN: What was his name?

MS. MYERS: Bertram Myers.

MR. GOLDSTEIN: What's that?

MS. MYERS: Myers --

MR. JAMES: Bertram Myers.

MS. MYERS: -- Bertram Myers.

MR. GOLDSTEIN: Myers? Myers?

MR. JAMES: I thank you.

MR. GOLDSTEIN: Well, you're Miss Myers.

MS. MYERS: Yes.

MR. GOLDSTEIN: You're not Mrs. -- M-I-S-S?

MS. MYERS: Yes.

MR. GOLDSTEIN: Miss Myers; I just want to be sure. See, a lot of times people have "Ms.", and you can't tell whether they're Miss or Mrs.

Well, I'm going to take a chance with you.

MS. MYERS: Thank you.

MR. GOLDSTEIN: Yes, Ma'am. I'm very impressed with your presentation. I'm glad, Ms. McCoy, you had her come here this morning.

MS. McCOY: Thank you, sir.

MR. GOLDSTEIN: You made a good one over there on Monday, but it's always nice to hear from the principal.

MS. McCOY: Well, we knew you were interested in knowing the commitment of Prince George's County, and the one letter I've given to the Secretary will certainly convince you of that; that they have strong support for the project; and, yes, she's had strong support for it, too. And one of the reasons your approval --

MR. GOLDSTEIN: Is this the area where Glass Manor was built years ago -- Glass Manor?

MS. McCOY: No.

MR. GOLDSTEIN: Or is this up the road from there?

MS. MYERS: Yes, it's not too far at all, and that project is being done -- this project, are you familiar with it; how it's been in the last few years?

MR. GOLDSTEIN: Well, I remember when Mr. Glassman and I used to -- in fact, I had him come down to Calvert County and build himself a big home on the Chesapeake Bay. So, that's how I knew him years ago and his boys; and they went on in the business and built a lot of things in that part of Prince George's.

MS. MYERS: Well, this project is currently owned by a 92-year-old man that hasn't been out there probably in the last -- over 15 years. The project had a lot of problems during the riots and has never really come back. It's a very distressed area, and we were not able to go to our traditional lenders and get them to invest money in it. So, that's why we've gone this route.

MR. GOLDSTEIN: Right. Well, I want to congratulate you in undertaking this project.

MS. MYERS: Thank you, sir.

MR. GOLDSTEIN: And I think, from seeing you now, I believe you're going to be successful; at least

to say anything on Item No. 31, Willoughby Beach? We're going to give it a favorable report, and maybe you want to put something in the record.

MS. REHRMANN: That's what I'm waiting for.

MR. GOLDSTEIN: Well, we're ready to approve it. Do you want to put anything in the record for us?

MS. REHRMANN: No, just that we've been waiting the approval by the Board of Public Works --

MR. GOLDSTEIN: Well, it's going to be approved right now. There's no problem with it at all.

MR. JAMES: I move we approve Item 31.

MR. GOLDSTEIN: I second the motion. All in favor of approving Item 31 signify by saying "aye."

BOARD MEMBERS: Aye.

MR. GOLDSTEIN: Opposed, "no."

BOARD MEMBERS: (No response.)

MR. GOLDSTEIN: The ayes have it unanimously.

Thank you.

MS. REHRMANN: Thank you.

MR. GOLDSTEIN: All right. How about No. 33?

MS. REYNOLD: Item No. 33 --

MR. JAMES: Yes, 33, yes.

MS. REYNOLD: -- is a request from the Office of Environmental Programs for an amendment to the Water Supply Construction Financial Assistance Regulations. I believe Mr. Sellars is here from DHMH.

MR. GOLDSTEIN: Good morning, sir.

MR. SELLARS: Good morning, gentlemen. Rick Sellars, Director of Water Management and Office of Environmental Programs in the Health Department.

Your Agenda Item 33 contains a request for approval of two items. The first is an amendment to the Water Supply Financial Assistance Regulations; and the second is your approval of a general form that we propose to use, which will be a standard financial agreement for the Water Supply program.

On the amendment to the Water Supply Financial Assistance Regulations, we have proposed to add additional clarification in the form of a variance provision, which will expand upon our ability to apply a little more funds in terms of grants to projects where the user cost is too high. The existing regulations compute the amount of

I know it. I just have that feeling.

to go on with the item 31, Bill, and the other items.

MS. MYERS: Thank you. And it's a terrific report, and I'll be glad to go on with the item 31, Bill, and the other items.

MR. GOLDSTEIN: I want to congratulate you. To get that done in the room.

MS. McCOY: Do you have any other questions on the item 31? That's what I'm talking about.

any of the other items?

MR. GOLDSTEIN: No, we're going to go on with the item 31, Bill, and the other items.

MR. GOLDSTEIN: No, I have no questions. How about you, Bill?

MS. McCOY: No, just the item 31, Bill, and the other items.

MR. JAMES: No, that's all. The item 31, Bill, and the other items.

MS. McCOY: Thank you. Well, it's going to be a good one.

MR. GOLDSTEIN: We thank you all for coming here this morning, and good luck.

MR. JAMES: Let's see, the next one -- my next one is 31;

MR. GOLDSTEIN: I second the motion. All in that Willoughby Beach. That -- no problem there.

I see you got your Delegate here. Is that what she's interested in?

MR. GOLDSTEIN: Approved, 10.

MR. JAMES: Who's that? Who's Delegate?

MR. GOLDSTEIN: (No response.)

MR. GOLDSTEIN: The Delegate from Montgomery

MR. GOLDSTEIN: The ayon have it on item 31.

County.

Thank you.

MR. JAMES: Ask Delegate Rehrmann if she wants to say anything.

MR. GOLDSTEIN: All right. How about 10.

MR. GOLDSTEIN: Delegate Rehrmann, do you want to say anything.

MS. McCOY: Item 10. 33 --

grant based only on the amount the project borrows; for example, a farmer's home loan. And it does not take into account other costs of the project, such as connection charges, and operations and maintenance.

MR. JAMES: But you're just asking for a blank check in this regulation, and I'm not willing to vote for this unless you subject this to the approval of the Board of Public Works. You just say "for any reason as determined are appropriate to assure project fiscal integrity." So, that means that you can really do anything you want to do, and I'm not willing to vote for this in that framework. If you add "subject to the approval of the Board of Public Works," which would mean that you would have to come in and explain the project, and assure to our satisfaction that it's a reasonable determination, why, I think that would be all right. But, I don't think any agency ought to have the power to just adopt any standard without any supervision.

MR. SELLARS: Well, in all cases, the project action would come before the Board of Public Works. What surely we should do is advise you where we have used the

variance provision and to the extent of which that is.

MR. JAMES: Well, I'm not satisfied with this regulation myself, Louis.

MR. GOLDSTEIN: Well, would you have any objection, sir, to having the approval of the Board of Public Works?

MR. SELLARS: No. We could add that.

MR. JAMES: Well, it has to be added before I vote for it.

MR. SELLARS: Yes, we would have to add that.

MR. JAMES: All right.

MR. GOLDSTEIN: Well, now, can we add it here today, and then put it back in COMAR?

MR. SELLARS: It has to go back through a hearing, yes.

MR. GOLDSTEIN: Right. Well, then, you make the motion that the --

MR. JAMES: I move that we approve it subject to the addition of "approval of the Board of Public Works" if a variance is granted under these regulations."

MR. GOLDSTEIN: And I'll second the motion.

All in favor signify by saying "aye."

BOARD MEMBERS: Aye.

MR. GOLDSTEIN: Opposed, "no."

BOARD MEMBERS: (No response.)

MR. GOLDSTEIN: The ayes have it, and the record will show that, and you will make the changes for the COMAR. Is that satisfactory, sir?

MR. SELLARS: Fine. Thank you.

MR. GOLDSTEIN: Thank you. All right, thank you. Item 36 has been on the Agenda several times concerning the name of the new prison facility down in Princess Anne that's going to be called the "Eastern Correctional Institution." Does anybody have any objection to using that name?

MR. JAMES: I think that's indefinite enough to satisfy everybody.

MR. GOLDSTEIN: Right.

MR. JAMES: So, I move we approve that name.

MR. GOLDSTEIN: And I second the motion. All in favor signify by saying "aye."

BOARD MEMBERS: Aye.

MR. GOLDSTEIN: Opposed, "no."

BOARD MEMBERS: (No response.)

MR. GOLDSTEIN: Approved.

MR. JAMES: It might be in Delaware insofar as anybody would be able to determine.

MR. GOLDSTEIN: All right. Let's see, now. Item 39, no problem on that; is there? That's the one about the --

MS. REYNOLD: The concurrent jurisdiction that --

MR. GOLDSTEIN: -- concurrent jurisdiction. No problem on that.

MS. REYNOLD: No problem on that.

MR. GOLDSTEIN: No. 40, the National Eubie Blake, there's no problem on that; is it?

MS. REYNOLD: No, sir.

MR. GOLDSTEIN: Item 46 is --

MR. JAMES: Wait a minute, now, Louis; I got another book. Just a minute.

MR. GOLDSTEIN: Yes, take your time; take your time. Is anybody here from the Food Authority?

MS. REYNOLD: Yes, there is someone here.

MR. GOLDSTEIN: Yes, I know. We've got the new chairman here and his director.

Mr. Darnall, for the record, we're going to now consider Item 46, page 66, which is the Maryland Food Center Authority to approve the 28 leases. Just put something in the record; give your name and your new director, and all that business, sir.

MR. DARNALL: Yes, sir. Well, my name is Don Darnall. I'm Acting Executive Director for the Maryland Food Center Authority, and I'm here to address Agenda Items 46 and 47, which is the renewal leases for the Maryland Produce Market.

We have negotiated renewals for a total of 101 Units, and for a period from January 1st, 1985, through December 31st, 1989. The new Maryland rates will be \$775 for the Units located in the old section of the market, and \$800 a month for the Units located in the new section of the market. This represents a \$200 increase per Unit, which will generate a grand total annual rental rate -- rental income of \$948,000 per year.

MR. GOLDSTEIN: All right.

MR. DARNALL: It is our recommendation that the Board of Public Works approve the renewal of these leases.

MR. GOLDSTEIN: All right. And how about the other one?

MR. DARNALL: And we would also recommend that the Board of Public Works provides us with the authority to execute these leases.

MR. JAMES: What's the resolution?

MR. GOLDSTEIN: Yes, Bill, I attended a meeting up there last week -- the week before last -- and all these matters were discussed by the members of the Board, and it was a unanimous approval of the leases. So --

MR. JAMES: Do you have resolution you want us to sign now?

MR. DARNALL: Yes, sir.

MR. JAMES: Well, if you give it to us, why, we can sign it.

You got my name wrong. So -- it's a common mistake. My name is "S". So --

MR. GOLDSTEIN: William S. -- William Sugar.

MR. JAMES: The greatest insult you can -- I read a book once called -- from Dale Carnegie. It said a man's name is music to his ears.

MR. GOLDSTEIN: That's right.

MR. JAMES: And if you make any mistake in it --

MR. GOLDSTEIN: Why don't you correct it? Why don't you correct it there, Bill?

MR. JAMES: No, that's all right.

MR. GOLDSTEIN: Are you going to make it "S"?

MR. JAMES: Well, they can change it. That's all right.

MR. GOLDSTEIN: William Smith James.

MR. JAMES: A very aristocratic name is Smith.

MR. GOLDSTEIN: It's a great name; named after a great family -- Major General Smith.

MR. JAMES: -- Captain John Smith.

MR. GOLDSTEIN: Captain John Smith; yes, indeed.

MR. DARNALL: Should I leave these for Governor Hughes?

MR. GOLDSTEIN: Yes. We'll give them to Mr. Roland. He'll get the Governor to sign them. The Governor has a

very important meeting.

MR. DARNALL: Thank you very much, gentlemen.

MR. GOLDSTEIN: Jim, do you want to take care of getting the Governor to write his name on them? Thank you.

Thank you, Mr. Darnall.

MR. DARNALL: Thank you very much.

MR. GOLDSTEIN: We're glad to see you. How are things going up there; pretty good?

MR. DARNALL: Yes, sir.

MR. GOLDSTEIN: He's our new Acting Director of the market.

MR. JAMES: Yes -- yes.

MR. GOLDSTEIN: Acting -- right -- Secretary.

MR. JAMES: Louis --

MR. GOLDSTEIN: Do you want a second motion on this?

MR. JAMES: I'll move it.

MR. GOLDSTEIN: I second the motion. All in favor signify by saying "aye."

BOARD MEMBERS: Aye.

MR. GOLDSTEIN: Opposed, "no."

BOARD MEMBERS: (No response.)

MR. GOLDSTEIN: The leases are approved.

MR. JAMES: Do you recall at the pre-Board meeting I asked a question about one of these Maryland Environmental Trust grants, which involved both the Maryland Environmental Trust and --

MR. GOLDSTEIN: Yes. Which one is that?

MR. JAMES: -- and the Historic -- I think it's --

MR. GOLDSTEIN: That's on your Agenda; isn't it?

MR. JAMES: No, no, it's on the Secretary's Agenda. There were two grantees.

MR. GOLDSTEIN: Yes; oh, yes.

MR. JAMES: And the question was, you know, the Maryland Historic Trust --

MR. GOLDSTEIN: Right.

MR. JAMES: -- got a preservation on 7.5 acres.

MR. GOLDSTEIN: Right.

MR. JAMES: And I asked you if it was --

MR. SEBODA: It's on my Agenda.

MS. REYNOLD: That's on the DGS Agenda.

MR. GOLDSTEIN: That's on his Agenda.

MR. JAMES: Is that on yours?

MR. SEBODA: That's on my Agenda.

MR. JAMES: Okay.

MR. GOLDSTEIN: That's what I thought. Let's see, now, the next item --

MR. JAMES: Yes, correct. Well, I got word that it included 144 acres of land. Okay, right.

MR. GOLDSTEIN: Now, we better make some notation in reference to Item No. 48. That's being deferred until January the 30th?

MS. REYNOLD: If you so move, yes.

MR. JAMES: Well, I'll move that we defer that until January 30th --

MS. REYNOLD: January the 30th?

MR. JAMES: -- in order to provide us with an opportunity to have staff -- departmental studies and recommendations to the Board.

MR. GOLDSTEIN: I second the motion. All in favor signify by saying "aye."

BOARD MEMBERS: Aye.

MR. GOLDSTEIN: Opposed, "no."

BOARD MEMBERS: (No response.)

MR. GOLDSTEIN: The ayes have it.

MR. JAMES: That's in accordance with our interim regulations that we adopted under Item -- is it 8?

MS. REYNOLD: 8.

MR. GOLDSTEIN: That's Item No. 8 on page 20.

MR. JAMES: Yes.

MR. GOLDSTEIN: All right. I second the motion. All right, Item 50. There's no problem on Item 50, I don't think; is there? Let's look at it, here, Item 50.

MR. JAMES: The loan to Dorchester County.

MR. GOLDSTEIN: That's that housing loan, Apex.

MR. JAMES: Is Marion here? Does she want to say anything about that?

MR. GOLDSTEIN: She's gone.

MR. JAMES: She's gone?

MS. REYNOLD: I think she's already left.

MR. JAMES: All right.

MR. GOLDSTEIN: That takes care of it. Do you want to make a motion for the Agenda?

MR. JAMES: These are all loans; aren't they, Louis?

MR. GOLDSTEIN: Yes.

MR. JAMES: Yes. Yes, I move we approve the Agenda.

MR. GOLDSTEIN: With the exception of the ones that were prior approved and the one that was postponed for another meeting. I second the motion. All in favor signify by saying "aye."

BOARD MEMBERS: Aye.

MR. GOLDSTEIN: Opposed, "no."

BOARD MEMBERS: (No response.)

MR. GOLDSTEIN: The ayes have it, and so ordered.
Open Space Agenda.

MR. JAMES: Louis, you raised a question on --

MR. GOLDSTEIN: On one item. Fred, on the Open Space Agenda, Item 4A, No. 2, 503,060 board feet on 613 acres -- you're selling it for \$3,500. That seems like a very small price for that much timber.

MR. ESKEW: We estimated the value of that timber to be about \$15,000. The only problem is we've only got one bidder on it because it's spread out in a number of different areas, and there is a lot of road construction that the bidder is going to have to do to get back there. The foresters recommended -- were recommended the trees because once they do open those roads, we can do better management on a lot of areas in the forest there.

MR. GOLDSTEIN: Well, don't you think you ought to say that because --

MR. ESKEW: I'll make sure in the future that we add --

MR. GOLDSTEIN: I know something about timber and timber land, and to sell that many board feet of timber at that little price --

MR. ESKEW: Primarily, there's extensive road construction involved here, and it will help us in the future.

MR. JAMES: In other words, you feel as though the construction of the roads is part of the consideration;

is that what you're saying?

MR. ESKEW: Basically, yes, that's it.

MR. JAMES: I had a comment here, Fred, that where you only have one bidder, such as 6 on Item 3A, it seems to me there ought to be some statement concerning why there's only one bidder and if the price is reasonable. Now, you say "The sale is in line with the Annual Work Plan for this area." That doesn't mean anything to me, and it's almost like sole source in a sense.

MR. ESKEW: In the future, I'll have that --

MR. JAMES: When I look at them -- when I look at these, I look to see whether there's any competition.

MR. GOLDSTEIN: Not only that, Bill, but I think you ought to also have the value put on it by your foresters up there so to be sure --

MR. ESKEW: Okay. We can add that so that you can see if it's only one page, it's in line.

MR. GOLDSTEIN: That's right. Now, I'll give you an example. On 7, on page 2, you got 282,973 board feet, but you don't have the acreage there. It's a good price, \$37,000. So, you're getting around a hundred --

maybe but \$150 per 1,000 for that pine; am I right?

MR. ESKEW: Yes.

MR. GOLDSTEIN: But you ought to have the acreage, and you ought to have the evaluation put on it by your foresters.

MR. ESKEW: We'll include those in the items in the future.

MR. GOLDSTEIN: Right. And that way, we could see how it compares. But that was the only one. Thank you.

MR. JAMES: Yes.

MR. GOLDSTEIN: Do you have anything else on Open Space?

MR. JAMES: No. Is this going to speed the process now, you think? -- this new system of putting it on the Agenda.

MR. ESKEW: Yes, I think so.

MR. JAMES: Have you had situations --

MR. ESKEW: We will work this out.

MR. JAMES: Do you have situations where, you know, that the Board of Public Works' meetings are going

to delay a deal? I mean, does that create a problem?

MR. ESKEW: No.

MR. JAMES: Okay.

MR. GOLDSTEIN: Not with timber, Bill, because it takes the guy a little while to cruise it; and most of these fellows up there I don't imagine they got too much money. So, they have to buy one tract and cut that, and buy another tract. They're not like these real big timber companies years ago when they would buy up maybe 20 tracts and have long-term agreements, and just go from one tract to the other one, but nowadays most of them know the expense of buying --

MR. JAMES: Well, the complaint here was the other system was holding them up a couple of months -- two or three months -- before they could really get going.

MR. GOLDSTEIN: We've never had any problems on this since we adopted this new procedure, have we?

MR. ESKEW: No.

MR. GOLDSTEIN: It takes a lot of money to go in the timber business today.

MR. ESKEW: Yes, and most of them are -- on these

bids, I counted the ones on the one that you personally asked about; they sent out over 30 invitations to people who bid, and they don't want to bid them. And that's primarily the --

MR. GOLDSTEIN: That's right; and the type of equipment. Now, we have a fellow down in southern Maryland; he came here from Virginia; he has a rig that cost over a million dollars; he cuts the tree right off at its base, and that goes through a grinder; and has a truck that hauls anywhere from 20-25 tons of the pulp; and he -- because he hauls it all the way down as much as way down there in West Virginia, or up to that place in Garrett -- Allegany, West Vaco, or he hauls it way up in Pennsylvania to Glassfelter depending on the quality or the needs. That fellow has got over a million dollars in that equipment. It's amazing; it cuts the whole tree.

MR. JAMES: A large scale assault on Mother Nature.

MR. GOLDSTEIN: What? Well, no, no; but let me tell you what, and I'll give you an example. I sold him 40 acres of old Virginia pine, and I've now -- you come out home, and I'll show it to you -- I've planted it, and

that's three years ago, in long leaf pine. And Hazel and I went through there Sunday. We were getting some holly and crow's foot, and it's beautiful. Now, in 25 years, I'll have a crop of real pretty -- I mean, real beautiful timber. If I keep it for 50 years, it will be -- oh, I don't know. I hope my kids will keep it.

MR. JAMES: I want to ask you one more question, and what is it? I've kind of lost my track.

MR. GOLDSTEIN: Go ahead. Excuse me for getting you off -- Open Space.

MR. JAMES: That's all right. Oh, yes, I remember what it was. Remember we adopted a rule to permit people to pay us in timber -- or not timber, but firewood? Do you remember that; we adopted that? I haven't seen anything come through on that. We were going to let them give us a share of the firewood because we had some need for it, but that apparently hadn't --

MR. ESKEW: I'll have to check on that. I thought some items were on the Board about two or three meetings ago.

MS. REYNOLD: Well, it's been a while since we've

had those. It's been a while. We had some, but it's been quite a while.

MR. GOLDSTEIN: Yes.

MR. JAMES: I remember Mr. Phipps was somewhat enthusiastic about that in certain situations. We needed some firewood, and we would take the firewood as part of the consideration. Maybe in the wintertime it will work out a little bit.

MR. ESKEW: Let me check into it.

MR. JAMES: What?

MR. ESKEW: I'll look into it.

MR. JAMES: Yes.

MR. GOLDSTEIN: But I'll tell you: that firewood, I've offered it; I got a lot of pines that have blown down and have given people. You know, that wood just don't burn right unless it dry; and my Lord, it's ideal for you to start a fire, but they won't come and cut it. So, the good Lord is going to rot it and improve the soil. So, do I hear a motion to adopt the Open Space?

MR. JAMES: So moved.

MR. GOLDSTEIN: I second the motion. All in

favor signify by saying "aye."

BOARD MEMBERS: Aye.

MR. GOLDSTEIN: Opposed, "no."

BOARD MEMBERS: (No response.)

MR. GOLDSTEIN: So ordered. Budget Agenda.

MS. REYNOLD: The Budget Agenda, this morning, consists of 19 items. Let me point out on Item No. 11, please --

MR. GOLDSTEIN: No. 11?

MS. REYNOLD: -- that's a request for approval of payment of attorneys' fees, and we didn't show you where it was going to come from. It would be from the Insurance Trust Fund with your --

MR. GOLDSTEIN: Insurance Trust Fund.

MS. REYNOLD: -- with your approval. Yes. We did not show that on the item.

MR. JAMES: Which one was that?

MS. REYNOLD: 11, sir.

MR. GOLDSTEIN: Item 11, page 12B.

MR. JAMES: Yes.

MS. REYNOLD: We neglected to put that right

on the item like we should have.

MR. JAMES: Okay. You were going to look into the question of inmate complaints; a review for the Attorney General's Office.

MS. REYNOLD: They haven't gotten back to me, yet. I'll have to get back to you as soon as I can.

MR. JAMES: I don't think this particular item really goes to that too much.

MS. REYNOLD: No. I think I understand what you want, and I haven't been able to reach the right person, yet.

MR. GOLDSTEIN: Let's see; is Mr. Armiger still here? Item 3-S, I think you were interested in that; weren't you?

MR. ARMIGER: Ms. Howard is going to speak to that.

MR. GOLDSTEIN: Sir?

MR. ARMIGER: Ms. Howard is going to --

MR. GOLDSTEIN: Yes, sir, Dave; it's always nice to have that nice young lady here.

MS. HOWARD: I'm Jane Howard. I'm Director of Public Affairs for the Mass Transit Administration. This

is a contract for advertising services for the Mass Transit Administration to promote, advertise, and market, to some extent, our bus services and Metro service. This is the first time we've had such a contract. We have been doing some advertising in-house, but don't really have the resources to do the kind of full scale campaign that we would like to do. So, that is what this is for.

MR. JAMES: It costs 400,000, but you probably have an estimate of what this will produce. Do I recall a figure of 4,000,000?

MS. HOWARD: I'm sorry.

MR. JAMES: You're investing 400,000 in advertising services. What will it produce? What is the estimated production?

MS. HOWARD: We hope it will produce a lot more riders, but I can't tell you exactly how many right now. We don't have a firm objective, yet, but we will a little bit further on in the process.

MR. JAMES: Then this will not deal in with the putting signs up in the vehicles --

MS. HOWARD: No, sir.

MR. JAMES: -- or anything like that.

MS. HOWARD: No, sir.

MR. JAMES: This is just for --

MS. HOWARD: This is for an agency to create advertising for us to use on television, radio, and newspapers.

MR. JAMES: So people will ride Metro.

MS. HOWARD: So they will ride, yes, sir.

MR. JAMES: I see. I see. Do you have a contract for the use of the Metro cars for advertising?

MS. HOWARD: No, we don't. We're doing that in-house; the Public Affairs office is handling that at the moment. We're selling this space ourselves in the trains and in the stations.

MR. JAMES: Do you think you can do a good job in-house, or will you --

MS. HOWARD: We're doing fairly well. It was a little slower to catch on than we had hoped, but it's picking up right now and doing fairly well. So, we've just extended the trial program for it for another six months, and we'll decide next -- by next spring whether

to phase that in with the bus advertising contract, or keep it separate.

MR. GOLDSTEIN: Let me ask you a question, and maybe you can't answer it. I know one time we advocated -- like right at the Christmas season -- to let people come downtown. Are they running these Metro trains now on Saturdays?

MS. HOWARD: Yes, we are.

MR. GOLDSTEIN: At one time, they didn't want to do it.

MS. HOWARD: Well, no. Last year, we were a little afraid to do it because we had just opened on November 21st --

MR. GOLDSTEIN: Yes, I understand that; but now you've got experience, haven't you?

MS. HOWARD: Yes, and the equipment is working fine. We have all of our cars in now. So, we're very comfortable with offering the service this year.

MR. GOLDSTEIN: Are people coming downtown on this?

MS. HOWARD: They are. The last Saturday, we

handled about -- it handled about 17,000 people.

MR. GOLDSTEIN: 17,000.

MS. HOWARD: Which is close to what we had projected for a regular Saturday.

MR. GOLDSTEIN: Well, are the stores cooperating, and saying --

MS. HOWARD: (Nods head affirmatively.)

MR. GOLDSTEIN: -- "Come on downtown and do your shopping. It's convenient."

MS. HOWARD: They are. In fact, some of them have bought tickets from us -- Metro tickets from us at the full price and are giving them out to customers as a promotion.

MR. GOLDSTEIN: See, if I had a store downtown, that's what I would be doing.

MS. HOWARD: They are. They're doing a very good job right now.

MR. GOLDSTEIN: I'd be promoting. In other words, to get people to come downtown. You don't have to pay a parking fee; you run right on down, and get a chance to see all your friends, and get a breath of the

city.

MR. JAMES: You should have been a merchant; you know that?

MR. GOLDSTEIN: Well, I was a merchant, you know, part-time. I worked my way through school, and all that business. But, it's so easy to do. You see? You got to jazz it up a little bit. I don't have to have a company telling me how to do it. I mean, I know how to do it. I'm the Comptroller. So, I don't have that job, but it makes sense; you see?

MS. HOWARD: We hope to be able to turn around our bus ridership, which has been declining in recent years. It's leveling off now, and the Metro has helped, also, by adding some new transit riders, but we're hoping to turn this around and really help with the revenue.

MR. GOLDSTEIN: Well, I'd appreciate it if you would give us a report in, say, six months from now to see how it works. Will you do that?

MS. HOWARD: Yes, sir.

MR. GOLDSTEIN: Thank you, Ma'am. That's a good job. Is anybody here from Natural Resources?

Dr. Mascott, is he here?

MS. REYNOLD: Is anyone here from the Power Plant Siting Program?

MR. ESKEW: No, there's nobody here.

MR. GOLDSTEIN: All right.

MR. ESKEW: Can I get some information for you?

MR. JAMES: No, that's all right.

MR. GOLDSTEIN: Well, no, he gave us the information, but I just wanted to put it in the record, you know, about that model for --

Thank you. Have a good day, and Merry Christmas and Happy New Year.

AUDIENCE: You, too. Thank you.

MR. GOLDSTEIN: Thank you. All right. No. 9, that's a sad case. That's that money for those farmers that got killed down there in Baltimore County. I'm telling you, it's a sad thing.

Do you want any information on 11-GM?

MR. JAMES: No. It's in agreement; and, no, nothing you can do about that.

MR. GOLDSTEIN: 12, 19 -- let's see here --

I think we're ready to get that approved.

MR. JAMES: I move we approve the Budget and Fiscal Planning Agenda.

MR. GOLDSTEIN: I second the motion. All in favor signify by saying "aye."

BOARD MEMBERS: Aye.

MR. GOLDSTEIN: Opposed, "no."

BOARD MEMBERS: (No response.)

MR. GOLDSTEIN: So ordered. University of Maryland Agenda. I believe you had one question; didn't you, Bill?

MR. JAMES: The only one I had was 4-M, and the question was: how long we would approve that contract? And I move --

MS. REYNOLD: Don, his question was on 4-M.

MR. GOLDSTEIN: Well, no, just a minute. I want to ask him a question on 3-M.

MS. REYNOLD: I'm sorry.

MR. GOLDSTEIN: Would you mind putting your name in the record, please, sir?

MR. MYERS: Yes. Don Myers, Vice President for

General Administration, University of Maryland.

MR. GOLDSTEIN: Mr. Myers, on Item No. 3-M, I notice you're going to have to replace the roof on the Hornbake Library, Building No. 147. And we know there have been all kinds of problems with roofs; even after they're replaced, they leak. Are you going to have somebody from your department of general services, or whoever you have over there on the campus to really supervise and look to see that this roof is put on right?

MR. MYERS: Yes, I've talked with the Physical Plant Director at College Park, Mr. Kriemelmeyer, and we will be monitoring that ourself very closely. We're familiar with the contractor who is doing this. They've done work for us before, and we do not anticipate a problem with this. But you are correct: this roof was put on in 1972, and we're replacing it at the present time.

MR. GOLDSTEIN: Right. I mean, that's a short time for a roof.

MR. MYERS: Yes, indeed, it is.

MR. GOLDSTEIN: And that's a right big library; isn't it?

MR. MYERS: Yes, it is.

MR. GOLDSTEIN: It's a big building. It's a fine library. Okay, that answered my question. Bill, I think you have one on No. 4.

MR. JAMES: Yes, No. 4. I want to move that Item No. 4 be approved for the first 18 months, and that extensions and modifications be brought back to the Board for Items 2, 3 and 4. When you extend this contract, we want to see what the escalations are.

MR. MYERS: I understand, yes. We will do that, and that's no problem. We'll build that into the Agenda item for our reference, yes.

MR. JAMES: All right. Because your escalation, here, is apparently tied to an index. We would just like to see what the escalation is.

MR. MYERS: Fine. We'll do that, yes.

MR. JAMES: All right.

MR. GOLDSTEIN: I second that motion for that amendment. Do you make a motion we approve the University of Maryland Agenda?

MR. JAMES: So moved.

MR. GOLDSTEIN: I second the motion. All in favor signify by saying "aye."

BOARD MEMBERS: Aye.

MR. GOLDSTEIN: Opposed, "no."

BOARD MEMBERS: (No response.)

MR. GOLDSTEIN: The ayes have it. Thank you, Dr. Myers.

MR. MYERS: Thank you.

MR. GOLDSTEIN: Merry Christmas and Happy New Year. Do you want to eat lunch now?

MR. JAMES: We could probably go ahead and finish it up.

MR. GOLDSTEIN: Fine. All right. Certainly.

MS. REYNOLD: Do you want to finish it up?

MR. JAMES: Yes, we might as well. Why not?

It's only ten after 12. I think we can finish it up before too long.

MR. GOLDSTEIN: Right.

MS. REYNOLD: Okay.

MR. GOLDSTEIN: Go right ahead -- full steam ahead. Moving right along here -- General Services. We're making

good time. General Services Agenda.

MR. SEBODA: We have one item that I want to withdraw, and that's 14-RP. And that is University of Maryland Plant Farm, and they wanted to take it back and do a little bit more refining on it.

MR. GOLDSTEIN: 14-RP withdrawn, right? All right, let's see here. Well, 1-C, you answered that the other day.

MR. SEBODA: Well, on 2, we had some discussion at the pre-Board meeting concerning how the new Youth Center ties in to the facility that's being disposed of. Would you like me to withdraw that, and hold it until January the 7th since our meeting for the site is scheduled for January the 3rd?

MR. GOLDSTEIN: Yes, why don't we do that.

MR. SEBODA: Okay. We'll do it.

MR. GOLDSTEIN: Let's see. January the 3rd, we inspect site; right?

MR. JAMES: That's right. That's 2?

MR. SEBODA: Yes. And that it won't cause us any difficulties because --

MR. GOLDSTEIN: No problems?

MR. SEBODA: -- not much activity takes place during Christmas week.

MR. GOLDSTEIN: That's right; everybody is celebrating. What is your next one, Bill?

No. 9, that's the appeal we're having here after lunch.

MR. SEBODA: That's the one you're going to have at 2:00.

MR. GOLDSTEIN: Right. Okay.

MR. SEBODA: That will be Mr. Bushey and Delegate Muldowney.

MR. GOLDSTEIN: All right, sir. What is your next one, Bill?

MR. JAMES: Lou, I think the sale of houses was the next one I had, 25. That is apparently going well. I just thought I'd make a note of it. I don't know if you're going to put anything in the record on that.

MR. GOLDSTEIN: Well, see, I have No. 18.

MR. JAMES: 18?

MR. GOLDSTEIN: I think. No. 18, let's see what

that was there.

MR. SEBODA: No. 18 is a house at Rocky Gap, and that we are acquiring 7.15 acres, and the value of the house on the property is 85,000, and 35,000 is the land. And I think your question was to the Department of Natural Resources regarding the occupancy of the house.

MR. GOLDSTEIN: That's right. That's why I wanted to be sure Mr. Fred Eskew was here because that's too valuable a house, see, to let it stay unoccupied.

MR. ESKEW: That's right.

MR. GOLDSTEIN: And it's a real unique location right there in the vicinity of where you're talking about building that new recreation center. So, can you get somebody lined up?

MR. ESKEW: Yes, we will have it occupied.

MR. GOLDSTEIN: When do you expect to make settlement for this property?

MR. ESKEW: Settlement probably wouldn't take place for another month or two; right?

MR. SEBODA: That's correct.

MR. GOLDSTEIN: Well, don't you think you ought

to be in the meantime trying to find a lessee?

MR. JAMES: Do you have any -- a park attendant, or something like that that want to live in it?

MR. ESKEW: It's possible, but we would normally go to our rangers and give them the first option to rent the place.

MR. GOLDSTEIN: Yes, but your rangers --

MR. ESKEW: If not, we'll go out --

MR. GOLDSTEIN: -- your rangers couldn't pay a rent for this, the way this property is valued, I wouldn't think.

MR. ESKEW: Well, if that is the case, then we'll go outside because we have to comply with the policy of eight percent of the appraised value.

MR. GOLDSTEIN: Right.

MR. SEBODA: I think you have eight percent for an outsider; and if it's a ranger that works in the park, he gets it at half-price, doesn't he?

MR. ESKEW: No. Either a superintendent is there, or we tell the personnel that they have to be there on a 24-hour call, and they get gratis housing. Other than that,

all other employees -- it used to be you'd have --

MR. SEBODA: The half-prices.

MR. ESKEW: -- all different -- half-prices and all kinds of things, and we stopped that about 1973, working with the Board members.

MR. JAMES: Well, Fred, how does this fit into your new policy that, you know, we discussed; your overall policy of trying to improve the care of these historic homes and places that the Department owns? And as I recall, you were going to try to get a grant to support two employees.

MR. ESKEW: We have not yet received a grant, but I've got assurances from Rodney Middle that as soon as they get their Federal allocation, that we are very high --

MR. JAMES: You got a real program to actually concentrate on bringing these -- taking care of these historic places.

MR. GOLDSTEIN: Right.

MR. JAMES: No. 1, of course, the first thing that the -- this is a good example of taking care of a property right at the start.

MR. GOLDSTEIN: Well, see, that's it; that's when it's got to be done. As soon as somebody moves out, somebody ought to move in it. A vacant house will depreciate quicker than anything in the world.

MR. JAMES: Yes.

MR. ESKEW: I agree with you 100 percent.

MR. GOLDSTEIN: Especially like -- I'll give you an example. Yesterday afternoon, it was almost 60. This is down home. The temperature this morning was 28. Well, if that house don't have heat in it, that moisture gets in the walls, the paint cracks, the floors buckle; a house breathes like your body.

MR. SEBODA: Moisture in the wood and stuff, what it does is freezes, and it just tears it apart.

MR. GOLDSTEIN: That's exactly right. So, that's why it's so important, even if you have to put a ranger in there for a temporary time.

MR. JAMES: Yes, I would think even if he didn't pay any rent, it would be worthwhile.

MR. GOLDSTEIN: That's right. Well, you know what happens around those parks is that they close up

this time of year.

MR. ESKEW: That's right.

MR. GOLDSTEIN: And there's nobody -- look, I stopped up there the other night -- well, not the other night -- the other afternoon around 4:00, and went in there and changed my clothes. I was in a hurry, and I wouldn't have time. There wasn't a darn soul around. I just opened the door, and went in the bathroom there, and propped the door open, and washed up and shaved, and changed my clothes up in that park.

MR. JAMES: You shouldn't have any trouble getting somebody in there. Earl just showed me the view.

MR. ESKEW: Yes, it's a beautiful view. It sits on the east side of Pleasant Valley Road, and overlooks the lake.

MR. GOLDSTEIN: That's one of the prettiest parks in the United States, believe me. That lake there, and they got that cemetery in the back end of it. It's beautiful.

MR. JAMES: What condition is the house in?

MR. SEBODA: It's lived in now.

MR. JAMES: Is it?

MR. SEBODA: It's in excellent condition. The people are relocating out of the area because they got transferred.

MR. JAMES: I see.

MR. GOLDSTEIN: Well, yes, I know. It's a good area, and the fact you got that lake there where you can swim and fish and hunt. Lord, it's paradise.

What is your next one, Bill?

MR. JAMES: Well, mine -- see, I thought Earl might want to say a word about 25 as to how that disposal of houses is --

MR. SEBODA: Items 25 through 29 solves a problem that caused a lot of stir out in the Catonsville area last spring. And what has happened: the houses were declared surplus, and the Board had approved that they be sold at public auction. And we sold the five houses, and -- that's Items 25 through 29. And generally, we did very well for not having gone through a realtor. And that they will be in private hands; they will be owned by individuals who will live in the houses. And so, these have been

returned to the tax roll, and that the --

MR. JAMES: They had to agree to stay there three years.

MR. SEBODA: Yes, they have to stay there three years. Most of the people that are buying the houses are young folks who were there with parents, and the parents are helping them to get their starter house -- their first house. And I think everybody won on this one.

MR. GOLDSTEIN: Bill, I was out that way Sunday, and to me it's one of the -- it's southwest Baltimore County. It's a beautiful area. It's right off the Beltway; it's got good access; it's got good schools there. That's the Catonsville area; you can't -- it's one --

MR. SEBODA: That's where I live.

MR. GOLDSTEIN: -- it's really one of the nicest areas, and it's high; you know, a nice elevation. Did you ever go on top of the high school, stand on it, and overlook that whole Baltimore City.

MR. SEBODA: That's where my daughter goes to school.

MR. GOLDSTEIN: Have you ever been on top of

that roof?

MR. SEBODA: No.

MR. GOLDSTEIN: I've done that several times.
It's really something to see.

MR. SEBODA: See, what you have is Rolling Road,
and, you know, Baltimore is down in that --

MR. GOLDSTEIN: Yes, in the bottom.

MR. SEBODA: -- in the valley, right where the
Harbor is; and that the ridge runs along Rolling Road, and
then it rolls down the other side into Patapsco Valley.

MR. JAMES: You know, the way we say Thomas
Jefferson climbed to the dome of the State House?

MR. GOLDSTEIN: Right.

MR. JAMES: Someday people will say Louis
Goldstein was up here looking over our valley.

(Laughter.)

MR. GOLDSTEIN: Well, did I ever tell you the
story of the time I climbed Klingman's Dome in Tennessee.

MR. JAMES: No.

MR. GOLDSTEIN: What?

MR. JAMES: No.

MR. GOLDSTEIN: Well, my father-in-law was named Jesse Klingman Horton, and that mountain was named after his great, great, great grandfather. See, he was trying to test me. That was the first time I ever met him and went down there, and that old man was 78 years old, and he went up that old mountain just like a squirrel going up a tree. And I got halfway up there, and I'm telling you I was winded. He says "What's wrong with you? What's wrong with you?" I said "This light air has got me," and I got my second wind and finally got up there. The following year, we had a conference down there -- a legislative conference down in that same area -- Gatlingurg and the late Senator John Grayson Turnbull and Delegate Jerome Robinson, I was going to test them. So, I took them up Klingman's Dome; they got one-third of the way, and, man, they almost died; and they haven't climbed to the top of that Klingman's Dome, yet.

(Laughter.)

MR. GOLDSTEIN: That's almost 8,000 feet high. It's the largest --

MR. JAMES: Well, I wouldn't say they were the

finest physical specimens you could have taken with you.

MR. GOLDSTEIN: Right.

MR. JAMES: I know them very well. Well --

MR. GOLDSTEIN: Does anybody have any questions on these Historical Trust easements?

MR. JAMES: Yes, this 30 is the one --

MR. SEBODA: On Item 30, I think Mr. Bob Beckett is here from the Maryland Environmental Trust.

MR. JAMES: This is the one I was talking about, Louis.

MR. GOLDSTEIN: Yes, okay.

MR. SEBODA: And we have here an item before you for a gift easement on the exchange for 7.6 acres. And that in order to get the tax advantages, that there should have been a companion item on Sandy, and that it didn't happen. So, Mr. Beckett --

MR. GOLDSTEIN: Do you want to give your name for the record and title, please, sir?

MR. BECKETT: Bob Beckett, Director, Maryland Environmental Trust. There appears to be some confusion about Item 30. In fact, what the property owner wishes

to do is grant to the State a conservation easement on the entire 146-acre tract. The grantees would be the Maryland Historical Trust and the Maryland Environmental Trust, as co-grantees. The only significance of the 7-acre piece is that the home -- a historical home -- is on a tract of land of approximately 7 acres, that will be nominated for National Register recognition, but there is only one easement being offered on the entire piece.

MR. SEBODA: I think what we can probably do is since the original item had come from the Historic Trust, we can probably revise the title; we'll give you a revised page that will be "Maryland Historic Trust, Maryland Environmental Trust," and the easement will be for 146 acres. And that will, I think, rectify their problem, and allow them to get the tax benefits.

MR. JAMES: Well, I suppose the easement will define what the responsibilities of the Maryland Historic Trust are, and what the responsibilities of the Maryland Environmental Trust are in relation to the property --

MR. BECKETT: That's correct.

MR. JAMES: -- so there won't be any confusion.

MR. BECKETT: We have taken a number of joint easements in the past, and the division of responsibility is clarified in the document.

MR. JAMES: Okay.

MR. GOLDSTEIN: Mr. Beckett, where is this property exactly located in Charles County?

MR. BECKETT: You've got me there. I did not handle this one. It's on a -- it's on a small tributary to the Zachias Swamp, but I can't fix it for you any better than that, and I don't have a map with me.

MR. SEBODA: I have a map here that will show you; and that what you're looking at is Maryland 301 --

MR. GOLDSTEIN: I'm very familiar with that road.

MR. SEBODA: -- Route 6, and then below La Plata --

MR. GOLDSTEIN: I'm very familiar with Route 6.

MR. SEBODA: -- and right here is where the property is located.

MR. GOLDSTEIN: Well, it must be --

MR. JAMES: Is that it? Is that it?

MR. SEBODA: Right here, where the road exits.

MR. GOLDSTEIN: -- Zachias Swamp --

MR. JAMES: Oh, oh. Oh, I see.

MR. GOLDSTEIN: -- the Zachias Swamp flows
into the Wicomico River. The Zachias Swamp?

VOICE 1: Well, that's up north of that; isn't it?

MR. GOLDSTEIN: The Zachias Swamp don't run --

VOICE 1: It don't run down to La Plata.

MR. GOLDSTEIN: No, no; the Zachias Swamp runs
the other way.

MR. SEBODA: This is where the property is.

MR. GOLDSTEIN: Well, that's all right. What
is it; a frame, or a brick home?

MR. BECKETT: I'm not familiar with the home.

MR. GOLDSTEIN: I see.

MR. BECKETT: The MHT is -- I'm sure they would
have that answer for you.

MR. JAMES: Did the Maryland Historic Trust
handle most of this?

MR. SEBODA: The Maryland Historic Trust handles
the house and the 7.6 acres; and then, normally, you get
those items that they send to her for land and all that
sort of stuff.

MR. GOLDSTEIN: The Boone family property; is that the same Boone that's on the State Police? That property is east of Route 5.

MR. JAMES: Well, I think we can approve it because we literally have a --

MR. SEBODA: What you can do is that we can make out joint, and we get over the technicality of the two Agendas. We'll say it's for 146 acres.

MR. GOLDSTEIN: You're something else, sir.

MR. SEBODA: No, this is just a --

VOICE 2: This just shows the properties around there.

MR. JAMES: Well, normally, we get supplemental material on this.

MR. GOLDSTEIN: You know, Ms. Carico's sister married a Boone. I just wonder if it's the same family.

MR. ESKEW: It could be.

MR. SEBODA: This is just a blow-up that shows the Patuxent River and railroad tracks.

MR. JAMES: There doesn't seem to be any road to this, on this map.

MR. ESKEW: That's getting down towards the fairgrounds, where they got that exit.

MR. GOLDSTEIN: Yes, I know.

MR. JAMES: Who handled this out of your department?

MR. BECKETT: Actually out of our department, one of our trustees handled this; our chairman, John Murphy.

MR. JAMES: I see. Oh, yes, I know well he's a very capable person.

MR. BECKETT: And he has been on the site. I mean, he could answer the question of the material that the house is constructed of.

MR. JAMES: Louis, you know him. John C. Murphy used to be Assistant Attorney General --

MR. GOLDSTEIN: Yes.

MR. JAMES: -- over at the Planning Department, and he's Chairman of the Maryland Environmental Trust.

MR. GOLDSTEIN: Right.

MR. JAMES: So, he's very capable in this area; I can assure you he is. All right.

MR. GOLDSTEIN: Well, you all get it fixed up.

And Readbourne, I'm very familiar with Readbourne. That's good.

MR. BECKETT: Will it be able to be approved, so that we can record it this year?

MR. GOLDSTEIN: Yes, he'll make the motion right now.

MR. JAMES: Yes, I move we approve this item with the understanding we'll get some supplemental material later.

MR. GOLDSTEIN: I second the motion. All right. Is there any other questions on any other of these items?

MR. JAMES: Okay. Let's see, that Readbourne is a big price; isn't it, or is it?

MR. GOLDSTEIN: Let's see. I have one question on one of the leases. That was on 52-L, page 53.

MR. SEBODA: 52-L is a lease for the provider part of Social Services for Baltimore City, and your question was that if it was effective in August, 1984, why did it take so long to get here. What we were doing was negotiating with them; it was a difficult negotiation; and that we had a holdover lease for the period before that;

and so, the actual lease runs from August 1st, 1984.

MR. GOLDSTEIN: All right. That answered my question. Bill, do you have anything else?

MR. JAMES: I don't have anything else.

MR. GOLDSTEIN: Well, let's see. There was one item there -- let's see -- here on Item 59-CGL.

MR. JAMES: The detention center, Lou?

MR. GOLDSTEIN: 59.

MR. SEBODA: 59-CGL is a drinking -- not drinking -- a Driving While Intoxicated Facility for Prince George's County. When the Prince George's County jail loan was being debated by the General Assembly, they amended the bill and added in 500,000 for a Driving While Intoxicated Facility. And this total contract is worth \$722,347; and so the County will be putting in \$222,347.

MR. GOLDSTEIN: It's being matched.

MR. SEBODA: The original requirement was an outright grant with no matching requirements --

MR. GOLDSTEIN: Yes, I see that.

MR. SEBODA: -- but the facility came in substantially over what they thought it would; and so that

the County is putting up the remainder of the money.

MR. JAMES: Earl, we've got a problem here -- excuse me, Louis, go ahead.

MR. GOLDSTEIN: Well, that's what my question is. Here you got the Farr Construction, here, and you got another fellow -- a company that's building the prison. Are they both going to be right there side-by-side?

MR. SEBODA: No. These aren't going to be on the same location.

MR. GOLDSTEIN: They're not?

MR. SEBODA: No.

MR. GOLDSTEIN: Different locations.

MR. SEBODA: Well, yes.

MR. GOLDSTEIN: Excuse me. Go ahead.

MR. SEBODA: This is a freestanding facility.

MR. GOLDSTEIN: In other words, the drunken drivers will be put in this prison.

MR. SEBODA: Yes. I think this is a place --

MR. JAMES: For the elite -- an elite jail.

MR. SEBODA: Yes, where you don't want to put them in the normal jail.

MR. GOLDSTEIN: I see. In other words, this will be a high-class prison.

MR. SEBODA: Yes. It's across the --

MR. JAMES: Where the socialites meet.

MR. GOLDSTEIN: This is for the society people that get drunk on Saturday night and Sunday.

MR. SEBODA: What you have is: the DWI Facility will be here --

MR. GOLDSTEIN: That's on Brockridge Road; isn't it, somewhere?

MR. SEBODA: Dill Drive.

MR. GOLDSTEIN: Dill Drive?

MR. SEBODA: And that the future correctional facility, which is the one that the rest of Public Works is developing, is across the street, and they're free-standing.

MR. GOLDSTEIN: But in the same general area.

MR. SEBODA: Yes, across the street. And this is freestanding, by itself, and so --

MR. GOLDSTEIN: Does it have cells in it, and everything?

MR. SEBODA: Yes, it has -- they don't refer to them as "cells."

MR. GOLDSTEIN: Bedrooms.

MR. SEBODA: They refer to them as "housing."

MR. GOLDSTEIN: Housing; I see.

MR. SEBODA: And that they're dormitory style.

MR. GOLDSTEIN: Are they going to have the same thing for other counties now that Prince George's is getting one of these?

MR. SEBODA: I couldn't answer that question.

MR. JAMES: Any female housing there? I see male housing. Oh, you got them over there. Two for male --

MR. SEBODA: Five female and five female; eight male and eight male.

MR. JAMES: You expect more male customers than female.

MR. GOLDSTEIN: Well, this is the first one like this in the State; isn't it?

MR. SEBODA: This is the first one that I've seen.

MR. GOLDSTEIN: I see. Well, we're learning something all the time; aren't we?

MR. JAMES: Well, yes.

MR. SEBODA: In some of the other counties, we have had lease space where we do an educational program, but this is the first one that I've seen that's been a residential program.

MR. GOLDSTEIN: Well, why wouldn't you be better off just leasing a motel? Some of these motels aren't doing too much business off the main road.

MR. SEBODA: That's an option.

MR. GOLDSTEIN: Ought to write a bill.

MR. SEBODA: And that we'll present that to the people Public Safety and Correctional Services.

MR. GOLDSTEIN: Well, I think you better talk to the Governor, first, and the Legislature because you talk to these high priced bureaucrats and they want to build a nice big monument to themselves, you know.

MR. SEBODA: Will do.

MR. GOLDSTEIN: Does that have bars? Is it anything like a prison?

MR. SEBODA: No, no.

MR. GOLDSTEIN: Well, it's really just a nice,

high-class retreat. You got a place there for a minister, or a chaplain?

MR. SEBODA: They have a place -- they have classrooms that show on there.

MR. GOLDSTEIN: Classrooms.

MR. SEBODA: Classrooms.

MR. GOLDSTEIN: Going to have a prayer room where they can do a little praying?

MR. SEBODA: They don't have a chapel, per se.

MR. GOLDSTEIN: I see. Maybe that's what they need more so than anything else.

MS. LIEDER: Excuse me.

MR. GOLDSTEIN: Yes, Doctor.

MS. LIEDER: This was a legislative initiative.

MR. GOLDSTEIN: Pardon?

MS. LIEDER: This was a legislative initiative. It was put into the -- it was amended into their jail bond. It was not an administration program. It's in our administration. It's one of the things --

MR. GOLDSTEIN: Yes; but see, you know how things start in Maryland. You haven't been around as

long as I have, but I can remember the first time we built a beautiful mansion for a president of the University of Maryland, and then they had to have one over to Morgan State University, and had to have one at Towson State University, and had to have one down on the Eastern Shore, and had to have one in Bowie. You see, once you start, you got to keep it up. You can't discriminate. You know what discrimination is now.

MS. LIEDER: Well, I think a great number of our administration programs grew out of legislative initiatives.

MR. GOLDSTEIN: Well, I mean, I'm not --

MR. JAMES: You know about that; you were in the Legislature.

MR. GOLDSTEIN: Oh, sure. I mean, look, I know something about that; yes, indeed. I've done a lot of that myself when I was in the Legislature. After all, the good Lord gave us initiative, and we're supposed to use it. I'm just making these observations --

MR. JAMES: Well, you have to have a good supply, first.

MR. GOLDSTEIN: That's right.

MR. JAMES: And then, I imagine that Prince George's --

MR. GOLDSTEIN: Now, over in Sweden, you know what they do to them in Sweden; don't you? They put them in jail, and take the keys away, and say "That's it, buddy." They don't give them a second chance. Here, we're going to make it nice. You know, as winter is getting cold, some of these guys say "Man, look, I can over there in Prince George's County and get locked up for drunken driving. I got a place to spend the whole winter."

MR. SEBODA: It used to be the -- maybe about ten years ago, that if you had those problems, you went to a State mental hospital.

MR. GOLDSTEIN: Right.

MR. SEBODA: That's how you took care of the winter months.

MR. GOLDSTEIN: You spent the whole winter over there: short walks around; had good food; a nice warm bed. All right.

MR. SEBODA: But they don't accept them anymore.

MR. JAMES: Lou, I'd like to just make a motion --

a special motion on 60. That's that Edgewater Village --

MR. GOLDSTEIN: Right.

MR. JAMES: -- problem in Harford County, and
I move its approval.

MR. GOLDSTEIN: I second the motion. All in
favor signify by saying "aye."

MR. JAMES: And I move we approve the Agenda.

MR. GOLDSTEIN: With the exception of the items
that are withdrawn.

MR. JAMES: Yes.

MR. GOLDSTEIN: I second the motion. All in
favor signify by saying "aye."

BOARD MEMBERS: Aye.

MR. GOLDSTEIN: Opposed, "no."

BOARD MEMBERS: (No response.)

MR. GOLDSTEIN: The ayes have it, and so ordered.

MR. JAMES: Okay.

MR. GOLDSTEIN: Thank you all for your cooperation,
and have a Merry Christmas and a Happy New Year.

We'll now take a break for lunch.

MR. JAMES: Right.

MR. SEBODA: We've got that one item at 2:00.

MR. GOLDSTEIN: Yes, 2:00. Right.

(Whereupon, a luncheon recess was taken.)

GOVERNOR HUGHES: Okay. We have one public appearance -- right? --

MR. SEBODA: That's correct.

GOVERNOR HUGHES: -- on the General Services Agenda, Item 9-AE, page 9.

MR. SEBODA: 9-AE is the recommendation of the General Professional Services Selection Board for a recommendation of the award of an architectural contract with a renovation of two residential cottages and the construction of a new multi-service treatment building at Cheltenham. The recommendation is that the award be given to Colimore/Clarke Associates for a fee of \$198,150. The firm of Bushey Associates of Hagerstown, who has a price of \$155,000, is protesting that award to the Board of Public Works. We have here from -- representing Mr. Bushey is Mr. Bushey himself, and Delegate Paul Muldowney from Hagerstown who is with Mr. Bushey; and that representing the Board is Mr. Bob Byrd, who is the General Secretary

to the General Professional Services Selection Board.

GOVERNOR HUGHES: Okay. Which one would you want to hear from first; Mr. Byrd?

MR. SEBODA: Probably Mr. Bushey.

GOVERNOR HUGHES: Mr. Bushey. Okay. Mr. Bushey?

MR. BUSHEY: Good afternoon, gentlemen. I just want to say and just recap here a little bit. You have the scores and everything in front of you.

Our firm was one of the four that was selected for the short list and qualified to do the project. In submitting our technical proposal, we had a score of 101 out of a possible score of 130. We also had a price which was \$155,000. That was the lowest price submitted. Our score -- the Using Agency, then, at the meeting of the Selection Board on November the 1st, selected the firm of Colimore/Clarke who had a score of 110, but had a price of \$198,000. That was some \$43,000 higher than ours, but only nine points higher than ours on the technical score.

We appealed the project to the Selection Board and had a review meeting with the reviewing team, and we found in the review and how they scored the technical

proposal our understanding was exactly the same as the other firm. We were eight points different on our approach; and in the review of the approach, most of the comments had to do with landscaping. Now, we did not give much emphasis in our technical approach on landscaping; however, we did mention it and did cover it. Out of the five on the review team, three of the review team scored us exactly the same on the approach; two of the review teams gave us low marks; and that's where their reasoning was that we had not given that much emphasis on landscape.

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

GOVERNOR HUGHES: Yes.

MR. GOLDSTEIN: On the construction of the building, in the real meat and guts of it, were you all the same?

MR. BUSHEY: Yes, sir. Where they cut us down was the --

MR. GOLDSTEIN: Well, the landscape is outdoors. I mean, that's something that comes after you put the building up.

MR. BUSHEY: Yes, sir.

MR. GOLDSTEIN: But on putting the building up: the foundations, and the heat and light, and whatever makes the building function; were you all the same?

MR. BUSHEY: They were all the same.

MR. GOLDSTEIN: That's unusual.

MR. BUSHEY: Now, landscaping -- I want to point out that landscaping wasn't even mentioned in the program, nor was it mentioned at the pre-proposal briefing. However, it is a factor in any project that --

MR. GOLDSTEIN: I understand that; but, I mean, that comes after you get the building up.

MR. BUSHEY: Yes.

MR. SEBODA: Mr. Comptroller, let me add something. The question that you asked and the response that Mr. Bushey gave I don't think answered your question. When they are evaluating the technical proposal, there are four broad categories that are evaluated.

MR. GOLDSTEIN: What are they?

MR. SEBODA: It's understanding of the project and the program.

MR. GOLDSTEIN: Understanding.--

MR. SEBODA: That's one.

MR. GOLDSTEIN: -- of the project.

MR. SEBODA: And the program.

MR. GOLDSTEIN: And the program; yes, sir.

MR. SEBODA: Colimore got a 30, and Bushey got
a 30.

MR. GOLDSTEIN: 30/30, right.

MR. SEBODA: No. 2 is the firm's approach to
the problem work plan.

MR. GOLDSTEIN: Approach to the --

MR. SEBODA: Problem work plan. Colimore got
a 42, and Bushey got a 34.

MR. GOLDSTEIN: 34 to Bushey. How much to the
other one?

GOVERNOR HUGHES: 42.

MR. SEBODA: 42 for Colimore.

MR. GOLDSTEIN: 42, right.

MR. SEBODA: And the third item is the proposed
schedule of work. Colimore got a 30, and Bushey got a 30.

MR. GOLDSTEIN: Proposed schedule -- 30/30.

MR. JAMES: Explain that second category, the

approach. What does that mean?

MR. SEBODA: Well, when you're looking at the approach to the work, one of the things that you're going to get: you're asking for someone to give you a design solution; and that when you ask for a design solution, there are many ways to solve the problem. So, what they are doing is evaluating the written solution to the problem.

MR. JAMES: Well, what is so difficult about this design? It says cottages and --

MR. SEBODA: Well, the two cottages that you have there are ones that are to be renovated; that they exist. And the third --

MR. GOLDSTEIN: You're going to renovate the interior; you're not going to renovate the exterior, but maybe a little painting.

MR. SEBODA: No, no, no. You're going to renovate the interior of those cottages, and then you're going to build a new multi-purpose building, which in essence is a school building for emotionally disturbed children.

MR. JAMES: Is it a difficult design problem?

MR. SEBODA: I don't think so. It's one that we've probably seen before, and most people --

MR. GOLDSTEIN: We have all kind of emotionally disturbed kids in schools all over the State of Maryland.

MR. SEBODA: No, I'm not saying that it's, you know, it's a hard design problem.

MR. GOLDSTEIN: It's up to the teachers and the parents, you know.

MR. JAMES: Okay. All right.

MR. GOLDSTEIN: Now, what's the fourth category?

MR. SEBODA: The fourth is the proposal presentation, and that --

MR. GOLDSTEIN: What?

MR. SEBODA: Proposal presentation.

MR. GOLDSTEIN: Proposal --

MR. SEBODA: Presentation. Colimore got an eight, and Bushey got a seven. And so, it all centers around the firm's approach to the work, which is the second item that I gave you, and that's where the difference basically is.

MR. GOLDSTEIN: I learned something today.
To me, a lot of that stuff is subjective.

MR. SEBODA: Well, I think you're going to deal with any selection process that is evaluating creative skills is going to be subjective. Unless you sit down, and you're telling someone that "I want you to take this plan, put it on this spot, and do a retracing job for me," you're buying the creativity of the individual practitioner, be he an architect or an engineer.

MR. GOLDSTEIN: Well, now, as a taxpayer -- I'm speaking as a taxpayer -- I don't see where there's a \$43,000 difference myself, and I'm here representing the taxpayers in my job here. I'd vote to give it to Mr. Bushey.

MR. SEBODA: But you can't do that.

GOVERNOR HUGHES: Well, can we --

MR. GOLDSTEIN: Okay. Excuse me.

GOVERNOR HUGHES: Yes, I was going to have Mr. Bushey complete his statement.

MR. BUSHEY: Okay.

MR. GOLDSTEIN: Okay. I didn't mean to -- I had to ask him. Excuse me, Governor.

MR. BUSHEY: Well, you've heard the background on this. On the approach, we were eight points less than the other firm, but out of the five reviewers on the -- from DGS that was making this -- they were doing this scoring on the approach, three of them gave us exactly the same score. So, our point is: we weren't that far off on the approach; and in my experience -- and this is not our first job with the State, or the first time through the Selection Board -- we have never seen a nine point difference in the technical score be this significant, and especially when there is a difference of \$43,000 in bidding. Nine points represents about eight percent of that technical score.

So, as I was -- as I understood, the award of these kind of projects goes to the best combination of technical score and price proposal, and that is why we're here today is that we feel we had the best combination of the two -- the technical score and the price proposal.

One other point was: once we had made that short list -- that selection of four firms -- we were equally qualified; there was no more -- the Department of

General Services had already determined that we were as qualified as any of the other three firms on that short list.

So, that's really my case, or my point.

GOVERNOR HUGHES: Any questions of Mr. Bushey?

BOARD MEMBERS: (No response.)

GOVERNOR HUGHES: Thank you, Mr. Bushey.

MR. GOLDSTEIN: Thank you, sir.

MR. BUSHEY: Thank you.

GOVERNOR HUGHES: Delegate Muldowney?

MR. MULDOWNEY: Governor Hughes, Comptroller Goldstein, and Treasurer James. I appreciate this opportunity to be here before you today.

I'm here as a participant in the appeal process which has been established by law and regulation. I would like to go on the record as stating that I believe in the precept that in this type of service the low price is not necessarily always the best. I believe that. It's kind of like the astronaut going into space who is not very self-assured, thinking that the successful builder of that space satellite happened to be the low bidder. So, I'm

not here because I believe the low price is necessarily the best; I'm here because I think the entire process may need to be addressed. As a result of the process, I think Bushey Associates has been dealt with unfairly because they did make the short list. Out of about 30 applicants -- seekers of the work -- his firm was selected as one of the top four, which puts everybody pretty much on the same basis. After making the short list, his price was totally ignored, and it was an advantage to the State of something of 30 to 35 percent.

I would like to address the approach discussion, which you all just had a minute ago. There are 15 different grades applied to each firm; a score of one to ten -- 15 different opportunities to grade. When Bushey Associates got the lower score -- the difference of nine in their approach segment -- six of those nine was accounted for by one person who happened to be, by profession, a landscape architect. When Mr. Bushey went and took the first step of his appeal, he was advised that his proposal was a little short on the landscaping. I was present at his second step of appeal, and that wasn't even addressed.

There were a series of new issues discussed at the second hearing, of which Mr. Bushey had not had the opportunity to prepare; and I think if the State had been dealing with him honestly to start with, they would have discussed these points at the first hearing.

We have in this selection process a system which totally ignores price. Now, Mr. Bushey said that it's his conception that the successful bidder is designated as a combination of price and technical score; but, in fact, the formula that is used here allows the Selection Board to totally ignore the price. And I think the price -- although it doesn't account for everything -- accounts for something. It should be weighted in some fashion.

And so, I'm here today, Governor and members of the Board, to really talk about the system itself, and how it has affected this particular situation. I would urge that the Board of Public Works throw out these bids, and that's one of your three legal things -- I don't mean to be telling you what to do -- but that is an option for you, and I would urge you to take that option and use the yardstick; that if you award this contract as presented

today, would you spend your own funds in this same manner?

Thanks for letting me appear here today, and I appreciate it.

GOVERNOR HUGHES: Thank you, Paul. Any questions of Delegate Muldowney?

MR. JAMES: I'm not sure it's a question of Delegate Muldowney. I'm interested in this statement that the landscaping was not an original factor in the evaluation. Earl, can you clarify us on that, or --

MR. SEBODA: I think probably Mr. Byrd will address that.

MR. MULDOWNNEY: Mr. Byrd can -- Mr. Bushey can discuss that firsthand, Treasurer.

MR. JAMES: Yes. Okay.

GOVERNOR HUGHES: No questions, Paul.

MR. MULDOWNNEY: Thank you.

MR. GOLDSTEIN: Thank you.

GOVERNOR HUGHES: Mr. Byrd?

MR. GOLDSTEIN: Who does he work for?

MR. SEBODA: He is the Secretary to the General Professional Services Selection Board.

MR. GOLDSTEIN: I see.

MR. SEBODA: He represents the Selection Board.

MR. GOLDSTEIN: Right.

MR. BYRD: Governor Hughes, Comptroller Goldstein, and Treasurer James. My name is Robert Byrd.

As Secretary Seboda pointed out, I'm representing the General Professional Services Selection Board for this project. I'm not an architect or an engineer; I'm just the administrator of the Board; and as such, I'm just reporting to the Board of Public Works those actions that were taken by the Board on two meetings on November 1, 1984, and November 26th, 1984.

Mr. Bushey, in notifying the Selection Board of his intent to appeal to the Board of Public Works, indicated some seven items that he wanted the Board of Public Works to address, or he wanted to address to the Board of Public Works; and I have written some notes down addressing these seven items, and I would like to just go over them.

One of them, he has already discussed, was his lump sum fee was some \$43,000 lower than that of Colimore/Clarke Associates. Well, the statement is true; however,

the User Agency representative for the Department of Health and Mental Hygiene was able to convince the majority of the members of the Selection Board that the 43,000 additional dollars was well worth it to the extent that the 43,000 additional dollars represented some 1,200 additional architectural hours. The Using Agency representative had indicated to the members of the Board that this was a very sensitive project, and that it involved emotionally disturbed adolescents; and that anything that the architect could do with regard to the environmental aspect of the facility would be -- would go a long ways towards the treatment of the adolescent. You should also understand that the Using Agency representative, in making the initial recommendation to the members of the Selection Board on November 1, was questioned at length -- relatively at length by the members of the Selection Board with almost the same questions that I suspect some of the members of the Board have -- the Board of Public Works have. One of them was: how can you justify spending an additional \$43,000?

MR. GOLDSTEIN: What's that person's name that

did that?

MR. BYRD: This was -- Mr. Nieberding was the Using Agency representative who addressed the members of the Selection Board.

MR. GOLDSTEIN: Mr. Nieberding?

MR. BYRD: Mr. Nieberding is the Using Agency representative for the --

MR. SEBODA: Bart Nieberding.

MR. BYRD: -- Department of Health and Mental Hygiene.

MR. GOLDSTEIN: How do you spell his name?

MR. BYRD: N-I-E-B-E-R-D-I-N-G.

MR. GOLDSTEIN: That's all right; we'll find it.

Thank you, sir.

MR. BYRD: In that presentation on November 1, Mr. Nieberding pointed out that there were -- of the four proposals submitted, two of the proposals were clearly above two others. Those two: the proposal rated 117, and the other proposal rated 110. Mr. Nieberding didn't go for the highest technical proposal, which was some \$43,000 higher than the second highest technical proposal; and the

second highest technical proposal was some \$43,000 higher than the third highest technical proposal. Mr. Nieberding persuaded the members of the Board that the additional \$43,000 and the technical score of 110, which was only nine points, as Mr. Bushey pointed out, higher than the lowest price proposal, represented additional considerations. Some of those considerations were site planning. It's been brought to the members of the Board of Public Works that it was landscape architecture. It was more than just that. It was site planning, which involved stormwater management and sediment control. I spoke with the representative on the review team, who was referred to as the landscape architect and likes to refer to himself as a site planner, and how he derived the score that was pointed out was one of the low scores in rating Mr. Bushey's proposal. And his response was: the proposal was deficient in site planning, stormwater management, and sediment control.

MR. JAMES: Was that the single -- was that the landscape man?

MR. BYRD: That's the landscape man that was reported as having given it the low score. So, it's just

not landscaping. The other firms mentioned stormwater management and sediment control. It was the landscape architect's position that the omission of those items may very well have been the difference -- could very well account for a difference in fee. Now, you must understand that the members of the review team had no idea what the fee was. They were evaluating them in the blind.

MR. JAMES: Well, in this process, if one person gives a bidder or proposer a low score, that can have a disproportionate effect upon the total number of points, can it not?

MR. BYRD: It's one-fifth --

MR. SEBODA: It can; but one of the things that you should understand is that in reviewing a technical proposal, the technical team is an inner disciplinary team, and it's made up generally of a mechanical engineer, architect, landscape architect, and usually a civil engineer. And that the reason that this is done is so that in reviewing the proposal, that it is being reviewed from the perspective of the individual disciplines to see that all bases are touched.

MR. JAMES: Does, for instance, the landscape planning have an equal status with the design of the building in the evaluation where it actually might not be as important in the overall picture; it might -- really it should, in some instances, require a smaller weight --

MR. SEBODA: That's possible.

MR. JAMES: -- in the total picture.

MR. SEBODA: But when you're dealing with things like stormwater management, sedimentation control -- and these are things that are included in landscaping -- they can be important, particularly when you're looking at Cheltenham. Cheltenham, as a facility, is a multi-use facility that now houses juvenile delinquents from the Juvenile Services Administration; it has some folks there from MR; and then it has the Regional Institute for Children and Adolescents; and that one of the things that you deal with if you deal with the Health groups, is always the ability to have their own identity and not be stigmatized with the Juvenile Services people, the Mental Retardation people; and that we have our own identity expression and that we are isolated from the rest of the facility. And

T-5 I think that's what the concern is with the landscape architecture; is that, by this type of treatment, that the facility is buffered from the other people who are co-workers at the facility.

MR. GOLDSTEIN: Well, on that point, I'm very familiar with Cheltenham. It's down on Route 301. We gave some land to build a tobacco warehouse, and gave some land to build a cemetery there. There's hundreds of acres there. Where are you going to build it? -- on the far end; you going to build it on the east end; the west end? You know, we got a big farm land. It's not like Annapolis or Baltimore City.

MR. SEBODA: What you've got: as you go down, you've got the cottages that go around in a circle --

MR. GOLDSTEIN: Right.

MR. SEBODA: -- and that the MR's are here, the juveniles are here; the two cottages on the end of the circle are going to be the ones that are used for the Regional Institute for Children and Adolescents; and then the cottage and the multi-purpose building will then be constructed --

MR. GOLDSTEIN: So, now you have to plant some big trees down there; plant some long leaf pine, and some fast growing trees -- willows, oaks, and stuff that grows in that area. There's no mystery about that. He's not going to plant any short shrubs around there, or holly bushes; he's going to plant something that grows fast if you want to keep --

MR. JAMES: It's relatively --

MR. GOLDSTEIN: Sir?

MR. JAMES: Is it relatively level?

MR. GOLDSTEIN: Oh, that land is just as flat as this floor here.

MR. JAMES: That's what I thought.

MR. GOLDSTEIN: That land is just as flat as this floor here.

MR. JAMES: That's what I thought. Go ahead.

MR. GOLDSTEIN: That's why they located the cemetery -- the Southern Maryland Cemetery is there on the right side of Route 301 as you go south.

MR. SEBODA: Very quiet neighbors.

MR. GOLDSTEIN: Sir?

MR. SEBODA: They are very quiet neighbors.

MR. GOLDSTEIN: Sure they are. You got the buried; you got the people who have made records and all. What's so secret about the landscaping? You plant some big trees. I think this whole thing just don't look right, to me.

MR. JAMES: Go ahead.

GOVERNOR HUGHES: Well, there was a great -- not to get into all of that -- but there was a lot of controversy about whether to do it here, or do it someplace else; and finally, it was agreed to do it here.

MR. SEBODA: It's part of the community pressures--

GOVERNOR HUGHES: That's right.

MR. SEBODA: -- to look for that identity.

GOVERNOR HUGHES: Which is understandable that parents who have children that have handicaps don't want them to be identified --

MR. SEBODA: With juvenile delinquents.

GOVERNOR HUGHES: -- with a juvenile delinquent who happens to be in a building right nearby. I think that's understandable.

MR. GOLDSTEIN: Well, Governor, if you plant nice, big trees there, and nice rose bushes around there, it will smell nice and look nice.

GOVERNOR HUGHES: Yes. Well, I don't think that's really the issue here, though.

MR. GOLDSTEIN: Well, it seems to be because --

GOVERNOR HUGHES: Well, I mean, it's more than just landscaping, as I understand it. It's sediment control and other things, too.

MR. JAMES: Well, we ought to let the gentleman --

GOVERNOR HUGHES: Yes, go ahead.

MR. JAMES: You've only got past two points.

MR. BYRD: That's right. I think that's an important point, that certainly the site planner wanted to point out, to me, that stormwater management and sediment control, which is a requirement of the Water Resources Administration, in a proposal that did not adequately address stormwater management and sediment control --

MR. GOLDSTEIN: Well, sir, right there that land is all gravel; you got 30-foot of gravel underneath all of

that land. That whole area there is gravel. One of the prettiest deposits of gravel in the State of Maryland there.

MR. BYRD: Well, I'm not that familiar with Cheltenham.

MR. GOLDSTEIN: Well, I'm familiar with it. So, I'm trying to tell you. Have you ever been down there?

MR. BYRD: No, I haven't, sir.

MR. GOLDSTEIN: Well, there you are; you see.

GOVERNOR HUGHES: Well, I think we ought to understand Mr. Byrd's position. He's the Administrator to the Board. He isn't the engineer, or a part of the Board that makes the selection. He just handles the paperwork for them.

MR. GOLDSTEIN: But, Governor, I got to make a vote. I'm familiar with that area.

GOVERNOR HUGHES: I understand that, and he's just trying to report, you know, what the Board did --

MR. GOLDSTEIN: Yes, I read it. Excuse me.

GOVERNOR HUGHES: -- but it doesn't necessarily reflect his opinion. That's what I'm trying to say.

MR. GOLDSTEIN: I understand that.

GOVERNOR HUGHES: Yes.

MR. GOLDSTEIN: I mean, he's an innocent witness. This comes out of a report that was done. I understand that.

MR. JAMES: You're innocent.

(Laughter.)

MR. MULDOWNNEY: I would like to make one short point, please.

GOVERNOR HUGHES: Right now?

MR. MULDOWNNEY: On this point; could I?

GOVERNOR HUGHES: Yes.

MR. MULDOWNNEY: You gentlemen keep in mind that the Using Agency -- the Using Agency, which is the Department of Health and Mental Hygiene -- has input to the architect during the time of planning and signs off on those prints before they will even go to bid. So, if they're not satisfied with what is proposed, they don't have to sign off, and the architect doesn't go back and do his job better. So, just keep in mind that the Using Agency does have to sign off on these prints.

MR. SEBODA: And that also on the point, too, that if at a later date they come back and said "That wasn't in my technical proposal. I need more money for that," that also can be the subject of additional changes to the project.

GOVERNOR HUGHES: Yes.

MR. BYRD: All right, that was the concern expressed by the site planner; that the difference in the \$43,000, part of it may have been stormwater management and sediment control; that may have been -- they weren't certain, but that it may have been.

One of the other items -- if I can just move on -- one of the other items that Mr. Bushey pointed out was that his technical score and the understanding of the project was exactly the same as Colimore/Clarke, and Secretary Seboda pointed out that they were both 30. The highest scored technical proposal under understanding received 34 points. And one should not conclude that there is a necessary correlation between the rating for the evaluation criteria in the understanding of the project and program, and the more important evaluation

criteria in the firm's approach to the problem work plan. It's not unusual for a firm to have a -- rated high in understanding and still have a poor approach. So, I think the point that was trying to be made that if the understanding was the same as Colimore/Clarke, why was the approach so different; it doesn't necessarily have to be a direct correlation there.

MR. JAMES: I don't see how you can have a good understanding and a poor approach. That bothers me.

MR. SEBODA: Well, to give a very simplistic answer: that you know that the problem is, is to get from Baltimore to Washington on U.S. 1; and one guy proposes to do it on a roller skate, and the other guy says "We'll use a car," and that's his solution to the problem.

MR. GOLDSTEIN: I see.

MR. SEBODA: That's the difference.

MR. GOLDSTEIN: Some may take a helicopter.

MR. SEBODA: Sure.

MR. GOLDSTEIN: Yes.

MR. SEBODA: Yes, but the given was you're going to do it on Route 1.

MR. GOLDSTEIN: If you see somebody on Route 1 in a helicopter, does it go faster?

MR. SEBODA: You don't think that would slow up traffic?

MR. JAMES: Okay. We can --

MR. BYRD: It was also mentioned that the technical score on the approach of the project was only eight points less than that of Colimore/Clarke. This statement is also true; however, it should be pointed out that the range of scores for the four proposals in the category "firm's approach to the problem work plan" was from 34 points to 44 points. So, there was only a ten point spread in that category. The highest scored firm, Jacob Gzesh, had the 44 points, Colimore/Clarke had 42 points, and Bushey had eight points -- I mean 34 points, which is an eight point difference. If you were to put the 34 points as a percentage of the total amount of points that could have been received in that category, which was 50 points, a 34 out of a possible 50 points has a percentage is 68 percent. Colimore/Clarke, a 42 out of a possible 50 points, is 84 percent. So, as a percentage, there are 16 percentage

points difference between that category of "firm's approach."

It was also mentioned that: "The difference on the score of approach was with only two members of the review team who felt that more emphasis on landscaping was included in the Colimore/Clarke approach; the other three members of the review team had given us the exact scoring as Colimore/Clarke Associates." I'm quoting from Mr. Bushey's letter. Again, this statement is true, but one should be aware that the evaluation of a firm's technical proposal is subjective, as Comptroller Goldstein pointed out. Each member of the technical and price proposal review team bring to the evaluation team a different architectural engineering discipline. A mechanical engineer may review a technical proposal from a perspective that is different from that of a landscape architect, assuming both of these disciplines are to be addressed in a technical proposal. The evaluation criteria used by the technical and price proposal review team is in itself very subjective. Understanding -- these were already pointed out, but I'll just go -- understanding of project and program is one; the firm's approach to the problem work plan is another; proposal presentation is

another. The only criterion used by the technical and price proposal review team that is not objective is the criterion "proposed schedule of work." If a firm cannot design the project within the time frame stipulated in the program, then the firm's proposal is found unacceptable.

It should also be noted that technical proposals are evaluated against the requirements of the project program; and to an extent, evaluated against each other. There are no evaluation standards used by the technical and price proposal review team in its evaluation; that once having been met assures the technical proposal of a certain technical score. Each member of the review team submits his rating to be averaged with the ratings submitted by the other review team members. Prior to submitting his rating, each member discusses the reasons for the rating, and the reasons given oftentimes affects the ratings given by other members of the review team. Thus, singling out the rating given by a review team member, which is not in line with the ratings given by the majority of the review team members, serves no purpose. The technical proposal evaluation process was designed to allow each member of the

review team to exercise his professional judgment to evaluating a technical proposal. Proposals are evaluated in the blind, and members of the review team are made aware of the offers of the technical proposals only after all proposals have been evaluated, officially scored, and signed by each member of the review team.

So, I think Treasurer James had mentioned should one have more weight than the other: they all have equal weight. There are five members on the review team that have one-fifth of a score; and during the evaluation process, before anyone votes their score, so to speak, they discuss the proposal in depth. Quite often, it's the member with the low score that can influence other members to reduce their score, or it can be a member with the high score in a certain rating that can influence other members to raise their score.

MR. JAMES: Does the -- could I ask a question?

MR. BYRD: Yes, sir.

MR. JAMES: Does this Board ever go against the Agency? Do you ever go against the Agency?

MR. BYRD: Yes, yes.

MR. JAMES: How often?

MR. BYRD: Once or twice; it's not that often that it's happened. The Selection Board sort of looks at itself as --

MR. JAMES: So, you're really letting the Agency make the decision, basically --

MR. BYRD: Well, that's --

MR. JAMES: -- 98 percent of the time.

MR. BYRD: That's true. It's the Using Agency representative's motion to the Board that the Board acts upon, but the Using Agency representative's motion -- before the Using Agency representative can make a motion, he's aware that the motion must be seconded and passed by the members of the Board.

MR. JAMES: Well, I understand that.

MR. BYRD: And a Using Agency representative has made motions to the Board that have not been seconded. And what you probably don't have before you are the number of times that a Using Agency representative has made motions to the Board that haven't been seconded. And if a Using Agency representative makes a motion to the Board and

doesn't get a second, then the Using Agency representative has to make another motion in order to get a second.

MR. JAMES: What kind of a motion does he make?

MR. BYRD: Well, he makes a motion of the remaining firms that he can --

MR. JAMES: Oh, I see.

GOVERNOR HUGHES: Do you mean another motion, or another recommendation? Another recommendation.

MR. BYRD: Another recommendation --

GOVERNOR HUGHES: Yes.

MR. JAMES: I see.

MR. BYRD: -- to the members of the Selection Board.

MR. SEBODA: It's in this instance that the initial go-down -- that actually the Using Agency made the motion; they got a second; and that Mr. McCord, who is our Director of the Office of Engineering Construction, actually voted against the proposal to give it to this particular firm.

MR. BYRD: And they have mentioned the heavy emphasis was not included in the Bushey -- "A heavy

emphasis" -- and I'm quoting from Mr. Bushey's letter --

"A heavy emphasis was not included in the Bushey approach; however, landscaping was included. It should be noted that there was no mention of landscaping in the State's program, nor was it mentioned at the pre-proposal briefing. As was pointed out in the special meeting, landscaping often becomes an alternate in a project, and may or may not be included." You don't want to refer to it only as "landscaping." As I mentioned before, it was sediment control and stormwater management. Sediment control and stormwater management was a requirement, as part of the program package for the firms to submit their technical proposals. There are other packages submitted by the Selection Board, and one of these is a list of services that must be provided by the consultant. That list of services in a form that we call "Form GPSSB-20," and it called for stormwater management; and because proposals are evaluated against each other, those firms that addressed stormwater management in their proposal, it was very easy to see the deficiencies in Bushey's by not addressing stormwater management in its proposal.

MR. JAMES: Well, stormwater management on a flat piece of ground, that's not any problem; is it?

MR. GOLDSTEIN: Not down there.

MR. BYRD: Sediment control. Well, there's a lot of run-off.

MR. GOLDSTEIN: That's one of the best areas for gravel and sand in the State of Maryland. It would be different on top of a mountain up in Western Maryland where you have stone and hard land, but here you got level ground. As far as sedimentation, the State Highway now, under the new law, they're going back over roads and taking care of that on roads that were built ten years ago -- 15 years ago.

MR. JAMES: Was there sufficient emphasis placed on landscaping? I look on landscaping and stormwater management as a little somewhat different. Was there sufficient emphasis placed on that in the request for proposals?

MR. BYRD: No, there wasn't any -- when you say "sufficient," it was --

MR. JAMES: Was there any -- was there any --

MR. BYRD: -- it was sufficient. It wasn't in the body of the programming. Excuse me. It wasn't in the body of the program --

MR. JAMES: It was not.

MR. BYRD: -- and addressed in the body of the program to a degree that --

MR. SEBODA: It was on page 5, paragraph C-2, "Auxiliary Work: There is a new decree and a separate entity for the facility through landscaping, and a separate access road from Surratts Road to the complex." That's where it was mentioned in the program request for work.

MR. BYRD: It wasn't done within the same amount of space that the others -- and the other --

MR. GOLDSTEIN: I thought the main interest was on a functional building to give all of the young people an opportunity to speak, and to read and write, and be able to learn. That's in the building. And on the outside of the building, the landscaping or the road, that's something that -- that's extraordinary.

MR. BYRD: All right. Well, it's not just landscaping, and I don't want the members of the Board of Public

Works to focus totally in on landscaping. The architectural hours that would be provided by Colimore/Clarke --

MR. GOLDSTEIN: Oh, yes; the acoustical value of the rooms, and --

MR. BYRD: That's right. That's right. They were --

MR. GOLDSTEIN: -- and the floor, and quietness --

MR. BYRD: That's right. There was some 1200 additional hours; and, of course, those 1200 additional hours were reflected in an additional fee, but the Using Agency representative felt that those 1200 additional hours would have been well worth it.

MR. GOLDSTEIN: You see -- I won't bring it up, here -- but the University of Maryland will send people down and show you how to landscape in that rural area. They have a special department -- an extension service that does that for you.

GOVERNOR HUGHES: Is this an upset figure?

MR. SEBODA: No, it's a fixed fee.

GOVERNOR HUGHES: A fixed fee?

MR. SEBODA: A fixed fee. It's the total fee

for all five phases or six phases of work, with the sixth phase being the post construction, which is a very small part of that.

GOVERNOR HUGHES: What?

MR. SEBODA: It's a fixed fee for all six phases of work, where actually it's five, and the sixth phase is the post construction and it's usually a very small amount to come back after a facility is built.

MR. GOLDSTEIN: What's that for?

MR. SEBODA: What, the sixth phase?

MR. GOLDSTEIN: Yes.

MR. SEBODA: That's the post-construction; so that's for -- the first two years after the facility is built, they come back in three months to see and evaluate anythings that have happened to see whether or not there are any changes that should be made.

GOVERNOR HUGHES: Well, that's sort of an inspection service?

MR. SEBODA: No, no. No, what it is --

MR. GOLDSTEIN: Does the contractor come back, or is it just the Using Agency?

MR. SEBODA: Well, what it is: the architect, in the post-construction phase, comes back and tours the facility.

MR. GOLDSTEIN: I get you. To see if the roof leaks?

MR. SEBODA: Yes.

MR. GOLDSTEIN: Or see if the downspout is working; see if the floor is level.

MR. SEBODA: Things of that nature.

MR. GOLDSTEIN: See if the heat is working.

MR. SEBODA: Right.

MR. GOLDSTEIN: What happens if it don't work?

MR. SEBODA: If it doesn't work, then we have to determine what we need to straighten it out.

MR. GOLDSTEIN: Yes. Some of it never is straightened out.

GOVERNOR HUGHES: What weighting was given to price versus technical ability?

MR. BYRD: There was no rating given to the --

GOVERNOR HUGHES: No, weighting.

MR. BYRD: -- no weighting given to the proposers

as to the weight of technical proposal versus the weight of price proposal. It was left up to the Board to decide. I might add that the Using Agency representative, Mr. Nieberding, convinced the members of the Board that the technical proposal was of such a value that it needed -- that it was of such an importance, that an additional \$43,000 was worth the expenditure. Had the members of the Selection Board given a weighting for a technical score and price proposal, in order for Colimore/Clarke to have been considered the best combination of technical score and price proposal over Bushey, the weighting of technical score would have had to have been over 76 percent, and the weight of price proposal 24 percent. As a matter of fact, I put a little chart here -- if the members of the Board would like to see it -- that just sort of shows what weighting would had to have been in order to have given Bushey the best combination of technical score and price proposal.

MR. SEBODA: Governor, as you're aware, starting the first of the year, based on your instructions to us, is that the weighting will be in the solicitation on

future appointments that you'll be seeing. And so, that these type of appeals will be eliminated in the future.

MR. GOLDSTEIN: It will be upfront.

GOVERNOR HUGHES: Yes. In other words, this isn't on hourly rates, necessarily.

MR. SEBODA: No, it's a fixed fee.

MR. JAMES: I was just thinking: 43,000, that's 1200 hours of architectural time?

MR. SEBODA: What are the hours --

MR. JAMES: Where does that go?

MR. BYRD: It was 5700 of total hours for -- some 5700 total hours for Colimore/Clarke, and some 40 --

MR. JAMES: Yes, but the 43,000 represents 1200 hours, as I recall.

GOVERNOR HUGHES: Not necessarily.

MR. BYRD: Well, I've got the proposals so that I can go right through them.

MR. SEBODA: The Board, under the law, has three things that it can do: It can deny the appeal and approve the recommendation of the GPSSB; it can disapprove the recommendation of the GPSSB -- and effectively what that

means is the process starts over again; or you can remand it back to the GPSSB for further consideration, based on your concerns.

GOVERNOR HUGHES: Do I understand this chart that technical and price were weighted 50/50?

MR. BYRD: Yes, sir.

GOVERNOR HUGHES: That Bushey would come out high?

MR. BYRD: That's correct. And it goes right along, all the way up to 80/20; and at one point, it becomes -- if the technical score was rated so high, then the firm of Jacob Gzesh should have been -- really received the highest score.

To answer your question about the architectural hours: the architectural hours for the Bushey proposal was 1530 hours, and the architectural hours for Colimore/Clarke's proposal was 2722 hours.

MR. JAMES: Yes, 1200.

GOVERNOR HUGHES: There is a big difference.

MR. BYRD: So, there was some 1200 hours' difference in the architectural, and it was those 1200 hours that the Using Agency representative convinced to

the members of the Selection Board that it would have been well worth spending for a project that was considered rather sensitive.

GOVERNOR HUGHES: Do you happen to know how many -- we'll be getting into a lot of detail, here -- but do you happen to know how many hours on architectural work was proposed in the Gzesh -- is that the name? -- the highest -- Gzesh --

MR. BYRD: I didn't bring that with me.

GOVERNOR HUGHES: Do you know whether it was more or less than either one of these?

MR. BYRD: I can assume that it was more.

GOVERNOR HUGHES: I can assume it, too.

MR. BYRD: If I were to make \$241,000, I would assume that a \$241,000 fee probably represented more hours.

GOVERNOR HUGHES: Well, the fact, in and of itself, that one has more hours into architectural services doesn't necessarily mean that's the right proposal.

MR. BYRD: No, it doesn't. It was --

MR. SEBODA: No, all that is --

GOVERNOR HUGHES: When there's a big difference,

it would cause me concern if I was on the rating board, but it doesn't necessarily that it is the right proposal.

MR. BYRD: No, no, no, it doesn't.

MR. GOLDSTEIN: In one case, you may have a topnotch; and in the other case, you may have an apprentice.

MR. SEBODA: Not necessarily that --

GOVERNOR HUGHES: Yes.

MR. SEBODA: -- but you may be in the situation where you have two registered architects and one works faster than the other one.

MR. GOLDSTEIN: Well, sure. Like two lawyers, or two doctors, or two preachers. They all don't preach alike; they all don't practice medicine alike; they all don't talk to a jury alike. The good Lord made us all a little different, and I thank the good Lord he did.

MR. JAMES: On this chart, Colimore doesn't win anything.

MR. GOLDSTEIN: That's exactly right.

MR. JAMES: He doesn't win on any of these tests. The closest is --

MR. BYRD: Well, it gets real close when you

do 76/24, and it goes over --

MR. JAMES: Yes, well --

GOVERNOR HUGHES: You can always find some ratio where you going to get close on anybody.

MR. BYRD: It gets close at 80/20.

MR. JAMES: Well, they're practically tied on the 76/24; that's one-tenth of one percent difference there.

GOVERNOR HUGHES: That reminds of the tables that, you know, the formulas we used to develop. We always did the right-hand column first for the figures the way we wanted them to come out, and then we developed the percentages so that the formula worked that way.

MR. BYRD: That's right; and that's -- there are a number of ways of putting that together; that's not the only way.

GOVERNOR HUGHES: Yes. Sure.

MR. GOLDSTEIN: That's the way it is with these things right here. I've come to that conclusion.

MR. JAMES: I move we send it back for reconsideration.

GOVERNOR HUGHES: Okay.

MR. JAMES: I'm not satisfied with it, myself. I don't think the technical difference justifies the price differential under the circumstances --

MR. SEBODA: I would also suggest to the Board in sending it back for reconsideration, that they also try to take a look at it in light of the way things are going to be done starting the first of the year, as far as the weighting goes, and then have a justification based on that. I would ask that the Board accept that as an amendment to their recommendation.

MR. GOLDSTEIN: That's what I was --

GOVERNOR HUGHES: Well, I think I agree with that.

MR. GOLDSTEIN: -- I was going to ask to have the motion amended that it be considered under the rules of January the 1st because I know something about the Cheltenham area; I've been through it over the years when it was called other names, when it was black and white -- desegregation; and I've been through the whole works down there and walked all over that property, and you can't find a better place to build that type of

institution. And as far as landscaping goes, you can plant willow oaks, long leaf pine, and different growths that grow fast, and these beautiful shade trees, and decorate them at Christmastime like you see this beautiful tree over here in the corner. It will give them something to do, and they can walk in the woods and get some holly and long leaf pine. It would be nice. I second the motion.

GOVERNOR HUGHES: Well, I vote for the motion too, with the guidance that you mentioned earlier. I think that that -- you know, one of the things that -- and I understand that there are some projects where the complexity of it requires you to weight the technical ability much more than you weight price. I understand this project might have some complexities. I mean, you are dealing with a building that's going to house and educate unfortunate children, and there seems to be some specialties involved in that; but I doubt that the technical, as you were weighting, that you would weight technical more than 70 percent. I doubt that very much. I think you would be pushing it pretty hard to weight it 70 percent.

MR. SEBODA: No, I said: generally, when you would look at almost all the way technical is when you're dealing with things like state-of-the-art sewerage treatment plants and those sort of things.

GOVERNOR HUGHES: Yes, right; but my point, though, is even if you weight it 70/30 --

MR. BYRD: 70/30 wasn't enough.

GOVERNOR HUGHES: -- using your own evaluations, or the Board's own evaluations, Bushey is No. 1.

MR. GOLDSTEIN: That's right.

GOVERNOR HUGHES: Even if you weight the technical bid 70 percent, and price only 30 percent --

MR. BYRD: That's correct.

GOVERNOR HUGHES: -- they're still No. 1. So, all in favor of the motion signify by saying "aye."

BOARD MEMBERS: Aye.

GOVERNOR HUGHES: Opposed, "no."

BOARD MEMBERS: (No response.)

GOVERNOR HUGHES: The ayes have it, and the matter is remanded to the Board --

MR. GOLDSTEIN: Governor, I'd like to go with

James; I think this Using Agency has too much authority and too much influence, especially when it spends taxpayers' money.

MR. SEBODA: It stops January 1st.

MR. GOLDSTEIN: Yes, but I can tell you: that Health Department up there, money don't mean a thing to them -- money don't mean a thing to them.

MR. JAMES: You hit the nail right on the head.

MR. GOLDSTEIN: That's right.

GOVERNOR HUGHES: Well, I don't think that's always the case, though. They really don't.

(Whereupon, at 2:50 p.m., the proceedings in the above entitled matter were adjourned.)